

113TH CONGRESS
1ST SESSION

S. 913

To amend the National Oilheat Research Alliance Act of 2000 to reauthorize and improve that Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 9, 2013

Mrs. SHAHEEN (for herself, Ms. COLLINS, Mr. BLUMENTHAL, Mr. REED, Mr. WHITEHOUSE, Mr. COWAN, Mr. COONS, Mr. MURPHY, Mrs. GILLIBRAND, and Mr. SANDERS) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the National Oilheat Research Alliance Act of 2000 to reauthorize and improve that 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Oilheat Efficiency, Re-
5 newable Fuel Research and Jobs Training Act of 2013”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 Section 702 of the National Oilheat Research Alli-
8 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
9 469) is amended—

1 (1) in paragraph (4), by striking “and” after
2 the semicolon at the end;

3 (2) by striking the period at the end and insert-
4 ing a semicolon; and

5 (3) by adding at the end the following:

6 “(6) consumers of oilheat fuel are provided
7 service by thousands of small businesses that are un-
8 able to individually develop training programs to fa-
9 cilitate the entry of new and qualified workers into
10 the oilheat fuel industry;

11 “(7) small businesses and trained employees are
12 in an ideal position—

13 “(A) to provide information to consumers
14 about the benefits of improved efficiency; and

15 “(B) to encourage consumers to value effi-
16 ciency in energy choices and assist individuals
17 in conserving energy;

18 “(8) additional research is necessary—

19 “(A) to improve oilheat fuel equipment;
20 and

21 “(B) to develop domestic renewable re-
22 sources that can be used to safely and
23 affordably heat homes;

24 “(9) since there are no Federal resources avail-
25 able to assist the oilheat fuel industry, it is nec-

1 essary and appropriate to develop a self-funded pro-
2 gram dedicated—

3 “(A) to improving efficiency in customer
4 homes;

5 “(B) to assist individuals to gain employ-
6 ment in the oilheat fuel industry; and

7 “(C) to develop domestic renewable re-
8 sources;

9 “(10) both consumers of oilheat fuel and retail-
10 ers would benefit from the self-funded program; and

11 “(11) the oilheat fuel industry is committed to
12 providing appropriate funding necessary to carry out
13 the purposes of this title without passing additional
14 costs on to residential consumers.”.

15 **SEC. 3. DEFINITIONS.**

16 (a) IN GENERAL.—Section 703 of the National
17 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
18 note; Public Law 106–469) is amended—

19 (1) by redesignating paragraphs (3) through
20 (15) as paragraphs (4) through (16), respectively;

21 (2) by inserting after paragraph (2) the fol-
22 lowing:

23 “(3) COST-EFFECTIVE.—The term ‘cost-effec-
24 tive’, with respect to a program or activity carried
25 out under section 707(f)(4), means that the program

1 or activity meets a total resource cost test under
2 which—

3 “(A) the net present value of economic
4 benefits over the life of the program or activity,
5 including avoided supply and delivery costs and
6 deferred or avoided investments; is greater than

7 “(B) the net present value of the economic
8 costs over the life of the program or activity, in-
9 cluding program costs and incremental costs
10 borne by the energy consumer.”; and

11 (3) by striking paragraph (8) (as redesignated
12 in paragraph (1)) and inserting the following:

13 “(8) OILHEAT FUEL.—The term ‘oilheat fuel’
14 means fuel that—

15 “(A) is—

16 “(i) No. 1 distillate;

17 “(ii) No. 2 dyed distillate;

18 “(iii) a liquid blended with No. 1 dis-
19 tillate or No. 2 dyed distillate; or

20 “(iv) a biobased liquid; and

21 “(B) is used as a fuel for nonindustrial
22 commercial or residential space or hot water
23 heating.”.

24 (b) CONFORMING AMENDMENTS.—

1 (1) The National Oilheat Research Alliance Act
2 of 2000 (42 U.S.C. 6201 note; Public Law 106–
3 469) is amended by striking “oilheat” each place it
4 appears and inserting “oilheat fuel”.

5 (2) Section 704(d) of the National Oilheat Re-
6 search Alliance Act of 2000 (42 U.S.C. 6201 note;
7 Public Law 106–469) is amended in the subsection
8 heading by striking “OILHEAT” and inserting
9 “OILHEAT FUEL”.

10 (3) Section 706(c)(2) of the National Oilheat
11 Research Alliance Act of 2000 (42 U.S.C. 6201
12 note; Public Law 106–469) is amended in the para-
13 graph heading by striking “OILHEAT” and inserting
14 “OILHEAT FUEL”.

15 (4) Section 707(c) of the National Oilheat Re-
16 search Alliance Act of 2000 (42 U.S.C. 6201 note;
17 Public Law 106–469) is amended in the subsection
18 heading by striking “OILHEAT” and inserting
19 “OILHEAT FUEL”.

20 **SEC. 4. MEMBERSHIP.**

21 (a) SELECTION.—Section 705 of the National Oilheat
22 Research Alliance Act of 2000 (42 U.S.C. 6201 note; Pub-
23 lic Law 106–469) is amended by striking subsection (a)
24 and inserting the following:

25 “(a) SELECTION.—

1 “(1) LIST.—

2 “(A) IN GENERAL.—The Alliance shall
3 provide to the Secretary a list of qualified nomi-
4 nees for membership in the Alliance.

5 “(B) REQUIREMENT.—Except as provided
6 in subsection (c)(1)(C), members of the Alliance
7 shall be representatives of the oilheat fuel in-
8 dustry in a State, selected from a list of nomi-
9 nees submitted by the qualified State associa-
10 tion in the State.

11 “(2) VACANCIES.—A vacancy in the Alliance
12 shall be filled in the same manner as the original se-
13 lection.

14 “(3) SECRETARIAL ACTION.—

15 “(A) IN GENERAL.—The Secretary shall
16 have 60 days to review nominees provided
17 under paragraph (1).

18 “(B) FAILURE TO ACT.—If the Secretary
19 takes no action during the 60-day period de-
20 scribed in subparagraph (A), the nominees shall
21 be considered to be members of the Alliance.”.

22 (b) REPRESENTATION.—Section 705(b) of the Na-
23 tional Oilheat Research Alliance Act of 2000 (42 U.S.C.
24 6201 note; Public Law 106–469) is amended in the matter

1 preceding paragraph (1) by striking “qualified industry
2 organization” and inserting “Alliance”.

3 (c) NUMBER OF MEMBERS.—Section 705(c) of the
4 National Oilheat Research Alliance Act of 2000 (42
5 U.S.C. 6201 note; Public Law 106–469) is amended—

6 (1) by striking paragraph (1) and inserting the
7 following:

8 “(1) IN GENERAL.—The Alliance shall be com-
9 posed of the following members:

10 “(A) 1 member representing each State
11 participating in the Alliance.

12 “(B) 5 representatives of retail marketers,
13 of whom 1 shall be selected by each of the
14 qualified State associations of the 5 States with
15 the highest volume of annual oilheat fuel sales.

16 “(C) 5 additional representatives of retail
17 marketers.

18 “(D) 21 representatives of wholesale dis-
19 tributors.

20 “(E) 6 public members, who shall be rep-
21 resentatives of significant users of oilheat fuel,
22 the oilheat fuel research community, State en-
23 ergy officials, or other groups with expertise in
24 oilheat fuel, including consumer and low-income
25 advocacy groups.”; and

1 (2) in paragraph (2), by striking “the qualified
2 industry organization or”.

3 **SEC. 5. FUNCTIONS.**

4 (a) RENEWABLE FUEL RESEARCH.—Section
5 706(a)(3)(B)(i)(I) of the National Oilheat Research Alli-
6 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
7 469) is amended by inserting before the semicolon at the
8 end the following: “, including research to develop renew-
9 able fuels and to examine the compatibility of different
10 renewable fuels with oilheat fuel utilization equipment,
11 with priority given to research on the development and use
12 of advanced biofuels”.

13 (b) BIENNIAL BUDGETS.—Section 706(e) of the Na-
14 tional Oilheat Research Alliance Act of 2000 (42 U.S.C.
15 6201 note; Public Law 106–469) is amended—

16 (1) by striking paragraph (1) and inserting the
17 following:

18 “(1) PUBLICATION OF PROPOSED BUDGET.—
19 Not later than August 1, 2013, and every 2 years
20 thereafter, the Alliance shall, in consultation with
21 the Secretary, develop and publish for public review
22 and comment a proposed biennial budget for the
23 next 2 calendar years, including the probable oper-
24 ating and planning costs of all programs, projects,
25 and contracts and other agreements.”; and

1 (2) by striking paragraph (4) and inserting the
2 following:

3 “(4) IMPLEMENTATION.—

4 “(A) IN GENERAL.—The Alliance shall not
5 implement a proposed budget until the expira-
6 tion of 60 days after submitting the proposed
7 budget to the Secretary.

8 “(B) RECOMMENDATIONS FOR CHANGES
9 BY SECRETARY.—

10 “(i) IN GENERAL.—The Secretary
11 may recommend to the Alliance changes to
12 the budget programs and activities of the
13 Alliance that the Secretary considers ap-
14 propriate.

15 “(ii) RESPONSE BY ALLIANCE.—Not
16 later than 30 days after the receipt of any
17 recommendations made under clause (i),
18 the Alliance shall submit to the Secretary
19 a final budget for the next 2 calendar
20 years that incorporates or includes a de-
21 scription of the response of the Alliance to
22 any changes recommended under clause
23 (i).”.

1 **SEC. 6. ASSESSMENTS.**

2 (a) IN GENERAL.—Section 707 of the National
3 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
4 note; Public Law 106–469) is amended—

5 (1) by striking subsection (a) and inserting the
6 following:

7 “(a) RATE.—

8 “(1) IN GENERAL.—The assessment rate for
9 calendar years 2013 and 2014 shall be equal to $\frac{2}{10}$
10 of 1 cent per gallon of oilheat fuel.

11 “(2) SUBSEQUENT ASSESSMENTS.—Subject to
12 paragraph (3), effective beginning with calendar
13 year 2015, the annual assessment rate shall be suffi-
14 cient to cover the costs of the plans and programs
15 developed by the Alliance.

16 “(3) LIMITATIONS ON INCREASE.—

17 “(A) IN GENERAL.—The annual assess-
18 ment shall not exceed $\frac{1}{2}$ of 1 cent per gallon
19 of oilheat fuel.

20 “(B) LIMITATION.—The annual assess-
21 ment may not change by more than $\frac{1}{10}$ of 1
22 cent per gallon of oilheat fuel in any 12 month-
23 period.

24 “(C) APPROVAL.—No increase in the as-
25 sessment may occur unless—

1 “(i) the increase is approved by $\frac{3}{4}$ of
2 the members voting at a regularly sched-
3 uled meeting of the Alliance; and

4 “(ii) at least 90 days before the date
5 of the meeting of the Alliance, the Alliance
6 provides notice of the proposed increase to
7 the Committee on Energy and Natural Re-
8 sources of the Senate and the Committee
9 on Energy and Commerce of the House of
10 Representatives.”; and

11 (2) in subsection (b), by adding at the end the
12 following:

13 “(8) PROHIBITION ON PASS THROUGH.—None
14 of the assessments collected under this title may be
15 passed through or otherwise required to be paid by
16 residential consumers of oilheat fuel.”.

17 (b) FUNDS MADE AVAILABLE TO QUALIFIED STATE
18 ASSOCIATIONS.—Section 707(e)(2) of the National
19 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
20 note; Public Law 106–469) is amended by adding at the
21 end the following:

22 “(B) SEPARATE ACCOUNTS.—As a condi-
23 tion of receipt of funds made available to a
24 qualified State association under this title, the
25 qualified State association shall deposit the

1 funds in an account that is separate from other
2 funds of the qualified State association.”.

3 (c) ADMINISTRATION.—Section 707 of the National
4 Oilheat Research Alliance Act of 2000 (42 U.S.C. 6201
5 note; Public Law 106–469) is amended by adding at the
6 end the following:

7 “(f) USE OF ASSESSMENTS.—

8 “(1) IN GENERAL.—Notwithstanding any other
9 provision of this title, the Secretary and the Alliance
10 shall ensure that assessments collected for each cal-
11 endar year under this title are allocated and used in
12 accordance with this subsection.

13 “(2) RESEARCH, DEVELOPMENT, AND DEM-
14 ONSTRATION.—

15 “(A) IN GENERAL.—The Alliance shall en-
16 sure that not less than 30 percent of the assess-
17 ments collected for each calendar year under
18 this title are used by qualified State associa-
19 tions or the Alliance to conduct research, devel-
20 opment, and demonstration activities relating to
21 oilheat fuel, including the development of en-
22 ergy-efficient heating and the transition and fa-
23 cilitation of the entry of energy-efficient heating
24 systems into the marketplace.

1 “(B) COORDINATION.—The Alliance shall
2 coordinate with the Secretary to develop prior-
3 ities for the use of assessments under this para-
4 graph.

5 “(C) PLAN.—The Alliance shall develop a
6 coordinated research plan to carry out research
7 programs and activities under this section.

8 “(D) REPORT.—

9 “(i) IN GENERAL.—No later than 1
10 year after date of enactment of this sub-
11 section, the Alliance shall prepare a report
12 on the use of biofuels in oilheat fuel utili-
13 zation equipment.

14 “(ii) CONTENTS.—The report required
15 under clause (i) shall—

16 “(I) provide information on the
17 environmental benefits, economic ben-
18 efits, and any technical limitations on
19 the use of biofuels in oilheat fuel utili-
20 zation equipment; and

21 “(II) describe market acceptance
22 of the fuel, and information on State
23 and local governments that are en-
24 couraging the use of biofuels in
25 oilheat fuel utilization equipment.

1 “(iii) COPIES.—The Alliance shall
2 submit a copy of the report required under
3 clause (i) to—

4 “(I) Congress;

5 “(II) the Governor of each State,
6 and other appropriate State leaders,
7 in which the Alliance is operating; and

8 “(III) the Administrator of the
9 Environmental Protection Agency.

10 “(E) CONSUMER EDUCATION MATE-
11 RIALS.—The Alliance, in conjunction with an
12 institution or organization engaged in biofuels
13 research, shall develop consumer education ma-
14 terials describing the benefits of using biofuels
15 as or in oilheat fuel based on the technical in-
16 formation developed in the report required
17 under subparagraph (D) and other information
18 generally available.

19 “(3) COST SHARING.—

20 “(A) IN GENERAL.—In carrying out a re-
21 search, development, demonstration, or com-
22 mercial application program or activity that is
23 commenced after the date of enactment of this
24 subsection, the Alliance shall require cost shar-
25 ing in accordance with this section.

1 “(B) RESEARCH AND DEVELOPMENT.—

2 “(i) IN GENERAL.—Except as pro-
3 vided in clauses (ii) and (iii), the Alliance
4 shall require that not less than 20 percent
5 of the cost of a research or development
6 program or activity described in subpara-
7 graph (A) to be provided by a source other
8 than the Alliance.

9 “(ii) EXCLUSION.—Clause (i) shall
10 not apply to a research or development
11 program or activity described in subpara-
12 graph (A) that is of a basic or funda-
13 mental nature, as determined by the Alli-
14 ance.

15 “(iii) REDUCTION.—The Alliance may
16 reduce or eliminate the requirement of
17 clause (i) for a research and development
18 program or activity of an applied nature if
19 the Alliance determines that the reduction
20 is necessary and appropriate.

21 “(C) DEMONSTRATION AND COMMERCIAL
22 APPLICATION.—The Alliance shall require that
23 not less than 50 percent of the cost of a dem-
24 onstration or commercial application program

1 or activity described in subparagraph (A) to be
2 provided by a source other than the Alliance.

3 “(4) HEATING OIL EFFICIENCY AND UPGRADE
4 PROGRAM.—

5 “(A) IN GENERAL.—The Alliance shall en-
6 sure that not less than 15 percent of the assess-
7 ments collected for each calendar year under
8 this title are used by qualified State associa-
9 tions or the Alliance to carry out programs to
10 assist consumers—

11 “(i) to make cost-effective upgrades to
12 more fuel efficient heating oil systems or
13 otherwise make cost-effective modifications
14 to an existing heating system to improve
15 the efficiency of the system;

16 “(ii) to improve energy efficiency or
17 reduce energy consumption through cost-
18 effective energy efficiency programs for
19 consumers; or

20 “(iii) to improve the safe operation of
21 a heating system.

22 “(B) PLAN.—The Alliance shall, to the
23 maximum extent practicable, coordinate, de-
24 velop, and implement the programs and activi-

1 ties of the Alliance in conjunction with existing
2 State energy efficiency program administrators.

3 “(C) ADMINISTRATION.—

4 “(i) IN GENERAL.—In carrying out
5 this paragraph, the Alliance shall, to the
6 maximum extent practicable, ensure that
7 heating system conversion assistance is co-
8 ordinated with, and developed after con-
9 sultation with, persons or organizations re-
10 sponsible for administering—

11 “(I) the low-income home energy
12 assistance program established under
13 the Low-Income Home Energy Assist-
14 ance Act of 1981 (42 U.S.C. 8621 et
15 seq.);

16 “(II) the Weatherization Assist-
17 ance Program for Low-Income Per-
18 sons established under part A of title
19 IV of the Energy Conservation and
20 Production Act (42 U.S.C. 6861 et
21 seq.); or

22 “(III) other energy efficiency
23 programs administered by the State
24 or other parties in the State.

1 “(ii) DISTRIBUTION OF FUNDS.—The
2 Alliance shall ensure that funds distributed
3 to carry out this paragraph are—

4 “(I) distributed equitably to
5 States based on the proportional con-
6 tributions of the States through col-
7 lected assessments;

8 “(II) used to supplement (and
9 not supplant) State or alternative
10 sources of funding for energy effi-
11 ciency programs; and

12 “(III) used only to carry out this
13 paragraph.

14 “(5) CONSUMER EDUCATION, SAFETY, AND
15 TRAINING.—The Alliance shall ensure that not more
16 than 35 percent of the assessments collected for
17 each calendar year under this title are used—

18 “(A) to conduct consumer education activi-
19 ties relating to oilheat fuel, including providing
20 information to consumers on—

21 “(i) energy conservation strategies;

22 “(ii) safety;

23 “(iii) new technologies that reduce
24 consumption or improve safety and com-
25 fort;

1 “(iv) the use of biofuels blends; and

2 “(v) Federal, State, and local pro-
3 grams designed to assist oilheat fuel con-
4 sumers;

5 “(B) to conduct worker safety and training
6 activities relating to oilheat fuel, including en-
7 ergy efficiency training (including classes to ob-
8 tain Building Performance Institute or Residen-
9 tial Energy Services Network certification);

10 “(C) to carry out other activities rec-
11 ommended by the Secretary; or

12 “(D) to the maximum extent practicable, a
13 data collection process established, in collabora-
14 tion with the Secretary or other appropriate
15 Federal agencies, to track equipment, service,
16 and related safety issues and to develop meas-
17 ures to improve safety.

18 “(6) ADMINISTRATIVE COSTS.—

19 “(A) IN GENERAL.—The Alliance shall en-
20 sure that not more than 5 percent of the as-
21 sessments collected for each calendar year
22 under this title are used for—

23 “(i) administrative costs; or

24 “(ii) indirect costs incurred in car-
25 rying out paragraphs (1) through (5).

1 “(B) ADMINISTRATION.—Activities under
2 this section shall be documented pursuant to a
3 transparent process and procedures developed
4 in coordination with the Secretary.

5 “(7) REPORTS.—

6 “(A) ANNUAL REPORTS.—

7 “(i) IN GENERAL.—Each qualified
8 State association or the Alliance shall pre-
9 pare an annual report describing the devel-
10 opment and administration of this section,
11 and yearly expenditures under this section.

12 “(ii) CONTENTS.—Each report re-
13 quired under clause (i) shall include a de-
14 scription of the use of proceeds under this
15 section, including a description of—

16 “(I) advancements made in en-
17 ergy-efficient heating systems and
18 biofuel heating oil blends; and

19 “(II) heating system upgrades
20 and modifications and energy effi-
21 ciency programs funded under this
22 section.

23 “(iii) VERIFICATION.—

24 “(I) IN GENERAL.—The Alliance
25 shall ensure that an independent

1 third-party reviews each report de-
2 scribed in clause (i) and verifies the
3 accuracy of the report.

4 “(II) COUNCILS.—If a State has
5 a stakeholder efficiency oversight
6 council, the council shall be the entity
7 that reviews and verifies the report of
8 the State association or Alliance for
9 the State under clause (i).

10 “(B) REPORTS ON HEATING OIL EFFI-
11 CIENCY AND UPGRADE PROGRAM.—At least
12 once every 3 years, the Alliance shall prepare a
13 detailed report describing the consumer savings,
14 cost-effectiveness of, and the lifetime and an-
15 nual energy savings achieved by heating system
16 upgrades and modifications and energy effi-
17 ciency programs funded under paragraph (4).

18 “(C) AVAILABILITY.—Each report, and
19 any subsequent changes to the report, described
20 in this paragraph shall be made publically avail-
21 able, with notice of availability provided to the
22 Secretary, and posted on the website of the Alli-
23 ance.”.

1 **SEC. 7. MARKET SURVEY AND CONSUMER PROTECTION.**

2 Section 708 of the National Oilheat Research Alli-
3 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106-
4 469) is repealed.

5 **SEC. 8. LOBBYING RESTRICTIONS.**

6 Section 710 of the National Oilheat Research Alli-
7 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106-
8 469) is amended—

9 (1) by striking “No funds” and inserting the
10 following:

11 “(a) IN GENERAL.—No funds”;

12 (2) by inserting “or to lobby” after “elections”;

13 and

14 (3) by adding at the end the following:

15 “(b) ASSESSMENTS.—

16 “(1) IN GENERAL.—Subject to paragraph (2),
17 no funds derived from assessments collected by the
18 Alliance under section 707 shall be used, directly or
19 indirectly, to influence Federal, State, or local legis-
20 lation or elections, or the manner of administering
21 of a law.

22 “(2) INFORMATION.—The Alliance may use
23 funds described in paragraph (1) to provide informa-
24 tion requested by a Member of Congress, or an offi-
25 cial of any Federal, State, or local agency, in the

1 course of the official business of the Member or offi-
2 cial.”.

3 **SEC. 9. NONCOMPLIANCE.**

4 Section 712 of the National Oilheat Research Alli-
5 ance Act of 2000 (42 U.S.C. 6201 note; Public Law 106–
6 469) is amended by adding at the end the following:

7 “(g) NONCOMPLIANCE.—If the Alliance, a qualified
8 State association, or any other entity or person violates
9 this title, the Secretary shall—

10 “(1) notify Congress of the noncompliance; and

11 “(2) provide notice of the noncompliance on the
12 Alliance website.”.

13 **SEC. 10. SUNSET.**

14 Section 713 of the National Oilheat Research, Con-
15 sumer Education, and Efficiency Act of 2011 (42 U.S.C.
16 6201 note; Public Law 106–469) is amended by striking
17 “9 years” and inserting “19 years”.

○