

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MARKEY OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

11

**AMENDMENT TO THE RULES COMMITTEE PRINT
OF H.R. 3409
OFFERED BY MR. MARKEY OF MASSACHUSETTS**

At the end of the Rules Committee Print, add the following new title:

1 **TITLE VI—COMBINED EFFI-**
2 **CIENCY AND RENEWABLE**
3 **ELECTRICITY STANDARD**

4 **SEC. 601. COMBINED EFFICIENCY AND RENEWABLE ELEC-**
5 **TRICITY STANDARD.**

6 (a) DEFINITIONS.—For purposes of this section:

7 (1) DISTRIBUTED RENEWABLE GENERATION
8 FACILITY.—The term “distributed renewable genera-
9 tion facility” means a facility that—

10 (A) generates renewable electricity;

11 (B) primarily serves 1 or more electricity
12 consumers at or near the facility site; and

13 (C) is no greater than 2 megawatts in ca-
14 pacity.

15 (2) ELECTRIC CONSUMER.—The term “electric
16 consumer” has the meaning given that term in sec-
17 tion 3 of the Public Utility Regulatory Policies Act
18 of 1978 (16 U.S.C. 2602).

1 (3) **ELECTRIC UTILITY.**—The term “electric
2 utility” has the meaning given that term in section
3 3 of the Public Utility Regulatory Policies Act of
4 1978 (16 U.S.C. 2602), except that, for the pur-
5 poses of this section, such term does not include any
6 agency, authority, or instrumentality of the United
7 States Government.

8 (4) **ELECTRICITY SAVINGS.**—The term “elec-
9 tricity savings” means reductions in electricity con-
10 sumption, relative to business-as-usual projections,
11 achieved through measures implemented after the
12 date of enactment of this section.

13 (5) **FEDERAL RENEWABLE ELECTRICITY CRED-**
14 **IT.**—The term “Federal renewable electricity credit”
15 means a credit, representing one megawatt hour of
16 renewable electricity, issued pursuant to subsection
17 (e).

18 (6) **RENEWABLE ELECTRICITY.**—The term “re-
19 newable electricity” means electricity generated (in-
20 cluding by means of a fuel cell) from a renewable en-
21 ergy resource.

22 (7) **RENEWABLE ENERGY RESOURCE.**—The
23 term “renewable energy resource” means each of the
24 following:

25 (A) Wind energy.

1 (B) Solar energy.

2 (C) Geothermal energy.

3 (D) Renewable biomass.

4 (E) Biogas or biofuels derived from renew-
5 able biomass.

6 (F) Hydropower generated by a hydro-
7 electric facility placed in service after January
8 1, 2001.

9 (G) Marine and hydrokinetic renewable en-
10 ergy, as that term is defined in section 632 of
11 the Energy Independence and Security Act of
12 2007 (42 U.S.C. 17211).

13 (H) Such other energy resources as the
14 Secretary determines appropriate.

15 (8) RETAIL ELECTRIC SUPPLIER.—The term
16 “retail electric supplier” means, for any given year,
17 an electric utility that sold not less than 1,000,000
18 megawatt hours of electric energy to electric con-
19 sumers for purposes other than resale during the
20 preceding calendar year.

21 (9) RETAIL ELECTRIC SUPPLIER’S BASE
22 AMOUNT.—The term “retail electric supplier’s base
23 amount” means the total amount of electric energy
24 sold by the retail electric supplier, expressed in
25 megawatt hours, to electric customers for purposes

1 other than resale during the relevant calendar year,
2 excluding—

3 (A) electricity generated by a hydroelectric
4 facility that was placed in service prior to Janu-
5 ary 1, 2001;

6 (B) electricity generated by the combustion
7 of municipal solid waste;

8 (C) electricity generated by a nuclear gen-
9 erating unit placed in service after the date of
10 enactment of this section; and

11 (D) the proportion of electricity generated
12 by a fossil-fueled generating unit that is equal
13 to the proportion of greenhouse gases produced
14 by such unit that are captured and geologically
15 sequestered.

16 (10) SECRETARY.—The term “Secretary”
17 means the Secretary of Energy.

18 (11) TOTAL ANNUAL ELECTRICITY SAVINGS.—
19 The term “total annual electricity savings” means
20 electricity savings during a specified calendar year
21 from measures implemented since the date of the en-
22 actment of this section, taking into account verified
23 measure lifetimes or verified annual savings attrition
24 rates, as determined in accordance with such regula-

1 tions as the Secretary may promulgate and meas-
2 ured in megawatt hours.

3 (b) ANNUAL COMPLIANCE OBLIGATION.—

4 (1) IN GENERAL.—For each of calendar years
5 2014 through 2040, not later than March 31 of the
6 following calendar year, each retail electric supplier
7 shall submit to the Secretary an amount of Federal
8 renewable electricity credits and demonstrated total
9 annual electricity savings that, in the aggregate, is
10 equal to such retail electric supplier's annual com-
11 bined target as set forth in subsection (d), except as
12 otherwise provided in subsection (g).

13 (2) DEMONSTRATION OF SAVINGS.—For pur-
14 poses of this subsection, submission of demonstrated
15 total annual electricity savings means submission of
16 a report that demonstrates, in accordance with the
17 requirements of subsection (f), the total annual elec-
18 tricity savings achieved by the retail electric supplier
19 within the relevant compliance year.

20 (3) RENEWABLE ELECTRICITY CREDITS POR-
21 TION.—Except as provided in paragraph (4), each
22 retail electric supplier must submit Federal renew-
23 able electricity credits equal to at least three quar-
24 ters of the retail electric supplier's annual combined
25 target.

1 (4) STATE PETITION.—Upon written request
2 from the Governor of any State (including, for pur-
3 poses of this paragraph, the Mayor of the District
4 of Columbia), the Secretary shall increase, to not
5 more than half, the proportion of the annual com-
6 bined targets of retail electric suppliers located with-
7 in such State that may be met through submission
8 of demonstrated total annual electricity savings, pro-
9 vided that such increase shall be effective only with
10 regard to the portion of a retail electric supplier's
11 annual combined target that is attributable to elec-
12 tricity sales within such State.

13 (c) ESTABLISHMENT OF PROGRAM.—Not later than
14 1 year after the date of enactment of this section, the Sec-
15 retary shall promulgate regulations to implement and en-
16 force the requirements of this section.

17 (d) ANNUAL COMPLIANCE REQUIREMENT.—

18 (1) ANNUAL COMBINED TARGETS.—For each of
19 calendar years 2014 through 2040, a retail electric
20 supplier's annual combined target shall be the prod-
21 uct of—

22 (A) the required annual percentage for
23 such year, as set forth in paragraph (2); and

24 (B) the retail electric supplier's base
25 amount for such year.

1 (2) REQUIRED ANNUAL PERCENTAGE.—

2 (A) IN GENERAL.—For each of calendar
 3 years 2014 through 2040, the required annual
 4 percentage shall be as follows:

Year	Required annual percentage
2014	8
2015	10
2016	12
2017	14
2018	16
2019	18
2020	20
2021	22
2022	24
2023	26
2024	28
2025	30
2026	32
2027	34
2028	36
2029	38
2030	40
2031	42
2032	44
2033	46
2034	48
2035 through 2040	50

5 (B) ADJUSTMENTS PERMITTED.—The Sec-
 6 retary may adjust the required annual percent-
 7 ages described in subparagraph (A) if the Sec-
 8 retary finds that such percentages are not tech-
 9 nically or economically feasible or pose a threat
 10 to electric reliability.

11 (e) FEDERAL RENEWABLE ELECTRICITY CREDITS.—

12 (1) IN GENERAL.—The regulations promulgated
 13 under this section shall include provisions governing

1 the issuance, tracking, and verification of Federal
2 renewable electricity credits. Except as provided in
3 paragraph (2) of this subsection, the Secretary shall
4 issue to each generator of renewable electricity, 1
5 Federal renewable electricity credit for each mega-
6 watt hour of renewable electricity generated by such
7 generator after December 31, 2013. The Secretary
8 shall assign a unique serial number to each Federal
9 renewable electricity credit.

10 (2) CREDIT MULTIPLIER FOR DISTRIBUTED RE-
11 NEWABLE GENERATION.—The Secretary shall issue
12 3 Federal renewable electricity credits for each
13 megawatt hour of renewable electricity generated by
14 a distributed renewable generation facility.

15 (3) TRADING.—The lawful holder of a Federal
16 renewable electricity credit may sell, exchange,
17 transfer, submit for compliance in accordance with
18 subsection (b).

19 (4) BANKING.—A Federal renewable electricity
20 credit may be submitted in satisfaction of the com-
21 pliance obligation set forth in subsection (b) for the
22 compliance year in which the credit was issued or for
23 any of the 3 immediately subsequent compliance
24 years.

25 (f) ELECTRICITY SAVINGS.—

1 (1) STANDARDS FOR MEASUREMENT OF SAV-
2 INGS.—As part of the regulations promulgated
3 under this section, the Secretary shall prescribe
4 standards and protocols for defining and measuring
5 electricity savings and total annual electricity sav-
6 ings that can be counted towards the compliance ob-
7 ligation set forth in subsection (b).

8 (2) REPORTING SAVINGS.—The regulations pro-
9 mulgated under this section shall establish require-
10 ments governing the submission of reports to dem-
11 onstrate, in accordance with the protocols and stand-
12 ards for measurement and verification established
13 under this subsection, the total annual electricity
14 savings achieved by a retail electric supplier within
15 the relevant year.

16 (g) ALTERNATIVE COMPLIANCE PAYMENTS.—

17 (1) IN GENERAL.—A retail electric supplier
18 may satisfy the requirements of subsection (b) in
19 whole or in part by submitting in accordance with
20 this subsection, in lieu of each Federal renewable
21 electricity credit or megawatt hour of demonstrated
22 total annual electricity savings that would otherwise
23 be due, a payment equal to \$25, adjusted for infla-
24 tion on January 1 of each year following calendar

1 year 2014, in accordance with such regulations as
2 the Secretary may promulgate.

3 (2) PAYMENTS.—Payments made under this
4 subsection shall be deposited into the general fund
5 of the Treasury and shall be available, subject to ap-
6 propriations, to the Secretary for the administrative
7 costs of implementing this section.

