

107TH CONGRESS  
1ST SESSION

# S. 900

To establish a Consumer Energy Commission to assess and provide recommendations regarding recent energy price spikes from the perspective of consumers.

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## IN THE SENATE OF THE UNITED STATES

MAY 16 (legislative day, MAY 15), 2001

Mr. DURBIN (for himself, Mr. DORGAN, Mr. SCHUMER, Mrs. BOXER, and Ms. STABENOW) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To establish a Consumer Energy Commission to assess and provide recommendations regarding recent energy price spikes from the perspective of consumers.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Energy  
5 Commission Act of 2001”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1           (1) there has been a sharp increase in the price  
2 of gasoline, home heating oil, natural gas, and pro-  
3 pane in the United States;

4           (2) electricity prices are expected to continue to  
5 rise as a result of high natural gas prices, and cer-  
6 tain regions have experienced price spikes in whole-  
7 sale electricity costs;

8           (3) price spikes undermine the ability of low-in-  
9 come families, the elderly, and small businesses (in-  
10 cluding agricultural producers) to afford essential  
11 energy services;

12           (4) the Department of Energy has determined  
13 that the economy would be likely to perform better  
14 with stable or predictable energy prices;

15           (5) price spikes can be caused by many factors,  
16 including insufficient inventories, supply disruptions,  
17 refinery capacity limits, insufficient infrastructure,  
18 possible over-regulation or under-regulation, flawed  
19 deregulation, excessive consumption, over-reliance on  
20 foreign supplies, insufficient research and develop-  
21 ment of alternative energy sources, opportunistic be-  
22 havior by energy companies, and abuse of market  
23 power;

1           (6) consumers and small businesses have few  
2 options other than to pay higher energy costs when  
3 prices spike; and

4           (7) the impact of price spikes, and possible re-  
5 sponses to price spikes, on consumers and small  
6 businesses should be examined.

7 **SEC. 3. CONSUMER ENERGY COMMISSION.**

8           (a) **ESTABLISHMENT.**—There is established a com-  
9 mission to be known as the “Consumer Energy Commis-  
10 sion”.

11           (b) **MEMBERSHIP.**—

12           (1) **IN GENERAL.**—The Commission shall be  
13 comprised of 11 members.

14           (2) **APPOINTMENTS BY THE SENATE AND**  
15 **HOUSE.**—The majority leader and minority leader of  
16 the Senate and the majority leader and minority  
17 leader of the House of Representatives shall each  
18 appoint 2 members—

19           (A) 1 of whom shall represent consumer  
20 groups focusing on energy issues; and

21           (B) 1 of whom shall represent the energy  
22 industry.

23           (3) **APPOINTMENTS BY THE PRESIDENT.**—The  
24 President shall appoint 1 member from each of—

1 (A) the Energy Information Administra-  
2 tion of the Department of Energy;

3 (B) the Federal Energy Regulatory Com-  
4 mission; and

5 (C) the Federal Trade Commission.

6 (4) DATE OF APPOINTMENTS.—The appoint-  
7 ment of a member of the Commission shall be made  
8 not later than 30 days after the date of enactment  
9 of this Act.

10 (c) TERM.—A member shall be appointed for the life  
11 of the Commission.

12 (d) INITIAL MEETING.—Not later than 20 days after  
13 the date on which all members of the Commission have  
14 been appointed, the Commission shall hold the initial  
15 meeting of the Commission.

16 (e) CHAIRPERSON AND VICE CHAIRPERSON.—The  
17 Commission shall select a Chairperson and Vice Chair-  
18 person from among the members of the Commission.

19 (f) INFORMATION AND ADMINISTRATIVE EX-  
20 PENSES.—The Federal agencies specified in subsection  
21 (b)(3) shall provide the Commission such information and  
22 such administrative expenses as the Commission requires  
23 to carry out this section.

24 (g) DUTIES.—

25 (1) STUDY.—

1           (A) IN GENERAL.—The Commission shall  
2           conduct a nationwide study of significant price  
3           spikes in major United States consumer energy  
4           products during the 10 years preceding the date  
5           of enactment of this Act.

6           (B) ENERGY PRODUCTS.—The Commis-  
7           sion shall study the prices of—

- 8                   (i) electricity;  
9                   (ii) gasoline;  
10                  (iii) home heating oil;  
11                  (iv) natural gas; and  
12                  (v) propane.

13           (C) MATTERS TO BE STUDIED.—The study  
14           shall—

- 15                   (i) focus on the causes of the price  
16                   spikes, including insufficient inventories,  
17                   supply disruptions, refinery capacity limits,  
18                   insufficient infrastructure, possible over-  
19                   regulation or under-regulation, flawed de-  
20                   regulation, excessive consumption, over-re-  
21                   liance on foreign supplies, insufficient re-  
22                   search and development of alternative en-  
23                   ergy sources, opportunistic behavior by en-  
24                   ergy companies, and abuse of market  
25                   power; and

1                   (ii) investigate market concentration,  
2                   potential misuse of market power, and any  
3                   other relevant market failures.

4                   (2) REPORT.—Not later than 180 days after  
5                   the date of enactment of this Act, the Commission  
6                   shall submit to Congress a report that contains—

7                   (A) a detailed statement of the findings  
8                   and conclusions of the Commission; and

9                   (B) recommendations for legislation and  
10                  administrative actions to protect consumers  
11                  from future price spikes in consumer energy  
12                  products.

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