

Union Calendar No. 417

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 4017**

[Report No. 105-727]

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## **A BILL**

To extend certain programs under the Energy Policy and Conservation Act and the Energy Conservation and Production Act, and for other purposes.

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SEPTEMBER 17, 1998

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1998

Mr. DAN SCHAEFER of Colorado (for himself and Mr. HALL of Texas) introduced the following bill; which was referred to the Committee on Commerce

SEPTEMBER 17, 1998

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on June 9, 1998]

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## A BILL

To extend certain programs under the Energy Policy and Conservation Act and the Energy Conservation and Production Act, 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,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Energy Conservation*  
3 *Reauthorization Act of 1998”.*

4 **SEC. 2. ENERGY POLICY AND CONSERVATION ACT AMEND-**  
5 **MENTS.**

6 *(a) INTERAGENCY WORKING GROUPS.—Section 256(h)*  
7 *of the Energy Policy and Conservation Act (42 U.S.C.*  
8 *6276(h)) is amended to read as follows:*

9 *“(h) AUTHORIZATION OF APPROPRIATIONS.—There*  
10 *are authorized to be appropriated to the Secretary for fiscal*  
11 *years 1999 through 2003 such sums as may be necessary*  
12 *to carry out subsections (d) and (e), to be divided equitably*  
13 *between the interagency working subgroups based on pro-*  
14 *gram requirements.”.*

15 *(b) STATE ENERGY CONSERVATION PROGRAM.—Sec-*  
16 *tion 365(f) of the Energy Policy and Conservation Act (42*  
17 *U.S.C. 6325(f)) is amended to read as follows:*

18 *“(f) For the purpose of carrying out this part, there*  
19 *are authorized to be appropriated for fiscal years 1999*  
20 *through 2003 such sums as may be necessary.”.*

21 *(c) SCHOOLS AND HOSPITALS.—Section 397 the En-*  
22 *ergy Policy and Conservation Act (42 U.S.C. 6371f) is*  
23 *amended to read as follows:*

1                   “AUTHORIZATION OF APPROPRIATIONS

2                   “SEC. 397. For the purpose of carrying out this part,  
3 there are authorized to be appropriated for fiscal years 1999  
4 through 2003 such sums as may be necessary.”.

5 **SEC. 3. ENERGY CONSERVATION AND PRODUCTION ACT**  
6                   **AMENDMENT.**

7                   Section 422 of the Energy Conservation and Produc-  
8 tion Act (42 U.S.C. 6872) is amended to read as follows:

9                   “AUTHORIZATION OF APPROPRIATIONS

10                  “SEC. 422. For the purpose of carrying out the weath-  
11 erization program under this part, there are authorized to  
12 be appropriated for fiscal years 1999 through 2003 such  
13 sums as may be necessary.”.

14 **SEC. 4. ENERGY SAVINGS PERFORMANCE CONTRACTS.**

15                  (a) *SUNSET.*—Section 801(c) of the National Energy  
16 Conservation Policy Act (42 U.S.C. 8287(c)) is amended  
17 by striking “five years after” and all that follows through  
18 “subsection (b)” and inserting “on October 1, 2003”.

19                  (b) *DEFINITION.*—Section 804(1) of the National En-  
20 ergy Conservation Policy Act (42 U.S.C. 8287c(1)) is  
21 amended to read as follows:

22                         “(1) The term ‘Federal agency’ means each au-  
23 thority of the Government of the United States,  
24 whether or not it is within or subject to review by an-  
25 other agency.”.

1 **SEC. 5. TECHNICAL AMENDMENTS.**

2 (a) *ENERGY POLICY AND CONSERVATION ACT.*—*The*  
 3 *Energy Policy and Conservation Act is amended—*

4 (1) *in the table of contents—*

5 (A) *by striking “Sec. 301.” and all that fol-*  
 6 *lows through “Reports to Congress.’”;*

7 (B) *by striking “efficiency” and inserting*  
 8 *“conservation” in the item relating to section*  
 9 *325;*

10 (C) *by striking “and private labelers” in*  
 11 *the item relating to section 326;*

12 (D) *by striking the items relating to part E*  
 13 *of title III;*

14 (E) *by inserting after the items relating to*  
 15 *part I of title III the following:*

*“PART J—ENCOURAGING THE USE OF ALTERNATIVE FUELS*

*“Sec. 400AA. Alternative fuel use by light duty Federal vehicles.*

*“Sec. 400BB. Alternative fuels truck commercial application program.*

*“Sec. 400CC. Alternative fuels bus program.*

*“Sec. 400DD. Interagency Commission on Alternative Motor Fuels.*

*“Sec. 400EE. Studies and reports.”;*

16 (F) *by inserting “Environmental” after*  
 17 *“Energy Supply and” in the item relating to*  
 18 *section 505; and*

19 (G) *by striking the item relating to section*  
 20 *527;*

21 (2) *in section 321(1) (42 U.S.C. 6291(1))—*

1           (A) by striking “section 501(1) of the Motor  
2           Vehicle Information and Cost Savings Act” and  
3           inserting “section 32901(a)(3) of title 49, United  
4           States Code”; and

5           (B) by striking the second period at the end  
6           thereof;

7           (3) in section 322(b)(2)(A) (42 U.S.C.  
8           6292(b)(2)(A)) by inserting close quotation marks  
9           after “type of product”;

10          (4) in section 324(a)(2)(C)(ii) (42 U.S.C.  
11          6294(a)(2)(C)(ii)) by striking “section 325(j)” and  
12          inserting “section 325(i)”;

13          (5) in section 325 (42 U.S.C. 6295)—

14               (A) by striking “paragraphs” in subsection  
15               (e)(4)(A) and inserting “paragraph”; and

16               (B) by striking “BALLASTS;” in the heading  
17               of subsection (g) and inserting “BALLASTS”;

18          (6) in section 336(c)(2) (42 U.S.C. 6306(c)(2))  
19          by striking “section 325(k)” and inserting “section  
20          325(n)”;

21          (7) in section 345(c) (42 U.S.C. 6316(c)) by in-  
22          serting “standard” after “meets the applicable”;

23          (8) in section 362 (42 U.S.C. 6322)—

24               (A) by inserting “of” after “of the imple-  
25               mentation” in subsection (a)(1); and

1                   (B) by striking “subsection (g)” and insert-  
2                   ing “subsection (f)(2)” in subsection (d)(12);

3                   (9) in section 391(2)(B) (42 U.S.C. 6371(2)(B))  
4                   by striking the period at the end and inserting a  
5                   semicolon;

6                   (10) in section 394(a) (42 U.S.C. 6371c(a))—

7                   (A) by striking the commas at the end of  
8                   paragraphs (1), (3), and (5) and inserting semi-  
9                   colons;

10                  (B) by striking the period at the end of  
11                  paragraph (2) and inserting a semicolon; and

12                  (C) by striking the colon at the end of para-  
13                  graph (6) and inserting a semicolon;

14                  (11) in section 400 (42 U.S.C. 6371i) by striking  
15                  “(a)”;

16                  (12) in section 400D(a) (42 U.S.C. 6372c(a)) by  
17                  striking the commas at the end of paragraphs (1), (2),  
18                  and (3) and inserting semicolons;

19                  (13) in section 400I(b) (42 U.S.C. 6372h(b)) by  
20                  striking “Secretary shall,” and inserting “Secretary  
21                  shall”;

22                  (14) in section 400AA (42 U.S.C. 6374) by re-  
23                  designating subsection (i) as subsection (h);

24                  (15) in section 503 (42 U.S.C. 6383)—

1           (A) by striking “with respect to” and insert-  
2           ing “with respect to” in subsection (b); and

3           (B) by striking “controlling” and inserting  
4           “, controlling,” in subsection (c)(1); and

5           (16) in section 552(d)(5)(A) (42 U.S.C.  
6           6422(d)(5)(A)) by striking “notion” and inserting  
7           “motion”.

8           (b) *ENERGY CONSERVATION AND PRODUCTION ACT.*—  
9           *The Energy Conservation and Production Act is amend-*  
10          *ed—*

11           (1) *in the table of contents—*

12           (A) by striking “rules and regulations” and  
13           inserting “regulations and rulings” in the item  
14           relating to section 106; and

15           (B) by striking the item relating to section  
16           207 and inserting the following:

“Sec. 207. State utility regulatory assistance.

“Sec. 208. Authorization of appropriations.”; and

17           (2) *in section 202 (42 U.S.C. 6802) by striking*  
18           “*(b) DEFINITIONS.—*”.

19           (c) *NATIONAL ENERGY CONSERVATION POLICY ACT.*—  
20           *The National Energy Conservation Policy Act is amend-*  
21          *ed—*

22           (1) *in the table of contents—*



1           (A) by striking “, installation, and financ-  
2           ing” and inserting “and installation” in the  
3           item relating to section 216;

4           (B) by striking “Ratings” and inserting  
5           “Rating Guidelines” in the item relating to part  
6           6 of title II;

7           (C) by striking the item relating to section  
8           304; and

9           (D) by striking “goals” and inserting “re-  
10          quirements” in the item relating to section 543;

11          (2) in section 216(d)(1)(C) (42 U.S.C.  
12          8217(d)(1)(C)) by striking “explicitly” and inserting  
13          “explicitly”;

14          (3) in section 251(b)(1) (42 U.S.C. 8231(b)(1))—

15               (A) by striking “National Housing Act to  
16               projects” and inserting “National Housing Act)  
17               to projects”; and

18               (B) by striking “accure” and inserting “ac-  
19               crue”;

20          (4) in section 266 (42 U.S.C. 8235e) by striking  
21          “(17 U.S.C.” and inserting “(15 U.S.C.”; and

22          (5) in section 551(8) (42 U.S.C. 8259(8)) by  
23          striking “goethermal” and inserting “geothermal”.

1 **SEC. 6. MATERIALS ALLOCATION AUTHORITY EXTENSION.**

2 *Section 104(b) of the Energy Policy and Conservation*  
3 *Act is amended by striking “(1) The authority” and all that*  
4 *follows through “(2)”.*

5 **SEC. 7. BIODIESEL FUEL USE CREDITS.**

6 *(a) AMENDMENT.—Title III of the Energy Policy Act*  
7 *of 1992 (42 U.S.C. 13211–13219) is amended by adding*  
8 *at the end the following new section:*

9 **“SEC. 312. BIODIESEL FUEL USE CREDITS.**

10 *“(a) ALLOCATION OF CREDITS.—*

11 *“(1) IN GENERAL.—The Secretary shall allocate*  
12 *one credit under this section to a fleet or covered per-*  
13 *son for each qualifying volume of the biodiesel compo-*  
14 *nent of fuel containing at least 20 percent biodiesel*  
15 *by volume purchased after the date of the enactment*  
16 *of this section for use by the fleet or covered person*  
17 *in vehicles owned or operated by the fleet or covered*  
18 *person that weigh more than 8,500 pounds gross vehi-*  
19 *cle weight rating.*

20 *“(2) EXCEPTIONS.—No credits shall be allocated*  
21 *under paragraph (1) for a purchase of biodiesel—*

22 *“(A) for use in alternative fueled vehicles; or*

23 *“(B) that is required by Federal or State*  
24 *law.*

25 *“(3) AUTHORITY TO MODIFY PERCENTAGE.—The*  
26 *Secretary may, by rule, lower the 20 percent biodiesel*

1 *volume requirement in paragraph (1) for reasons re-*  
2 *lated to cold start, safety, or vehicle function consider-*  
3 *ations.*

4 “(4) *DOCUMENTATION.*—*A fleet or covered person*  
5 *seeking a credit under this section shall provide writ-*  
6 *ten documentation to the Secretary supporting the al-*  
7 *location of a credit to such fleet or covered person*  
8 *under paragraph (1).*

9 “(b) *USE OF CREDITS.*—

10 “(1) *IN GENERAL.*—*At the request of a fleet or*  
11 *covered person allocated a credit under subsection (a),*  
12 *the Secretary shall, for the year in which the purchase*  
13 *of a qualifying volume is made, treat that purchase*  
14 *as the acquisition of one alternative fueled vehicle the*  
15 *fleet or covered person is required to acquire under*  
16 *this title, title IV, or title V.*

17 “(2) *LIMITATION.*—*Credits allocated under sub-*  
18 *section (a) may not be used to satisfy more than 50*  
19 *percent of the alternative fueled vehicle requirements*  
20 *of a fleet or covered person under this title, title IV,*  
21 *and title V. This paragraph shall not apply to a fleet*  
22 *or covered person that is a biodiesel alternative fuel*  
23 *provider described in section 501(a)(2)(A).*

1       “(c) *CREDIT NOT A SECTION 508 CREDIT.*—A credit  
2 *under this section shall not be considered a credit under*  
3 *section 508.*

4       “(d) *ISSUANCE OF RULE.*—The Secretary shall, before  
5 *January 1, 1999, issue a rule establishing procedures for*  
6 *the implementation of this section.*

7       “(e) *COLLECTION OF DATA.*—The Secretary shall col-  
8 *lect such data as are required to make a determination de-*  
9 *scribed in subsection (f)(2)(B).*

10       “(f) *DEFINITIONS.*—For purposes of this section—

11               “(1) *the term ‘biodiesel’ means a diesel fuel sub-*  
12 *stitute produced from nonpetroleum renewable re-*  
13 *sources that meets the registration requirements for*  
14 *fuels and fuel additives established by the Environ-*  
15 *mental Protection Agency under section 211 of the*  
16 *Clean Air Act; and*

17               “(2) *the term ‘qualifying volume’ means—*

18                       “(A) *450 gallons; or*

19                       “(B) *if the Secretary determines by rule*  
20 *that the average annual alternative fuel use in*  
21 *light duty vehicles by fleets and covered persons*  
22 *exceeds 450 gallons or gallon equivalents, the*  
23 *amount of such average annual alternative fuel*  
24 *use.”.*

1           **(b) TABLE OF CONTENTS AMENDMENT.**—*The table of*  
2 *contents of the Energy Policy Act of 1992 is amended by*  
3 *adding at the end of the items relating to title III the follow-*  
4 *ing new item:*

*“Sec. 312. Biodiesel fuel use credits.”.*