

119TH CONGRESS
2D SESSION

H. R. 9340

AN ACT

To amend the Public Utility Regulatory Policies Act of 1978 to establish a Federal standard relating to the recovery of the full, incremental costs of upgrades that serve large-load customers, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Ratepayer Protection
3 Act”.

4 **SEC. 2. FEDERAL STANDARD RELATING TO LARGE-LOAD**
5 **CUSTOMERS.**

6 (a) **FEDERAL STANDARD RELATING TO LARGE-LOAD**
7 **CUSTOMERS.**—Section 111(d) of the Public Utility Regu-
8 latory Policies Act of 1978 (16 U.S.C. 2621(d)) is amend-
9 ed by adding at the end the following:

10 “(22) **STANDARDS FOR LARGE-LOAD CUS-**
11 **TOMERS.**—

12 “(A) **RECOVERY OF FULL, INCREMENTAL**
13 **COST OF UPGRADES.**—A rate charged, or en-
14 tered into, by an electric utility for providing
15 electric service to a large-load customer shall be
16 designed to recover from the large-load cus-
17 tomer the full, incremental cost of any genera-
18 tion, transmission, or distribution upgrade nec-
19 essary to serve the load of such large-load cus-
20 tomer, including in the event of such large-load
21 customer terminating a contract or other agree-
22 ment with the electric utility pertaining to the
23 sale of electric energy, or otherwise ceasing the
24 purchase of electric energy from the electric
25 utility.

1 “(B) FINANCIAL ASSURANCES AND CON-
2 TRIBUTIONS.—Before making any generation,
3 transmission, or distribution upgrade that is
4 necessary to serve the load of a large-load cus-
5 tomer, an electric utility shall require the large-
6 load customer provide to the electric utility fi-
7 nancial assurances or contributions to cover the
8 cost of such upgrade.

9 “(C) LARGE-LOAD CUSTOMER DEFINED.—
10 In this paragraph, the term ‘large-load cus-
11 tomer’ means a non-residential electric con-
12 sumer that, on or after the date of the enact-
13 ment of this paragraph, requests to enter into,
14 or enters into, a contract or other agreement
15 pertaining to the sale of electric energy for one
16 or more facilities that—

17 “(i) require electric energy primarily
18 to operate information technology infra-
19 structure and related systems pertaining to
20 data storage and computational applica-
21 tions and services; and

22 “(ii) have, in the aggregate, a peak
23 electric demand of 100 megawatts or more
24 at a single site or campus.”.

25 (b) CONFORMING AMENDMENTS.—

1 (1) OBLIGATIONS TO CONSIDER AND DETER-
2 MINE.—Section 112 of the Public Utility Regulatory
3 Policies Act of 1978 (16 U.S.C. 2622) is amended—

4 (A) in subsection (b), by adding at the end
5 the following:

6 “(9)(A) Not later than 1 year after the date of
7 enactment of this paragraph, each State regulatory
8 authority (with respect to each electric utility for
9 which the State has ratemaking authority) and each
10 nonregulated electric utility shall commence consid-
11 eration under section 111, or set a hearing date for
12 consideration, with respect to the standard estab-
13 lished by paragraph (22) of section 111(d).

14 “(B) Not later than 2 years after the date of
15 enactment of this paragraph, each State regulatory
16 authority (with respect to each electric utility for
17 which the State has ratemaking authority) and each
18 nonregulated electric utility shall complete the con-
19 sideration and make the determination under section
20 111 with respect to the standard established by
21 paragraph (22) of section 111(d).”;

22 (B) in subsection (c)—

23 (i) by striking “subsection (b)(2)” and
24 inserting “subsection (b)”; and

1 (ii) by inserting “In the case of the
2 standard established by paragraph (22) of
3 section 111(d), the reference contained in
4 this subsection to the date of enactment of
5 this Act shall be deemed to be a reference
6 to the date of enactment of that paragraph
7 (22).” after “paragraph (21).”; and

8 (C) by adding at the end the following:

9 “(i) OTHER PRIOR STATE ACTIONS.—Subsections
10 (b) and (c) shall not apply to the standard established by
11 paragraph (22) of section 111(d) in the case of any elec-
12 tric utility in a State if, before the date of enactment of
13 this subsection—

14 “(1) the State has implemented for the electric
15 utility the standard (or a comparable standard);

16 “(2) the State regulatory authority for the
17 State or the relevant nonregulated electric utility has
18 conducted a proceeding to consider implementation
19 of the standard (or a comparable standard) for the
20 electric utility; or

21 “(3) the State legislature has voted on the im-
22 plementation of the standard (or a comparable
23 standard) for the electric utility.”.

24 (2) PRIOR AND PENDING PROCEEDINGS.—Sec-
25 tion 124 of the Public Utility Regulatory Policies

1 Act of 1978 (16 U.S.C. 2634) is amended by adding
2 at the end the following: “In the case of the stand-
3 ard established by paragraph (22) of section 111(d),
4 the reference contained in this section to the date of
5 enactment of this Act shall be deemed to be a ref-
6 erence to the date of enactment of that paragraph
7 (22).”.

Passed the House of Representatives September 16,
2026.

Attest:

Clerk.

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