

12 Revised

AMENDMENT TO H.R. 3221**OFFERED BY MR. BLUMENAUER OF OREGON**

In title IX, after subtitle F, insert:

1 Subtitle G—Natural Gas Utilities**2 SEC. 9511. NATURAL GAS UTILITIES.**

3 (a) IN GENERAL.—Section 303(b) of the Public Util-
4 ity Regulatory Policies Act of 1978 (15 U.S.C. 3203(b))
5 is amended by adding at the end the following:

6 “(5) ENERGY EFFICIENCY.—Each natural gas
7 utility shall—

8 “(A) integrate energy efficiency resources
9 into the plans and planning processes of the
10 natural gas utility; and

11 “(B) adopt policies that establish energy
12 efficiency as a priority resource in the plans
13 and planning processes of the natural gas util-
14 ity.

15 For purposes of applying the provisions of this sub-
16 title to this paragraph, any reference in this subtitle
17 to the date of enactment of this Act shall be treated
18 as a reference to the date of the enactment of this
19 paragraph.

1 “(6) RATE POLICY MODIFICATIONS TO PRO-
2 MOTE ENERGY EFFICIENCY INVESTMENTS.—

3 “(A) IN GENERAL.—The rates allowed to
4 be charged by a natural gas utility shall align
5 utility incentives with the deployment of cost-ef-
6 fective energy efficiency.

7 “(B) POLICY OPTIONS.—In complying with
8 subparagraph (A), each State regulatory au-
9 thority and each nonregulated utility shall con-
10 sider—

11 “(i) ensuring that utilities’ recovery of
12 authorized revenues is independent of the
13 amount of customers’ natural gas con-
14 sumption;

15 “(ii) providing to utilities incentives
16 for the successful management of energy
17 efficiency programs, such as allowing utili-
18 ties to retain a portion of the cost-reducing
19 benefits accruing from the programs;

20 “(iii) promoting the impact on adop-
21 tion of energy efficiency as 1 of the goals
22 of retail rate design, recognizing that en-
23 ergy efficiency must be balanced with other
24 objectives; and

1 “(iv) adopting rate designs that en-
2 courage energy efficiency for each cus-
3 tomer class.

4 For purposes of applying the provisions of this
5 subtitle to this paragraph, any reference in this
6 subtitle to the date of enactment of this Act
7 shall be treated as a reference to the date of the
8 enactment of this paragraph.”.

9 (b) CONFORMING AMENDMENT.—Section 303(b)(2)
10 of such Act is amended by striking “and (4)” inserting
11 “(4), (5), and (6)” in lieu thereof.