

AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the Secretary of Energy to establish a grant program to establish or expand distributed solar programs.

IN THE SENATE OF THE UNITED STATES—117th Cong., 1st Sess.

S. _____

To invest in the energy and outdoor infrastructure of the United States to deploy new and innovative technologies, update existing infrastructure to be reliable and resilient, and secure energy infrastructure against physical and cyber threats, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. SANDERS

Viz:

1 At the end of title III, add the following:

2 **Subtitle F—Distributed Solar**
3 **Energy**

4 **SEC. 3501. DEFINITIONS.**

5 In this subtitle:

6 (1) DISTRIBUTED SOLAR PROGRAM.—

7 (A) IN GENERAL.—The term “distributed
8 solar program” includes a statute, regulation,
9 rule, regulatory body proceeding or decision,
10 agency or utility incentive program, tariff, or

1 other means by which the applicable eligible en-
2 tity determines or influences the compensation
3 received by utility customers for electricity gen-
4 erated by distributed solar photovoltaic systems
5 installed at the service location of a customer or
6 intended to deliver benefits directly to a cus-
7 tomer.

8 (B) INCLUSION.—For purposes of sub-
9 paragraph (A), a distributed solar program de-
10 scribed in that subparagraph may be part of, or
11 associated with, 1 or more programs that also
12 provide compensation or incentives for energy
13 storage, electrification, grid services, resilience,
14 reduction in energy burdens, or other compen-
15 sable benefits associated with distributed solar
16 energy.

17 (2) MULTI-FAMILY AFFORDABLE HOUSING COM-
18 PLEX.—The term “multi-family affordable housing
19 complex” includes any federally subsidized Tribal
20 housing or affordable housing complex in which not
21 less than 50 percent of the units are reserved for
22 low-income households.

23 (3) NATIVE HAWAIIAN COMMUNITY-BASED OR-
24 GANIZATION.—The term “Native Hawaiian commu-
25 nity-based organization” has the meaning given the

1 term in section 6207 of the Elementary and Sec-
2 ondary Education Act of 1965 (20 U.S.C. 7517).

3 (4) STATE.—The term “State” means—

4 (A) a State;

5 (B) the District of Columbia; and

6 (C) a territory.

7 (5) TERRITORY.—The term “territory”
8 means—

9 (A) the Commonwealth of Puerto Rico;

10 (B) Guam;

11 (C) American Samoa;

12 (D) the Commonwealth of the Northern
13 Mariana Islands; and

14 (E) the United States Virgin Islands.

15 (6) TRIBAL ENERGY DEVELOPMENT ORGANIZA-
16 TION.—The term “tribal energy development organi-
17 zation” has the meaning given the term in section
18 2601 of the Energy Policy Act of 1992 (25 U.S.C.
19 3501).

20 (7) TRIBALLY DESIGNATED HOUSING ENTI-
21 TY.—The term “tribally designated housing entity”
22 has the meaning given the term in section 4 of the
23 Native American Housing Assistance and Self-De-
24 termination Act of 1996 (25 U.S.C. 4103).

1 (8) TRUST LAND.—The term “trust land” has
2 the meaning given the term in section 3765 of title
3 38, United States Code.

4 **SEC. 3502. GRANT PROGRAM TO ESTABLISH OR EXPAND**
5 **DISTRIBUTED SOLAR PROGRAMS.**

6 (a) ESTABLISHMENT.—Not later than 1 year after
7 the date of enactment of this Act, the Secretary shall es-
8 tablish a program under which the Secretary shall make
9 grants, on a competitive basis, to eligible entities to estab-
10 lish or expand distributed solar programs in accordance
11 with this section.

12 (b) ELIGIBLE ENTITIES.—An entity eligible to re-
13 ceive a grant under subsection (a) is—

14 (1) a State;

15 (2) an Indian Tribe; or

16 (3) an agency, instrumentality, or political sub-
17 division of a State or Indian Tribe.

18 (c) DISTRIBUTED SOLAR PROGRAM.—

19 (1) IN GENERAL.—An eligible entity receiving a
20 grant under subsection (a) shall establish or expand
21 a distributed solar program such that the program
22 provides full compensation to the consumer for the
23 value of the electricity generated by a distributed
24 solar photovoltaic system, as determined by the Sec-
25 retary in accordance with paragraph (3).

1 (2) FORM OF COMPENSATION.—Compensation
2 under paragraph (1) shall be provided in the form
3 of payments or bill credits per kilowatt-hour (or
4 fraction thereof) of electricity generated by the dis-
5 tributed solar photovoltaic system, unless the Sec-
6 retary determines that other forms of compensation
7 are necessary to achieve the purposes of this section.

8 (3) COMPENSATION RATES.—Compensation
9 under paragraph (1) shall be provided at rates
10 that—

11 (A) enable broad and equitable solar ac-
12 cess;

13 (B) ensure full compensation to the con-
14 sumer for the grid, social, and environmental
15 value of the electricity generated by the distrib-
16 uted solar photovoltaic system; and

17 (C) ensure that distributed solar photo-
18 voltaic energy continues to grow sustainably, in-
19 cluding among residential customers and under-
20 served communities.

21 (d) USE OF FUNDS.—

22 (1) IN GENERAL.—An eligible entity receiving a
23 grant under subsection (a)—

1 (A) shall use the grant to provide com-
2 pensation in accordance with subsection (c);
3 and

4 (B) may use the grant—

5 (i) for the design, development, and
6 deployment of the distributed solar pro-
7 gram, including inclusive community en-
8 gagement and outreach;

9 (ii) to establish revolving loan funds
10 or other financing mechanisms for the
11 planning and installation of distributed
12 solar photovoltaic systems to generate en-
13 ergy compensated under the distributed
14 solar program; and

15 (iii) to carry out other activities deter-
16 mined by the Secretary to be consistent
17 with the best practices established under
18 subsection (g).

19 (2) RECIPIENTS.—An eligible entity receiving a
20 grant under subsection (a) shall ensure that not less
21 than 40 percent of new distributed solar photovoltaic
22 system generation capacity that receives funding
23 under the distributed solar program, and accom-
24 panying payments or bill credits, go to low-income
25 (as determined under section 3504) customers, un-

1 derserved rural households, and underserved commu-
2 nities, as determined by the Secretary.

3 (3) BEST PRACTICES.—An eligible entity receiv-
4 ing a grant under subsection (a) shall apply the best
5 practices for distributed solar programs established
6 by the Secretary under subsection (g).

7 (e) NO COST SHARING.—The Federal share of the
8 cost of a project carried out using a grant under sub-
9 section (a) shall be 100 percent.

10 (f) DEPLOYMENT OF DISTRIBUTED SOLAR PHOTO-
11 VOLTAIC SYSTEMS.—In making grants under subsection
12 (a), the Secretary shall maximize the deployment of dis-
13 tributed solar photovoltaic systems—

14 (1) as rapidly as feasible; and

15 (2) in all areas of the United States, including
16 rural and urban areas, trust land, and the terri-
17 tories.

18 (g) BEST PRACTICES GUIDANCE.—

19 (1) IN GENERAL.—The Secretary shall establish
20 and periodically update best practices for distributed
21 solar programs to be applied by eligible entities re-
22 ceiving a grant under subsection (a).

23 (2) REQUIREMENTS.—The best practices estab-
24 lished under paragraph (1) shall, at a minimum,
25 seek to ensure that distributed solar programs—

1 (A) meaningfully incorporate public input
2 from, and ensure accountability to, affected
3 communities with respect to program design
4 and implementation;

5 (B) enhance equitable access to distributed
6 solar photovoltaic systems, including through
7 deployment of projects serving offsite customers
8 and customers in areas underserved by the elec-
9 tricity grid;

10 (C) rapidly reduce emissions of greenhouse
11 gases and other pollutants;

12 (D) improve electricity grid resilience;

13 (E) establish fair and expedient inter-
14 connection, billing, compensation, siting, and
15 other core program components;

16 (F) integrate and coordinate with other
17 relevant programs; and

18 (G) provide robust customer protections.

19 (3) CONSULTATIONS.—In establishing and up-
20 dating best practices under paragraph (1), the Sec-
21 retary shall consult with State and Tribal authori-
22 ties, the White House Interagency Working Group
23 on Coal and Power Plant Communities and Eco-
24 nomic Revitalization, the White House Environ-
25 mental Justice Interagency Council, the White

1 House Council on Native American Affairs, and
2 other interested parties, as appropriate.

3 (h) DAVIS-BACON COMPLIANCE.—

4 (1) IN GENERAL.—All laborers and mechanics
5 employed on projects funded directly by or assisted
6 in whole or in part by this section shall be paid
7 wages at rates not less than those prevailing on
8 projects of a character similar in the locality as de-
9 termined by the Secretary of Labor in accordance
10 with subchapter IV of chapter 31 of part A of sub-
11 title II of title 40, United States Code (commonly
12 referred to as the “Davis-Bacon Act”).

13 (2) AUTHORITY.—With respect to the labor
14 standards specified in this subsection, the Secretary
15 of Labor shall have the authority and functions set
16 forth in Reorganization Plan Numbered 14 of 1950
17 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of
18 title 40, United States Code.

19 (i) AUTHORIZATION.—There are authorized to be ap-
20 propriated to carry out this section such sums as are nec-
21 essary.

22 **SEC. 3503. DIRECT PROJECT INCENTIVES.**

23 (a) IN GENERAL.—Not later than 1 year after the
24 date of enactment of this Act, the Secretary shall establish
25 a program, to be known as the “Distributed Solar Project

1 Incentive Program” (referred to in this section as the
2 “program”), to provide financial assistance to eligible enti-
3 ties for the planning and installation of distributed solar
4 photovoltaic systems in accordance with this section.

5 (b) FINANCIAL ASSISTANCE.—

6 (1) IN GENERAL.—Financial assistance pro-
7 vided by the Secretary under the program may take
8 the form of grants, loans, or loan guarantees.

9 (2) NO COST SHARING.—The Federal share of
10 the cost of a project for which financial assistance
11 is provided by the Secretary under the program shall
12 be 100 percent.

13 (3) TITLE REQUIREMENTS.—If an eligible enti-
14 ty selected to receive financial assistance under the
15 program acquires title to equipment using that fi-
16 nancial assistance, title to the equipment shall vest
17 in the eligible entity on acquisition, without further
18 responsibility to the Federal Government.

19 (c) ELIGIBLE ENTITIES.—An entity eligible to re-
20 ceive financial assistance under the program is—

21 (1) a low-income (as determined under section
22 3504) residential customer of an electric utility;

23 (2) a nonprofit organization or a worker-owned
24 or community-owned cooperative entity that has ex-
25 perience developing or installing distributed solar

1 photovoltaic systems that maximize financial benefits
2 to residential customers described in paragraph (1);

3 (3) a multi-family affordable housing complex;

4 (4) an Indian Tribe, a tribal energy develop-
5 ment organization, a tribally designated housing en-
6 tity, a tribally owned electric utility, or another Trib-
7 al entity;

8 (5) a Native Hawaiian community-based orga-
9 nization;

10 (6) an electric cooperative or municipal electric
11 utility; or

12 (7) any other entity determined by the Sec-
13 retary to be necessary to maximize the priorities de-
14 scribed in subsection (d).

15 (d) PRIORITY.—In establishing the program and se-
16 lecting eligible entities to receive financial assistance
17 under the program, the Secretary shall prioritize—

18 (1) projects that will result in the most signifi-
19 cant bill savings and financial benefit for residential
20 customers described in subsection (c)(1), as deter-
21 mined by the Secretary;

22 (2) projects that will result in installation of
23 distributed solar photovoltaic systems in underserved
24 areas, which shall include—

1 (A) geographical areas with low or no dis-
2 tributed photovoltaic solar system deployment,
3 as determined by the Secretary;

4 (B) geographical areas with low, unreli-
5 able, or no access to electricity, as determined
6 by the Secretary;

7 (C) geographical areas with a high energy
8 burden, as determined by the Secretary;

9 (D) trust land;

10 (E) the territories; and

11 (F) environmental justice communities, as
12 determined by the Secretary, in consultation
13 with the White House Environmental Justice
14 Interagency Council;

15 (3) projects that will result in the most health
16 benefits, pollution reductions, and enhanced resil-
17 ience to climate impacts for residential customers
18 described in subsection (c)(1) and underserved areas
19 described in paragraph (2), as determined by the
20 Secretary;

21 (4) projects that will be primarily developed by
22 or with the involvement of local community-based
23 nonprofit organizations, worker-owned or commu-
24 nity-owned entities, or collectively by the community;

1 (5) projects that include community participa-
2 tion, apprenticeship, job training, or other workforce
3 development activities, especially for populations
4 that are underrepresented in clean energy careers;

5 (6) projects that incorporate business and en-
6 trepreneurship opportunities and direct financial
7 benefits for populations under-represented in clean
8 energy careers; and

9 (7) projects that use materials and services pro-
10 vided by veteran-, women-, and minority-owned
11 small business enterprises.

12 (e) USE OF ASSISTANCE.—

13 (1) PLANNING.—An eligible entity receiving fi-
14 nancial assistance under the program for planning of
15 distributed solar photovoltaic systems may use the
16 assistance to pay the costs of pre-installation activi-
17 ties, including—

18 (A) technical assistance for capacity build-
19 ing for community-based organizations;

20 (B) feasibility studies;

21 (C) permitting;

22 (D) site assessment;

23 (E) onsite job training or other workforce
24 development activities;

1 (F) community engagement or other com-
2 munity-based activities directly associated with
3 the project;

4 (G) planning and preparing a cooperative,
5 worker-owned, or community-owned project;
6 and

7 (H) such other costs determined by the
8 Secretary to be appropriate.

9 (2) INSTALLATION.—An eligible entity receiving
10 financial assistance under the program for the in-
11 stallation of distributed solar photovoltaic systems
12 may use the assistance to pay the costs of—

13 (A) marketing, outreach, and education;

14 (B) installation costs, including costs asso-
15 ciated with—

16 (i) materials, permitting, labor, and
17 site preparation; and

18 (ii) prerequisite structural or electrical
19 repairs necessary to enable installation;

20 (C) storage technology directly connected
21 with, and storing energy from, a distributed
22 solar photovoltaic system;

23 (D) interconnection service expenses;

24 (E) onsite job training or other workforce
25 development activities;

1 (F) community engagement or other com-
2 munity-based activities directly associated with
3 the project;

4 (G) offsetting the cost of subscriptions for
5 low-income (as determined under section 3504)
6 subscribers to offsite solar photovoltaic systems;

7 (H) operation and maintenance costs; and

8 (I) such other costs determined by the Sec-
9 retary to be appropriate.

10 (f) REQUIREMENT.—In providing financial assistance
11 under the program, the Secretary shall ensure that finan-
12 cial assistance is provided in a manner that results in
13 projects being carried out on a geographically diverse
14 basis—

15 (1) across the United States;

16 (2) within the States; and

17 (3) in urban, rural, and trust land areas.

18 (g) LEVERAGING FUNDS.—To the maximum extent
19 practicable, the Secretary shall encourage eligible entities
20 that receive financial assistance under the program to le-
21 verage funds received by coordinating with, and seeking
22 additional funding through, federally, State, or locally sub-
23 sidized distributed renewable energy, electrification, resil-
24 ience, weatherization, energy efficiency, workforce develop-
25 ment, and other relevant programs.

1 (h) DAVIS-BACON COMPLIANCE.—

2 (1) IN GENERAL.—All laborers and mechanics
3 employed on projects funded directly by or assisted
4 in whole or in part by this section shall be paid
5 wages at rates not less than those prevailing on
6 projects of a character similar in the locality as de-
7 termined by the Secretary of Labor in accordance
8 with subchapter IV of chapter 31 of part A of sub-
9 title II of title 40, United States Code (commonly
10 referred to as the “Davis-Bacon Act”).

11 (2) AUTHORITY.—With respect to the labor
12 standards specified in this subsection, the Secretary
13 of Labor shall have the authority and functions set
14 forth in Reorganization Plan Numbered 14 of 1950
15 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of
16 title 40, United States Code.

17 (i) AUTHORIZATION OF APPROPRIATIONS.—

18 (1) IN GENERAL.—There are authorized to be
19 appropriated to carry out this section such sums as
20 are necessary.

21 (2) RESERVATIONS OF FUNDS.—Of the
22 amounts made available under paragraph (1), the
23 Secretary shall use—

24 (A) not more than 15 percent to provide fi-
25 nancial assistance to eligible entities described

1 in paragraphs (2) through (6) of subsection (c)
2 for planning projects described in subsection
3 (e)(1); and

4 (B) not less than 3 percent to provide fi-
5 nancial assistance to eligible entities described
6 in subsection (c)(4).

7 **SEC. 3504. LOW-INCOME DETERMINATION.**

8 (a) IN GENERAL.—Subject to subsection (b), for pur-
9 poses of sections 3502(d)(2), 3503(c)(1), and
10 3503(e)(2)(G), low-income, with respect to a customer or
11 subscriber, means a customer or subscriber the household
12 of which—

13 (1) has an income that is less than or equal
14 to—

15 (A) 80 percent of the Area Median Income,
16 as reported by the Department of Housing and
17 Urban Development; or

18 (B) 200 percent of the most recent annual
19 Federal Poverty Income Guidelines published by
20 the Department of Health and Human Services;
21 or

22 (2) as of the date applicable assistance pro-
23 vided, is enrolled in, or, during the calendar year
24 preceding the date of the applicable assistance pro-
25 vided, qualified for, a low-income program facilitated

1 by a State, a utility, or the Federal Government that
2 has an income qualification level at or below an in-
3 come threshold described subparagraph (A) or (B)
4 of paragraph (1).

5 (b) SECRETARIAL DETERMINATION.—The Secretary
6 may establish alternative processes or qualifications to de-
7 termine whether a customer or subscriber qualifies as a
8 low-income customer or subscriber.