

112TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Public Utility Regulatory Policies Act of 1978 to expand  
the electric rate-setting authority of States.

\_\_\_\_\_  
IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_ introduced the following bill; which was read twice  
and referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Public Utility Regulatory Policies Act of 1978  
to expand the electric rate-setting authority of States.

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 “PURPA’s Legislative  
5 Upgrade to State Authority Act” or “PURPA PLUS  
6 Act”.

7 **SEC. 2. FINDINGS.**

8 Congress finds that—

9 (1) section 210 of the Public Utilities Regu-  
10 latory Policy Act of 1978 (16 U.S.C. 824a-3)—

1 (A) established a new class of nonutility  
2 generators known as “qualifying cogeneration  
3 facilities” and “qualifying small power produc-  
4 tion facilities”; and

5 (B) provided financial incentives to encour-  
6 age development of cogeneration and small  
7 power production;

8 (2) since the date of enactment of that section,  
9 materials and designs for qualifying facility tech-  
10 nologies have advanced and placed renewable re-  
11 sources and cogeneration facilities within the reach  
12 of more consumers, including technologies such as—

13 (A) solar photovoltaic panels;

14 (B) small wind turbines;

15 (C) storage technologies to support renew-  
16 able energy;

17 (D) small hydroelectric generators on exist-  
18 ing dams, diversions, and conduits;

19 (E) hydrokinetic generators;

20 (F) gas microturbines;

21 (G) steam-cycle turbines;

22 (H) Stirling engines;

23 (I) fuel cells; and

24 (J) biomass boilers;

1           (3) States need additional regulatory flexibility  
2           and authority to be able to incentivize the qualifying  
3           facilities; and

4           (4) the avoided cost caps on qualifying facilities  
5           should be removed so that States can set the rates  
6           for qualifying facilities of not more than 2  
7           megawatts capacity.

8 **SEC. 3. STATE AUTHORITY TO INCENTIVIZE QUALIFYING**  
9 **FACILITIES.**

10          Section 210(b) of the Public Utility Regulatory Poli-  
11          cies Act of 1978 (16 U.S.C. 824a-3(b)) is amended in  
12          the last sentence by inserting before the period at the end  
13          the following: “, except that the rule shall provide that  
14          a State regulatory authority or nonregulated electric util-  
15          ity may set rates that exceed the incremental cost of alter-  
16          native electric energy for any qualifying cogeneration facil-  
17          ity or qualifying small power production facility of not  
18          more than 2 megawatts capacity”.