

**AMENDMENT OFFERED BY MR. SARBANES OF
MARYLAND
TO THE AMENDMENT IN THE NATURE OF A
SUBSTITUTE FOR H.R. 8**

In subtitle A of title I, add at the end the following new section:

1 SEC. 1111. TECHNOLOGY DEMONSTRATION ON THE DIS-
2 TRIBUTION SYSTEM.

3 (a) IN GENERAL.—The Secretary of Energy shall es-
4 tablish a financial assistance program to carry out eligible
5 projects related to the modernization of the electric grid,
6 including the application of technologies to improve ob-
7 servability, advanced controls, and prediction of system
8 performance on the distribution system and related trans-
9 mission system inter-dependencies.

10 (b) ELIGIBLE PROJECTS.—To be eligible for financial
11 assistance under subsection (a), a project shall—

12 (1) be designed to—

13 (A) improve the performance and efficiency
14 of the future electric grid, while ensuring the
15 continued provision of safe, secure, reliable, and
16 affordable power; and

1 (B) provide new options for customer-
2 owned resources; and

3 (2) demonstrate—

4 (A) secure integration and management of
5 energy resources, including distributed energy
6 generation, combined heat and power, micro-
7 grids, energy storage, electric vehicles, energy
8 efficiency, demand response, and intelligent
9 loads; and

10 (B) secure integration and interoperability
11 of communications and information tech-
12 nologies;

13 (3) include the participation of a partnership
14 consisting of 2 or more entities that—

15 (A) may include—

16 (i) any institution of higher education;

17 (ii) a National Laboratory;

18 (iii) a representative of a State or
19 local government;

20 (iv) a representative of an Indian
21 tribe; or

22 (v) a Federal power marketing admin-
23 istration; and

24 (B) shall include at least 1 of any of—

25 (i) an investor-owned electric utility;

- 1 (ii) a publicly-owned utility;
2 (iii) a technology provider;
3 (iv) a rural electric cooperative;
4 (v) a regional transmission organiza-
5 tion; or
6 (vi) an independent system operator.

7 (c) CYBERSECURITY PLAN.—Each eligible project
8 carried out pursuant to subsection (a) shall include the
9 development of a cybersecurity plan written in accordance
10 with guidelines developed by the Secretary.

11 (d) PRIVACY RISK ANALYSIS.—Each eligible project
12 carried out pursuant to subsection (a) shall include a pri-
13 vacy impact assessment that evaluates the project against
14 the 5 core concepts in the Voluntary Code of Conduct of
15 the Department of Energy, commonly known as the
16 “DataGuard Energy Data Privacy Program”, or the most
17 recent revisions to the privacy program of the Depart-
18 ment.

19 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
20 authorized to be appropriated to the Secretary to carry
21 out this section \$100,000,000 for each of fiscal years 2017
22 through 2022.

