

1 AN ACT relating to securing affordable, reliable, and clean energy.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 278 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) As used in this section:*

6 *(a) "Affordable" means the lowest-cost method of providing electricity,*
7 *factoring in the true and total cost of each generation source, including but*
8 *not limited to considerations of:*

9 *1. Potential costs resulting from foreign and domestic supply chain*
10 *disruptions;*

11 *2. The costs of environmental degradation or remediation resulting from*
12 *the use of the generation source;*

13 *3. Costs that have been kept artificially low through direct payment to or*
14 *subsidization of the generation source by any local, state, or federal*
15 *government entity in the preceding five (5) years;*

16 *(b) "Clean energy" means:*

17 *1. The energy sources listed in 42 U.S.C. sec. 15852(b);*

18 *2. Energy produced using hydrocarbon fuels, including natural gas and*
19 *coal, in compliance with the relevant requirements of the federal*
20 *Clean Air Act, 42 U.S.C. sec. 7401 et seq.; and*

21 *3. Energy generated by nuclear reactors;*

22 *(c) "Dispatchable" means a source of electric power generation that is*
23 *available on demand, that is not intermittent, and that can be adjusted to*
24 *increase or decrease its power output upon request of a power grid operator*
25 *or otherwise upon demand or request, or that can have its power output*
26 *adjusted in response to market or system needs, except during routine*
27 *maintenance or repairs;*

1 (d) "Foreign adversary nation" means any country or entity that is designated
2 by the federal government as a foreign adversary or country of concern,
3 including any country or entity that is:

4 1. Designated as a foreign adversary under 15 C.F.R. sec. 7.4 or
5 successor federal regulations;

6 2. Designated as a state sponsor of terrorism by the United States
7 Department of State;

8 3. Subject to comprehensive federal sanctions administered by the Office
9 of Foreign Assets Control;

10 4. Otherwise determined by the Governor, in consultation with the
11 Attorney General, to pose a national security, economic security, or
12 supply chain risk to the United States; or

13 5. Owned, controlled by, or subject to the jurisdiction or direction of a
14 foreign adversary nation, including but not limited to state-owned
15 enterprises, instrumentalities, or companies operating under
16 compulsory foreign national laws.

17 (e) "Reliable" means a source of electricity that:

18 1. Is not subject to intermittent availability, including as a result of
19 routine expected daily weather; and

20 2. Has a performance standard of eighty percent (80%) or greater except
21 during routine maintenance or repairs.

22 (2) Notwithstanding any provision of law to the contrary, the commission shall adopt
23 rules and policies that will permit the commission, in the exercise of its expertise,
24 to prioritize securing affordable, reliable, and clean energy within the
25 Commonwealth by:

26 (a) Ensuring fuel sources primarily produced within the United States are
27 prioritized, with the exception of nuclear resources and generation;

- 1 **(b) Prohibiting the use of critical materials as defined by the federal Energy Act**
2 **of 2020, Pub. L. No. 116-260, that are sourced or manufactured by or in a**
3 **foreign adversary nation or that are subject to the prohibitions on the**
4 **importation of convict-made goods in 19 U.S.C. sec. 1307;**
- 5 **(c) Giving preference to infrastructure and components built in the**
6 **Commonwealth and the United States that are necessary to deliver energy to**
7 **customers; and**
- 8 **(d) Ensuring a sufficient supply of clean energy sources that is dispatchable to**
9 **meet the demands of residential and commercial customers at all times with**
10 **minimal interruptions, even during high usage periods.**
- 11 ➔Section 2. This Act takes effect November 1, 2026.