

114TH CONGRESS  
1ST SESSION

# S. 888

To promote Federal-State partnerships for developing regional energy strategies and plans to mitigate risks in changing energy systems, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 26, 2015

Mr. SCHATZ (for himself and Mr. HEINRICH) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To promote Federal-State partnerships for developing regional energy strategies and plans to mitigate risks in changing energy systems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Promoting Regional  
5 Energy Partnerships for Advancing Resilient Energy Sys-  
6 tems Act” or the “PREPARE Act”.

7 **SEC. 2. FINDINGS.**

8 Congress finds that—

1           (1) energy systems in the United States are in  
2 a period of significant change;

3           (2) aging infrastructure, new technologies, in-  
4 creasing complexity, and growing threats are posing  
5 new challenges to energy systems and their resil-  
6 ience;

7           (3) the interconnected nature of energy systems  
8 means regional energy strategies and plans will be  
9 more effective at preparing for challenges and miti-  
10 gating risks;

11           (4) States have distinct needs and unique en-  
12 ergy, environmental, and economic goals and will  
13 play a critical role in developing and implementing  
14 regional energy strategies and plans;

15           (5) the views and participation of a broad range  
16 of stakeholders in the development and implementa-  
17 tion of regional energy strategies and plans is need-  
18 ed for success; and

19           (6) the Federal Government, in the role of a  
20 long-term strategic energy partner, can effectively—

21                   (A) establish strategic alliances with  
22 States;

23                   (B) convene stakeholders;

24                   (C) facilitate the process of developing re-  
25 gional energy strategies and plans; and

1 (D) provide technical assistance and sup-  
2 port in implementation.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

5 (1) COOPERATIVE AGREEMENT.—The term “co-  
6 operative agreement” has the meaning given the  
7 term in sections 6302 and 6305 of title 31, United  
8 States Code.

9 (2) SECRETARIES.—The term “Secretaries”  
10 means—

11 (A) the Secretary of Energy, acting  
12 through the Assistant Secretary of the Office of  
13 Electricity Delivery and Energy Reliability in  
14 consultation with the Assistant Secretary of  
15 Energy Efficiency and Renewable Energy, the  
16 Assistant Secretary of Fossil Energy, and the  
17 Director of the Office of Nuclear Energy,  
18 Science, and Technology Programs; and

19 (B) the Secretary of the Interior, acting  
20 through the Assistant Secretary for Land and  
21 Minerals Management in consultation with the  
22 Director of the Bureau of Land Management,  
23 the Director of the Bureau of Ocean Energy  
24 Management, the Assistant Secretary for In-

1           dian Affairs, and the Assistant Secretary for  
2           Fish and Wildlife and Parks.

3           (3) STATE.—The term “State” means—

4                   (A) a State;

5                   (B) the District of Columbia;

6                   (C) the Commonwealth of Puerto Rico;

7                   and

8                   (D) any other territory or possession of the

9           United States.

10 **SEC. 4. REGIONAL ENERGY PARTNERSHIPS.**

11           (a) IN GENERAL.—The Secretaries shall provide as-  
12 sistance in accordance with this section for the purpose  
13 of developing energy strategies and plans that help har-  
14 monize and promote national, regional, and State energy  
15 goals, including goals for advancing resilient energy sys-  
16 tems to mitigate risks and prepare for emerging energy  
17 challenges.

18           (b) TECHNICAL ASSISTANCE.—The Secretaries may  
19 provide such technical assistance to States, political sub-  
20 divisions of States, substate regional organizations (in-  
21 cluding organizations that cross State boundaries),  
22 multistate regional organizations, Indian tribes, and non-  
23 profit organizations as the Secretaries determine appro-  
24 priate to promote—

1           (1) the development and improvement of re-  
2           gional energy strategies, where appropriate, and  
3           plans that sustain and promote energy system mod-  
4           ernization across the United States;

5           (2) investment in energy infrastructure, techno-  
6           logical capacity, innovation, and workforce develop-  
7           ment to keep pace with the changing energy eco-  
8           system;

9           (3) structural transformation of the financial,  
10          regulatory, legal, and institutional systems that gov-  
11          ern energy planning, production, and delivery within  
12          States and regions; and

13          (4) public-private partnerships for the imple-  
14          mentation of regional energy strategies and plans.

15          (c) COOPERATIVE AGREEMENTS.—

16           (1) IN GENERAL.—The Secretaries may enter  
17           into cooperative agreements with one or more States  
18           and Indian tribes, on a regional basis, to develop  
19           and implement strategies and plans to address the  
20           energy challenges of States, Indian tribes, and re-  
21           gions.

22           (2) REQUIREMENTS.—A cooperative agreement  
23           entered into under this subsection shall include pro-  
24           visions covering or providing—

1 (A) the purpose and goals of the coopera-  
2 tive agreement, such as advancing energy effi-  
3 ciency, clean energy, fuel and supply diversity,  
4 energy system resiliency, economic development,  
5 or other goals to make measurable, significant  
6 progress toward specified metrics and objectives  
7 that are agreed to by the States or Indian  
8 tribes and the Secretaries;

9 (B) the roles and responsibilities of the  
10 States or Indian tribes and the Secretaries for  
11 various functions of the cooperative agreement,  
12 including outreach, communication, resources,  
13 and capabilities;

14 (C) a comprehensive framework for the de-  
15 velopment of energy strategies and plans for  
16 States, Indian tribes, or regions;

17 (D) timeframes with associated metrics  
18 and objectives;

19 (E) a governance structure to resolve con-  
20 flicts and facilitate decisionmaking consistent  
21 with underlying authorities; and

22 (F) other provisions determined necessary  
23 by the Secretaries, in consultation with the  
24 States or Indian tribes, to achieve the purposes  
25 described in paragraph (1).

1 (d) STAFF.—

2 (1) IN GENERAL.—Not later than 30 days after  
3 the date of the entering into a cooperative agree-  
4 ment under subsection (c), the Secretaries shall, as  
5 appropriate, assign or employ individuals who have  
6 expertise in the technical and regulatory issues relat-  
7 ing to the cooperative agreement, including par-  
8 ticular expertise in (as applicable)—

9 (A) energy systems integration;

10 (B) renewable energy and energy effi-  
11 ciency;

12 (C) innovative financing mechanisms;

13 (D) utility regulatory policy;

14 (E) modeling and analysis;

15 (F) facilitation and arbitration;

16 (G) energy assurance and emergency pre-  
17 paredness; and

18 (H) cyber and physical security of energy  
19 systems.

20 (2) DUTIES.—Each individual assigned to carry  
21 out a cooperative agreement under paragraph (1)  
22 shall—

23 (A) report to a location in the applicable  
24 State, Indian tribe, or region not later than 90  
25 days after the date of assignment;

1           (B) be responsible for issues and technical  
2 assistance relating to the cooperative agree-  
3 ment;

4           (C) participate as part of the team of per-  
5 sonnel working on developing and implementing  
6 the applicable regional energy strategy and  
7 plan; and

8           (D) build capacity within the State, Indian  
9 tribe, or region to continue to implement the  
10 goals of this Act after the expiration of the co-  
11 operative agreement.

12       (e) COMPREHENSIVE FRAMEWORK.—Under a coop-  
13 erative agreement, a comprehensive framework shall be  
14 developed that identifies opportunities and actions across  
15 various energy sectors and cross-cutting issue areas, in-  
16 cluding—

17           (1) end-use efficiency;

18           (2) energy supply, including electric generation  
19 and fuels;

20           (3) energy storage and delivery;

21           (4) transportation;

22           (5) technical integration, including standards  
23 and interdependencies;

24           (6) institutional structures;

25           (7) regulatory policies;



1 (8) financial incentives; and

2 (9) market mechanisms.

3 (f) AWARDS.—

4 (1) DEFINITIONS.—In this subsection:

5 (A) APPLICATION GROUP.—The term “ap-  
6 plication group” means a group of States or In-  
7 dian tribes that have—

8 (i) entered into a cooperative agree-  
9 ment, on a regional basis, with the Secre-  
10 taries under subsection (c); and

11 (ii) submitted an application for an  
12 award under paragraph (2)(A).

13 (B) PARTNER STATE.—The term “partner  
14 State” means a State or Indian tribe that is  
15 part of an application group.

16 (2) APPLICATIONS.—

17 (A) IN GENERAL.—Subject to subpara-  
18 graph (B), an application group may apply to  
19 the Secretaries for awards under this sub-  
20 section.

21 (B) INDIVIDUAL STATES.—An individual  
22 State or Indian tribe that has entered into a co-  
23 operative agreement with the Secretaries under  
24 subsection (c) may apply to the Secretaries for  
25 an award under this subsection if the State or

1 Indian tribe demonstrates to the Secretaries the  
2 uniqueness of the energy challenges facing the  
3 State or Indian tribe.

4 (3) BASE AMOUNT.—Subject to paragraph (4),  
5 the Secretaries shall provide 6 awards under this  
6 subsection, with a base amount of \$20,000,000 for  
7 each award.

8 (4) BONUS AMOUNT FOR APPLICATION  
9 GROUPS.—

10 (A) IN GENERAL.—Subject to subpara-  
11 graph (B), the Secretaries shall increase the  
12 amount of an award provided under this sub-  
13 section to an application group for a successful  
14 application under paragraph (2)(A) by the  
15 quotient obtained by dividing—

16 (i) the product obtained by multi-  
17 plying—

18 (I) the number of partner States  
19 in the application group; and

20 (II) \$100,000,000; by

21 (ii) the total number of partner States  
22 of all successful applications under this  
23 subsection.

24 (B) MAXIMUM AMOUNT.—The amount of a  
25 bonus determined under subparagraph (A) shall

1 not exceed an amount that represents  
2 \$5,000,000 for each partner State that is a  
3 member of the relevant application group.

4 (5) LIMITATION.—A State or Indian tribe shall  
5 not be part of more than 1 award under this sub-  
6 section.

7 (6) SELECTION CRITERIA.—In selecting appli-  
8 cations for awards under this subsection, the Secre-  
9 taries shall consider—

10 (A) existing commitments from States or  
11 Indian tribes, such as memoranda of under-  
12 standing;

13 (B) for States that are part of the contig-  
14 uous 48 States, the number of contiguous  
15 States involved that cover a region;

16 (C) the diversity of the regions represented  
17 by all applications;

18 (D) the amount of cost-share or in-kind  
19 contributions from States or Indian tribes;

20 (E) the scope and focus of regional and  
21 State programs and strategies, with an empha-  
22 sis on energy system resiliency and grid mod-  
23 ernization, efficiency, and clean energy;

24 (F) a management and oversight plan to  
25 ensure that objectives are met;

1 (G) an outreach plan for the inclusion of  
2 stakeholders in the process for developing and  
3 implementing State or regional energy strate-  
4 gies and plans;

5 (H) the inclusion of tribal entities;

6 (I) plans to fund and sustain activities  
7 identified in regional energy strategies and  
8 plans; and

9 (J) the clarity of roles and responsibilities  
10 of each State and the Secretaries.

11 (7) USE OF AWARDS.—

12 (A) IN GENERAL.—Awards provided under  
13 this subsection shall be used to achieve the pur-  
14 pose of this section, including by—

15 (i) conducting technical analyses, re-  
16 source studies, and energy system base-  
17 lines;

18 (ii) convening and providing education  
19 to stakeholders on emerging energy issues;

20 (iii) building decision support and  
21 planning tools; and

22 (iv) improving communication between  
23 and participation of stakeholders.

24 (B) LIMITATION.—Awards provided under  
25 this subsection shall not be used for—

- 1 (i) capitalization of green banks or  
2 loan guarantees; or  
3 (ii) building facilities or funding cap-  
4 ital projects.

5 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

6 (a) IN GENERAL.—There is authorized to be appro-  
7 priated to carry out this Act \$250,000,000, to remain  
8 available until expended.

9 (b) ALLOCATION.—Of the amount authorized to be  
10 appropriated under subsection (a)—

11 (1) \$120,000,000 shall be used for the base  
12 amount of awards under section 4(f)(3);

13 (2) \$100,000,000 shall be used for the bonus  
14 amount of awards under section 4(f)(4); and

15 (3) \$30,000,000 shall be for the administration  
16 of this Act, including—

17 (A) the assignment of staff under section  
18 4(d); and

19 (B) if the Secretaries determine appro-  
20 priate, the sharing of best practices from re-  
21 gional partnerships by parties to cooperative  
22 agreements entered into under this Act.

23 (c) STATE ENERGY OFFICES.—Funds provided to a  
24 State under this Act shall be provided to the office within  
25 the State that is responsible for developing the State en-

1 ergy plan for the State under part D of title III of the  
2 Energy Policy and Conservation Act (42 U.S.C. 6321 et  
3 seq.).

4 (d) MAINTENANCE OF FUNDING.—The funding pro-  
5 vided to States under this Act shall supplement (and not  
6 supplant) funding provided under part D of title III of  
7 the Energy Policy and Conservation Act (42 U.S.C. 6321  
8 et seq.).

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