116TH CONGRESS
1ST SESSION

S.

To require the Secretary of Energy to establish a natural gas demand response pilot program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. WHITEHOUSE (for himself and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To require the Secretary of Energy to establish a natural gas demand response pilot program, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Energy Infrastructure Demand Response Act of 2019”.

SEC. 2. NATURAL GAS DEMAND RESPONSE PILOT PRO-
GRAM.

(a) DEFINITIONS.—In this section:

(1) COMMISSION.—The term “Commission” means the Federal Energy Regulatory Commission.
(2) PILOT PROGRAM.—The term “pilot program” means the natural gas demand response pilot program established under subsection (b)(1).

(3) SECRETARY.—The term “Secretary” means the Secretary of Energy.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than 150 days after the date of enactment of this Act, the Secretary, in consultation with the Commission, shall establish a natural gas demand response pilot program to use the latest demand response technology from the energy sector for natural gas—

(A) to reduce the cost of energy for consumers;

(B) to reduce market price volatility;

(C) to increase reliability of the energy system; and

(D) to achieve reductions in air emissions and other benefits.

(2) ELIGIBLE ENTITIES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible to participate in the pilot program, an entity shall be—

(i) a gas utility, including a local distribution company;
(ii) a State public utilities commission;

(iii) an electric utility, including a local distribution company;

(iv) a municipality;

(v) a large industrial consumer, large commercial consumer, or retail marketer of natural gas; or

(vi) a third-party energy efficiency program administrator.

(B) LIMITATIONS.—An entity described in any of clauses (ii) through (v) of subparagraph (A) shall not be eligible to participate in the pilot program if the State law to which the entity is subject specifically precludes the participation of the entity in a natural gas demand response pilot program.

(3) REQUIREMENT.—The Secretary shall carry out the pilot program under different scenarios, including in a region that is experiencing fuel shortages or natural gas infrastructure constraints that cause the cost of energy to increase for consumers.

(4) DATA COLLECTION.—

(A) IN GENERAL.—In carrying out the pilot program, the Secretary shall collect data,
including data on, with respect to the regions in which the pilot program is carried out—

(i) the reduction in natural gas usage;

(ii) decreases in the frequency and severity of natural gas infrastructure constraints; and

(iii) changes in energy costs and reliability.

(B) REPORT.—The Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing—

(i) how to improve data collection;

(ii) the metrics that should be used to quantify natural gas demand response usage; and

(iii) opportunities to improve the measurement and verification of changes in natural gas consumption resulting from natural gas demand response measures, including opportunities to collect data that could be used to estimate the quantity of natural gas that could be shifted through
the implementation of natural gas demand response measures.

(c) Applications; Certification.—

(1) In general.—On establishment of the pilot program under subsection (b)(1), the Secretary shall submit to all relevant eligible entities notice that the Secretary is accepting applications for the pilot program.

(2) Submission of applications.—

(A) In general.—Not later than 200 days after the date of enactment of this Act, each eligible entity desiring certification to participate in the pilot program shall submit to the Secretary an application containing such information as the Secretary may require.

(B) Authority to require certain information.—The Secretary may require as part of the application under subparagraph (A) information on—

(i) the current energy prices and energy supply issues in the region in which the eligible entity is located; and

(ii) how implementation of the pilot program in the region in which the eligible entity is located can alleviate the current
energy prices and energy supply issues in
the region.

(3) CERTIFICATION.—Not later than 250 days
after the date of enactment of this Act, the Sec-
retary shall notify each eligible entity that applied
for certification under paragraph (2)(A) of whether
the eligible entity is certified to participate in the
pilot program.

(d) TERMINATION.—The pilot program shall termi-
nate on the date that is 5 years after the date on which
the pilot program is established under subsection (b)(1).

(e) AUTHORIZATION OF APPROPRIATIONS.—There is
authorized to be appropriated to carry out the pilot pro-
gram $10,000,000.