

## **SEC. 1221. SITING OF INTERSTATE ELECTRIC TRANSMISSION FACILITIES.**

(a) In General- Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

## **SEC. 216. SITING OF INTERSTATE ELECTRIC TRANSMISSION FACILITIES.**

(a) Designation of National Interest Electric Transmission Corridors- (1) Not later than 1 year after the date of enactment of this section and every 3 years thereafter, the Secretary of Energy (referred to in this section as the 'Secretary'), in consultation with affected States, shall conduct a study of electric transmission congestion.

(2) After considering alternatives and recommendations from interested parties (including an opportunity for comment from affected States), the Secretary shall issue a report, based on the study, which may designate any geographic area experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers as a national interest electric transmission corridor.

(3) The Secretary shall conduct the study and issue the report in consultation with any appropriate regional entity referred to in section 215.

(4) In determining whether to designate a national interest electric transmission corridor under paragraph (2), the Secretary may consider whether--

(A) the economic vitality and development of the corridor, or the end markets served by the corridor, may be constrained by lack of adequate or reasonably priced electricity;

(B)(i) economic growth in the corridor, or the end markets served by the corridor, may be jeopardized by reliance on limited sources of energy; and

(ii) a diversification of supply is warranted;

(C) the energy independence of the United States would be served by the designation;

(D) the designation would be in the interest of national energy policy; and

(E) the designation would enhance national defense and homeland security.

(b) Construction Permit- Except as provided in subsection (i), the Commission may, after notice and an opportunity for hearing, issue one or more permits for the construction or modification of electric transmission facilities in a national interest electric transmission corridor designated by the Secretary under subsection (a) if the Commission finds that--

(1)(A) a State in which the transmission facilities are to be constructed or modified does not have authority to--

(i) approve the siting of the facilities; or

(ii) consider the interstate benefits expected to be achieved by the proposed construction or modification of transmission facilities in the State;

(B) the applicant for a permit is a transmitting utility under this Act but does not qualify to apply for a permit or siting approval for the proposed project in a State because the applicant does not serve end-use customers in the State; or

`(C) a State commission or other entity that has authority to approve the siting of the facilities has--

`(i) withheld approval for more than 1 year after the filing of an application seeking approval pursuant to applicable law or 1 year after the designation of the relevant national interest electric transmission corridor, whichever is later; or

`(ii) conditioned its approval in such a manner that the proposed construction or modification will not significantly reduce transmission congestion in interstate commerce or is not economically feasible;

`(2) the facilities to be authorized by the permit will be used for the transmission of electric energy in interstate commerce;

`(3) the proposed construction or modification is consistent with the public interest;

`(4) the proposed construction or modification will significantly reduce transmission congestion in interstate commerce and protects or benefits consumers;

`(5) the proposed construction or modification is consistent with sound national energy policy and will enhance energy independence; and

`(6) the proposed modification will maximize, to the extent reasonable and economical, the transmission capabilities of existing towers or structures.

`(c) Permit Applications- (1) Permit applications under subsection (b) shall be made in writing to the Commission.

`(2) The Commission shall issue rules specifying--

`(A) the form of the application;

`(B) the information to be contained in the application; and

`(C) the manner of service of notice of the permit application on interested persons.

`(d) Comments- In any proceeding before the Commission under subsection (b), the Commission shall afford each State in which a transmission facility covered by the permit is or will be located, each affected Federal agency and Indian tribe, private property owners, and other interested persons, a reasonable opportunity to present their views and recommendations with respect to the need for and impact of a facility covered by the permit.

`(e) Rights-of-Way- (1) In the case of a permit under subsection (b) for electric transmission facilities to be located on property other than property owned by the United States or a State, if the permit holder cannot acquire by contract, or is unable to agree with the owner of the property to the compensation to be paid for, the necessary right-of-way to construct or modify the transmission facilities, the permit holder may acquire the right-of-way by the exercise of the right of eminent domain in the district court of the United States for the district in which the property concerned is located, or in the appropriate court of the State in which the property is located.

`(2) Any right-of-way acquired under paragraph (1) shall be used exclusively for the construction or modification of electric transmission facilities within a reasonable period of time after the acquisition.

`(3) The practice and procedure in any action or proceeding under this subsection in the district court of the United States shall conform as nearly as practicable to the practice

and procedure in a similar action or proceeding in the courts of the State in which the property is located.

`(4) Nothing in this subsection shall be construed to authorize the use of eminent domain to acquire a right-of-way for any purpose other than the construction, modification, operation, or maintenance of electric transmission facilities and related facilities. The right-of-way cannot be used for any other purpose, and the right-of-way shall terminate upon the termination of the use for which the right-of-way was acquired.

`(f) Compensation- (1) Any right-of-way acquired pursuant to subsection (e) shall be considered a taking of private property for which just compensation is due.

`(2) Just compensation shall be an amount equal to the fair market value (including applicable severance damages) of the property taken on the date of the exercise of eminent domain authority.

`(g) State Law- Nothing in this section precludes any person from constructing or modifying any transmission facility in accordance with State law.

`(h) Coordination of Federal Authorizations for Transmission Facilities- (1) In this subsection:

`(A) The term `Federal authorization' means any authorization required under Federal law in order to site a transmission facility.

`(B) The term `Federal authorization' includes such permits, special use authorizations, certifications, opinions, or other approvals as may be required under Federal law in order to site a transmission facility.

`(2) The Department of Energy shall act as the lead agency for purposes of coordinating all applicable Federal authorizations and related environmental reviews of the facility.

`(3) To the maximum extent practicable under applicable Federal law, the Secretary shall coordinate the Federal authorization and review process under this subsection with any Indian tribes, multistate entities, and State agencies that are responsible for conducting any separate permitting and environmental reviews of the facility, to ensure timely and efficient review and permit decisions.

`(4)(A) As head of the lead agency, the Secretary, in consultation with agencies responsible for Federal authorizations and, as appropriate, with Indian tribes, multistate entities, and State agencies that are willing to coordinate their own separate permitting and environmental reviews with the Federal authorization and environmental reviews, shall establish prompt and binding intermediate milestones and ultimate deadlines for the review of, and Federal authorization decisions relating to, the proposed facility.

`(B) The Secretary shall ensure that, once an application has been submitted with such data as the Secretary considers necessary, all permit decisions and related environmental reviews under all applicable Federal laws shall be completed--

`(i) within 1 year; or

`(ii) if a requirement of another provision of Federal law does not permit compliance with clause (i), as soon thereafter as is practicable.

`(C) The Secretary shall provide an expeditious pre-application mechanism for prospective applicants to confer with the agencies involved to have each such agency determine and communicate to the prospective applicant not later than 60 days after the prospective applicant submits a request for such information concerning--

`(i) the likelihood of approval for a potential facility; and

`(ii) key issues of concern to the agencies and public.

`(5)(A) As lead agency head, the Secretary, in consultation with the affected agencies, shall prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law.

`(B) The Secretary and the heads of other agencies shall streamline the review and permitting of transmission within corridors designated under section 503 of the Federal Land Policy and Management Act (43 U.S.C. 1763) by fully taking into account prior analyses and decisions relating to the corridors.

`(C) The document shall include consideration by the relevant agencies of any applicable criteria or other matters as required under applicable law.

`(6)(A) If any agency has denied a Federal authorization required for a transmission facility, or has failed to act by the deadline established by the Secretary pursuant to this section for deciding whether to issue the authorization, the applicant or any State in which the facility would be located may file an appeal with the President, who shall, in consultation with the affected agency, review the denial or failure to take action on the pending application.

`(B) Based on the overall record and in consultation with the affected agency, the President may--

    `(i) issue the necessary authorization with any appropriate conditions; or

    `(ii) deny the application.

`(C) The President shall issue a decision not later than 90 days after the date of the filing of the appeal.

`(D) In making a decision under this paragraph, the President shall comply with applicable requirements of Federal law, including any requirements of--

    `(i) the National Forest Management Act of 1976 (16 U.S.C. 472a et seq.);

    `(ii) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

    `(iii) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

    `(iv) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

    `(v) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

`(7)(A) Not later than 18 months after the date of enactment of this section, the Secretary shall issue any regulations necessary to implement this subsection.

`(B)(i) Not later than 1 year after the date of enactment of this section, the Secretary and the heads of all Federal agencies with authority to issue Federal authorizations shall enter into a memorandum of understanding to ensure the timely and coordinated review and permitting of electricity transmission facilities.

    `(ii) Interested Indian tribes, multistate entities, and State agencies may enter the memorandum of understanding.

`(C) The head of each Federal agency with authority to issue a Federal authorization shall designate a senior official responsible for, and dedicate sufficient other staff and resources to ensure, full implementation of the regulations and memorandum required under this paragraph.

`(8)(A) Each Federal land use authorization for an electricity transmission facility shall be issued--

    `(i) for a duration, as determined by the Secretary, commensurate with the anticipated use of the facility; and

- (ii) with appropriate authority to manage the right-of-way for reliability and environmental protection.
- (B) On the expiration of the authorization (including an authorization issued before the date of enactment of this section), the authorization shall be reviewed for renewal taking fully into account reliance on such electricity infrastructure, recognizing the importance of the authorization for public health, safety, and economic welfare and as a legitimate use of Federal land.
- (9) In exercising the responsibilities under this section, the Secretary shall consult regularly with--
  - (A) the Federal Energy Regulatory Commission;
  - (B) electric reliability organizations (including related regional entities) approved by the Commission; and
  - (C) Transmission Organizations approved by the Commission.
- (i) Interstate Compacts- (1) The consent of Congress is given for three or more contiguous States to enter into an interstate compact, subject to approval by Congress, establishing regional transmission siting agencies to--
  - (A) facilitate siting of future electric energy transmission facilities within those States; and
  - (B) carry out the electric energy transmission siting responsibilities of those States.
- (2) The Secretary may provide technical assistance to regional transmission siting agencies established under this subsection.
- (3) The regional transmission siting agencies shall have the authority to review, certify, and permit siting of transmission facilities, including facilities in national interest electric transmission corridors (other than facilities on property owned by the United States).
- (4) The Commission shall have no authority to issue a permit for the construction or modification of an electric transmission facility within a State that is a party to a compact, unless the members of the compact are in disagreement and the Secretary makes, after notice and an opportunity for a hearing, the finding described in subsection (b)(1)(C).
- (j) Relationship to Other Laws- (1) Except as specifically provided, nothing in this section affects any requirement of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).
- (2) Subsection (h)(6) shall not apply to any unit of the National Park System, the National Wildlife Refuge System, the National Wild and Scenic Rivers System, the National Trails System, the National Wilderness Preservation System, or a National Monument.
- (k) ERCOT- This section shall not apply within the area referred to in section 212(k)(2)(A).
- (b) Reports to Congress on Corridors and Rights-of-Way on Federal Lands- Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior, the Secretary, the Secretary of Agriculture, and the Chairman of the Council on Environmental Quality shall submit to Congress a joint report identifying--
  - (1)(A) all existing designated transmission and distribution corridors on Federal land and the status of work related to proposed transmission and distribution corridor designations under title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.);

- (B) the schedule for completing the work;
- (C) any impediments to completing the work; and
- (D) steps that Congress could take to expedite the process;
- (2)(A) the number of pending applications to locate transmission facilities on Federal land;
- (B) key information relating to each such facility;
- (C) how long each application has been pending;
- (D) the schedule for issuing a timely decision as to each facility; and
- (E) progress in incorporating existing and new such rights-of-way into relevant land use and resource management plans or the equivalent of those plans; and
- (3)(A) the number of existing transmission and distribution rights-of-way on Federal land that will come up for renewal within the following 5-, 10-, and 15-year periods; and
- (B) a description of how the Secretaries plan to manage the renewals.