

119TH CONGRESS
2D SESSION

H. R. 9945

To accelerate the modernization of the national electric grid by supporting advanced conductors and related systems, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2026

Mr. WHITESIDES (for himself, Mr. HARRIGAN, and Mr. HAMADEH of Arizona) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To accelerate the modernization of the national electric grid by supporting advanced conductors and related 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 “Lowering Energy
5 Costs through Grid Modernization Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) ADVANCED CONDUCTOR.—The term “ad-
2 vanced conductor” means a transmission conductor
3 that—

4 (A) provides at least 1.5 times the poten-
5 tial energy carrying capacity of an aluminum
6 conductor, steel-reinforced (in this section re-
7 ferred to as “ACSR”) transmission conductor;

8 (B) has a direct current electrical resist-
9 ance at least 10 percent lower than a tradi-
10 tional ACSR conductor of a similar diameter
11 and weight; and

12 (C) has at least 25 percent lower thermal
13 sag than an ACSR transmission conductor of
14 similar diameter and weight at maximum oper-
15 ating temperature.

16 (2) CATEGORICAL EXCLUSION.—The term “cat-
17 egorical exclusion” has the meaning given such term
18 in section 111 of the National Environmental Policy
19 Act of 1969 (42 U.S.C. 4336e).

20 (3) RECONDUCTORING PROJECT.—The term
21 “reconductoring project” means a project involving
22 the replacement of existing conductors with ad-
23 vanced conductors predominantly within an existing
24 cleared or permitted right-of-way.

1 (4) RIGHT-OF-WAY.—The term “right-of-way”
2 means an easement, lease, permit, or license to oc-
3 cupy, use, or traverse public or private lands.

4 (5) RIGHT-OF-WAY OPTIMIZATION PROJECT.—
5 The term “right-of-way optimization project” means
6 a project that plans, designs, and constructs electric
7 transmission upgrades using advanced conductors
8 predominantly within an existing cleared or per-
9 mitted right-of-way.

10 (6) SECRETARY.—The term “Secretary” means
11 the Secretary of Energy.

12 **SEC. 3. TRANSMISSION MODERNIZATION STUDY.**

13 (a) IN GENERAL.—A transmission provider subject
14 to transmission planning required by the Federal Energy
15 Regulatory Commission issuances including Order No.
16 1920, as modified or clarified by Order Nos. 1920-A and
17 1920-B, may, during each transmission planning process
18 as required under such orders, conduct a transmission
19 modernization study that evaluates the extent to which a
20 right-of-way optimization project or reconductoring
21 project may result in economic and grid reliability bene-
22 fits.

23 (b) REQUIREMENTS.—In the event a transmission
24 provider conducts a study under subsection (a), the trans-
25 mission provider shall, in conducting such study—

1 (1) describe in such study—

2 (A) the extent to which right-of-way opti-
3 mization or reconductoring projects have been
4 evaluated to address congestion, capacity con-
5 straints, reliability risks, or resilience needs;

6 (B) how implementing such projects com-
7 pares to other transmission projects that ad-
8 dress congestion, capacity constraints, reliability
9 risks, or resilience needs; and

10 (C) the potential economic and grid reli-
11 ability benefits from implementing such
12 projects; and

13 (2) consider risks relating to natural hazards
14 and extreme weather events relevant to the applica-
15 ble right-of-way, including wildfire, heat, storm, or
16 icing risk information consistent with existing resil-
17 ience planning practices.

18 (c) SUBMISSION AND PUBLICATION.—A transmission
19 provider that conducts a study under subsection (a) shall
20 submit to the Secretary the results of such study, and
21 make such results publicly available, except for informa-
22 tion designated as critical electric infrastructure informa-
23 tion, pursuant to section 215A of the Federal Power Act
24 (16 U.S.C. 824o–1).

1 **SEC. 4. NATIONAL RECONDUCTORING PERFORMANCE IN-**
2 **SIGHTS.**

3 (a) **AGGREGATED INSIGHTS.**—The Secretary may
4 publish aggregated performance data on reconductoring
5 outcomes and related grid modernization activities, using
6 publicly available sources or voluntary submissions, with-
7 out identifying specific facilities or operators. Such aggre-
8 gated information may include typical ranges of increased
9 transfer capability, reductions in transmission losses,
10 changes in congestion or curtailment, and indicative
11 project timelines, provided that no specific facility or oper-
12 ator is identified.

13 (b) **PUBLIC LISTING.**—The Secretary may maintain
14 a public web page listing States, approximate in-service
15 years, and general voltage classes for right-of-way optimi-
16 zation and reconductoring projects, using only existing tax
17 credit documentation, publicly available information, or
18 voluntary submissions, and without identifying specific fa-
19 cilities or operators.

20 **SEC. 5. NEPA REVIEW.**

21 (a) **IN GENERAL.**—The issuance of a Federal permit
22 or other Federal approval authorizing a covered project
23 is deemed to be a categorical exclusion under the National
24 Environmental Policy Act of 1969 (42 U.S.C. 4321 et
25 seq.), unless the Secretary or other relevant agency head
26 determines that extraordinary circumstances (as defined

1 by regulations issued by such Secretary or other relevant
 2 agency head, respectively) apply to the covered project.

3 (b) COVERED PROJECT DEFINED.—In this section,
 4 the term “covered project” means a right-of-way optimiza-
 5 tion project, or reconductoring project, that—

6 (1) is in accordance with the integral elements
 7 listed at the start of appendix B to part 1021 of
 8 title 10, Code of Federal Regulations;

9 (2) incorporates the design and construction
 10 standards, control technologies, and best manage-
 11 ment practices that the Secretary or other relevant
 12 agency head determines to be appropriate; and

13 (3) may involve widening an existing right-of-
 14 way to meet current electrical standards if the wid-
 15 ening remains within previously disturbed or devel-
 16 oped lands and only extends into a small area be-
 17 yond such lands as needed to comply with applicable
 18 electrical standards.

19 **SEC. 6. HIGH-PERFORMANCE TRANSMISSION PROPERTY**
 20 **ADDED TO CLEAN ELECTRICITY INVESTMENT**
 21 **CREDIT.**

22 (a) IN GENERAL.—Section 48E(a)(1) of the Internal
 23 Revenue Code of 1986 is amended—

24 (1) in subparagraph (A), by striking “and” at
 25 the end,

1 (2) in subparagraph (B), by striking the period
2 at the end and inserting “, and”, and

3 (3) by adding at the end the following new sub-
4 paragraph:

5 “(C) any high-performance transmission
6 property.”.

7 (b) APPLICABLE PERCENTAGE.—Section 48E(a)(2)
8 of such Code is amended by adding at the end the fol-
9 lowing new subparagraph:

10 “(C) HIGH-PERFORMANCE TRANSMISSION
11 PROPERTY.—Subject to paragraph (3)—

12 “(i) BASE RATE.—In the case of any
13 high-performance transmission property
14 which is not described in clause (ii)(I) and
15 does not satisfy the requirements described
16 in clause (ii)(II), the applicable percentage
17 shall be 6 percent.

18 “(ii) ALTERNATIVE RATE.—In the
19 case of any high-performance transmission
20 property—

21 “(I) with a capacity of less than
22 1 megawatt, or

23 “(II) which—

24 “(aa) satisfies the require-
25 ments of subsection (e)(3), and

1 “(bb) with respect to the
 2 construction of such property,
 3 satisfies the requirements of sub-
 4 section (e)(4),
 5 the applicable percentage shall be 30
 6 percent.”.

7 (c) INCREASE IN CREDIT RATE IN CERTAIN
 8 CASES.—

9 (1) ENERGY COMMUNITIES.—Section
 10 48E(a)(3)(A) of such Code is amended—

11 (A) in clause (i), by striking “or with re-
 12 spect to energy storage technology” and insert-
 13 ing “, energy storage technology, or high-per-
 14 formance transmission property”, and

15 (B) in clause (ii)—

16 (i) in subclause (I), by striking “or
 17 with respect to energy storage technology
 18 described in paragraph (2)(B)(i)” and in-
 19 serting “, energy storage technology de-
 20 scribed in paragraph (2)(B)(i), or high-
 21 performance transmission property de-
 22 scribed in paragraph (2)(C)(i)”, and

23 (ii) in subclause (II), by striking “or
 24 with respect to energy storage technology
 25 described in paragraph (2)(B)(ii)” and in-

1 serting “, energy storage technology de-
 2 scribed in paragraph (2)(B)(ii), or high-
 3 performance transmission property de-
 4 scribed in paragraph (2)(C)(ii)”.

5 (2) DOMESTIC CONTENT.—Section
 6 48E(a)(3)(B) of such Code is amended by striking
 7 “or energy storage technology” each place it appears
 8 and inserting “, energy storage technology, or high-
 9 performance transmission property” in each such
 10 place.

11 (d) QUALIFIED INVESTMENT WITH RESPECT TO
 12 HIGH-PERFORMANCE TRANSMISSION PROPERTY DE-
 13 FINED.—Section 48E of such Code is amended—

14 (1) by redesignating subsections (d) through (k)
 15 as subsections (e) through (l), respectively, and

16 (2) by inserting after subsection (c) the fol-
 17 lowing new subsection:

18 “(d) QUALIFIED INVESTMENT WITH RESPECT TO
 19 HIGH-PERFORMANCE TRANSMISSION PROPERTY.—

20 “(1) QUALIFIED INVESTMENT.—For purposes
 21 of subsection (a), the qualified investment with re-
 22 spect to high-performance transmission property for
 23 any taxable year is the basis of any high-perform-
 24 ance transmission property placed in service by the
 25 taxpayer during such taxable year.

1 “(2) HIGH-PERFORMANCE TRANSMISSION PROP-
2 ERTY.—

3 “(A) IN GENERAL.—For purposes of this
4 section, the term ‘high-performance trans-
5 mission property’ means property used in a
6 right-of-way optimization project or a
7 reconductoring project.

8 “(B) INSTALLATION EXPENSES IN-
9 CLUDED.—For purposes of determining the
10 credit under subsection (a), the term ‘high-per-
11 formance transmission property’ shall include
12 amounts paid or incurred by the taxpayer for
13 installation of such property.

14 “(C) RIGHT-OF-WAY OPTIMIZATION
15 PROJECT AND RECONDUCTORING PROJECT DE-
16 FINED.—For purposes of subparagraph (A), the
17 terms ‘right-of-way optimization project’ and
18 ‘reconductoring project’ have the meaning given
19 such terms, respectively, in section 2 of the
20 Lowering Energy Costs through Grid Mod-
21 ernization Act.

22 “(3) MATERIAL ASSISTANCE FROM PROHIBITED
23 FOREIGN ENTITIES.—The term ‘high-performance
24 transmission property’ shall not include any property
25 the construction of which begins after December 31,

1 2025, if the construction of such property includes
2 any material assistance from a prohibited foreign en-
3 tity (as defined in section 7701(a)(52)).”.

4 (e) RESTRICTIONS RELATING TO PROHIBITED FOR-
5 EIGN ENTITIES.—Section 48E(e)(6)(B) of such Code, as
6 redesignated by subsection (d), is amended by striking “or
7 energy storage technology described in subsection (c)(2)”
8 and inserting “, energy storage technology described in
9 subsection (c)(2), or high-performance transmission prop-
10 erty described in subsection (d)(2)”.

11 (f) CREDIT PHASE-OUT.—Section 48E(f) of such
12 Code, as redesignated by subsection (d), is amended—

13 (1) by striking “or energy storage technology”
14 each place it appears and inserting “, energy storage
15 technology, or high-performance transmission prop-
16 erty” in each such place, and

17 (2) by inserting “or any high-performance
18 transmission property” after “any energy storage
19 technology”.

20 (g) CONFORMING AMENDMENTS.—

21 (1) Section 48E(a)(2) of such Code, as amend-
22 ed by the preceding provisions of this section, is
23 amended—

1 (A) by striking “subsection (d)” both
2 places it appears and inserting “subsection (e)”
3 in each such place,

4 (B) by striking “subsection (d)(3)” both
5 places it appears and inserting “subsection
6 (e)(3)” in each such place, and

7 (C) by striking “subsection (d)(4)” both
8 places it appears and inserting “subsection
9 (e)(4)” in each such place.

10 (2) Section 48E(k) of such Code, as redesign-
11 nated by subsection (d), is amended by striking
12 “subsection (g)” and inserting “subsection (h)”.

13 (3) Section 48(e)(4)(D) of such Code is amend-
14 ed by striking “section 48E(h)(4)(D)(ii)” and insert-
15 ing “section 48E(i)(4)(D)(ii)”.

16 (4) Section 49(a)(1)(C) of such Code is amend-
17 ed—

18 (A) in clause (vii), by striking “and” at the
19 end,

20 (B) in clause (viii), by striking the period
21 at the end and inserting “, and”, and

22 (C) by adding at the end the following new
23 clause:

1 “(ix) the basis of any high-perform-
2 ance transmission property under section
3 48E.”.

4 (5) Section 168(e)(3)(B)(viii) of such Code is
5 amended by striking “or any energy storage tech-
6 nology (as defined in subsection (c)(2) of such sec-
7 tion)” and inserting “, any energy storage tech-
8 nology (as defined in subsection (c)(2) of such sec-
9 tion), or any high-performance transmission prop-
10 erty (as defined in subsection (d)(2) of such sec-
11 tion)”.

12 (6) Section 7701(a)(51) of such Code is amend-
13 ed—

14 (A) in subparagraph (D)—

15 (i) in clause (i)(II)(aa), by striking
16 “or energy storage technology” and insert-
17 ing “, energy storage technology, or high-
18 performance transmission property”, and

19 (ii) in clause (ii)—

20 (I) in subclause (I)(aa), by strik-
21 ing “or energy storage” and inserting
22 “energy storage technology, or high-
23 performance transmission property”,

24 (II) in subclause (II)—

1 (aa) in item (aa), by insert-
2 ing “or any high-performance
3 transmission property produced
4 by the taxpayer” before the
5 comma at the end, and

6 (bb) in item (ee), by striking
7 “or energy storage technology”
8 and inserting “, energy storage
9 technology, or high-performance
10 transmission property”, and
11 (III) in subclause (III)—

12 (aa) by striking “, energy
13 storage technology,” each place it
14 appears and inserting “, energy
15 storage technology, high-perform-
16 ance transmission property,” in
17 each such place,

18 (bb) by striking “any energy
19 storage technology,” and insert-
20 ing “any energy storage tech-
21 nology, any high-performance
22 transmission property”, and

23 (cc) by striking “or energy
24 storage technology” and inserting
25 “, energy storage technology, or

1 high-performance transmission
 2 property”, and

3 (B) in subparagraph (I), by adding at the
 4 end the following new clause:

5 “(vii) HIGH-PERFORMANCE TRANS-
 6 MISSION PROPERTY.—The term ‘high-per-
 7 formance transmission property’ has the
 8 same meaning given such term under sec-
 9 tion 48E(d)(2).”.

10 (7) Section 7701(a)(52) of such Code is amend-
 11 ed—

12 (A) in subparagraph (A), by striking “or
 13 energy storage technology” and inserting “, en-
 14 ergy storage technology, or high-performance
 15 transmission property”,

16 (B) in subparagraph (B)—

17 (i) in clause (ii), by inserting “or
 18 high-performance transmission property”
 19 after “energy storage technology”, and

20 (ii) in the subparagraph heading, by
 21 striking “AND ENERGY STORAGE TECH-
 22 NOLOGY” and inserting “, ENERGY STOR-
 23 AGE TECHNOLOGY, AND HIGH-PERFORM-
 24 ANCE TRANSMISSION PROPERTY”,

25 (C) in subparagraph (D)—

1 (i) in clause (i)—

2 (I) by striking “or energy storage
3 technology” each place it appears and
4 inserting “, energy storage technology,
5 or high-performance transmission
6 property” in each such place, and

7 (II) in the clause heading, by
8 striking “AND ENERGY STORAGE
9 TECHNOLOGY” and inserting “, EN-
10 ERGY STORAGE TECHNOLOGY, AND
11 HIGH-PERFORMANCE TRANSMISSION
12 PROPERTY”,

13 (ii) in clause (iii)(II), by striking “or
14 energy storage technology” and inserting
15 “, energy storage technology, or high-per-
16 formance transmission property”, and

17 (iii) in clause (v)(II), by striking “or
18 energy storage technology” and inserting
19 “, energy storage technology, or high-per-
20 formance transmission property”, and

21 (D) in subparagraph (E), by adding at the
22 end the following new clause:

23 “(v) HIGH-PERFORMANCE TRANS-
24 MISSION PROPERTY.—The term ‘high-per-
25 formance transmission property’ has the

1 same meaning given such term under sec-
2 tion 48E(d)(2).”.

3 (h) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to property placed in service in
5 taxable years beginning after the date of the enactment
6 of this Act.

7 (i) REGULATIONS.—Not later than 18 months after
8 the date of the enactment of this Act, the Secretary of
9 the Treasury shall issue such regulations or other guid-
10 ance, or amend existing guidance, as may be necessary
11 or appropriate to carry out this section and the amend-
12 ments made by this section.

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