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SA 2918. Mr. MCCAIN (for himself, Mr. HOLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH, of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill S. 517, supra; which was ordered to lie on the table.

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SA 2920. Mr. REID (for Mr. COCHran) proposed an amendment to the bill S. 517, designating March 2002 as “Arts Education Month”.

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Sec. 402. Office of Indian Energy Policy and Programs.

Sec. 403. Conforming amendments.

Sec. 404. Siting energy facilities on tribal lands.

Sec. 405. Indian Mineral Development Act review.

Sec. 406. Renewable energy study.


Sec. 408. Feasibility study of combined wind and hydropower demonstration projects.

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Sec. 503. Department of Energy liability limit.

Sec. 504. Incidents outside the United States.

Sec. 505. Reports.

Sec. 506. Inflation adjustment.

Sec. 507. Civil penalties.

Sec. 508. Effective date.

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Sec. 512. Reauthorization of thorium reimbursement.

Sec. 513. Fast and First Power Facility.

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Sec. 602. Extension of Department of Energy indemnification authority.

Sec. 603. Oil and gas lease acreage limitations.

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Sec. 605. Reports.

Sec. 606. Inflation adjustment.

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Sec. 609. Effective date.

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Sec. 612. Exception to HOV passenger requirements for alternative fuel vehicles.

Sec. 613. Data collection.

Sec. 614. Green school bus pilot program.

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Sec. 616. Authorization for State programs.

Sec. 617. Biodiesel fuel use credits.

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Sec. 623. Authority for water quality protection efforts.

Sec. 624. Waiver of oxygen content requirement for reformulated gasoline.

Sec. 625. Public health and environmental impacts of fuels and fuel additives.

Sec. 626. Analyses of motor vehicle fuel.

Sec. 627. Additional opt-in areas under reformulated gasoline program.

Sec. 628. MBTE merchant producer conversion assistance.

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Sec. 633. Idling reduction systems in heavy fuel vehicles.

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Sec. 702. Findings.

Sec. 703. Purposes.

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Sec. 705. Environmental review.

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Sec. 813. Data collection.

Sec. 814. Green school bus pilot program.

Sec. 815. Fuel cell bus development and demonstration program.

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Sec. 831. Fuel efficiency of the federal fleet of automobiles.


Sec. 833. Idling reduction systems in heavy fuel vehicles.

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Sec. 932. Increase of CDBG public services cap for energy conservation and efficiency activities.

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Sec. 934. Public housing capital fund.

Sec. 935. Grants for energy-conserving improvements for assisted housing.


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Subtitle B—Climate Change Strategy

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Sec. 1012. Findings.

Sec. 1013. Purpose.

Sec. 1014. Definitions.

Sec. 1015. United States Climate Change Response Strategy.


Sec. 1017. Technology innovation program implemented through the Office of Climate Change Technology of the Department of Energy.

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Sec. 1103. Establishment of memorandum of agreement.

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Sec. 1105. Report on statutory changes and harmonization.

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Sec. 1232. Power plant improvement initiative.
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Sec. 1405. External technical review of development programs.
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Sec. 1411. Mobility of scientific and technical personnel.
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Sec. 1502. Postdoctoral and senior research fellowships in energy research.
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DIVISION F—TECHNOLOGY ASSESSMENT AND STUDIES
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Subtitle A—Department of Energy Programs
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Sec. 1702. Role of the Department of Energy.
Sec. 1703. Critical energy infrastructure programs.
Sec. 1704. Advisory Committee on Energy Infrastructure Security.
Sec. 1705. Best practices and standards for energy infrastructure security.

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Sec. 1801. Outer Continental Shelf energy infrastructure security.

DIVISION G—ENERGY INFRASTRUCTURE SECURITY
TITLE XVIII.—RELIABLE AND DIVERSE POWER GENERATION AND TRANSMISSION
TITLE I—REGIONAL COORDINATION
Sec. 101. POLICY ON REGIONAL COORDINATION.
(a) STATEMENT OF POLICY.—It is the policy of the Federal Government to encourage States to coordinate, on a regional basis, energy policies to provide reliable and affordable energy services to the public while minimizing the impact of providing energy services on communities and the environment.

(b) DEFINITION OF ENERGY SERVICES.—For purposes of this section, the term “energy services” means—
(1) the generation or transmission of electric energy,
(2) the transportation, storage, and distribution of crude oil, residual fuel oil, refined petroleum product, or natural gas, or (3) the reduction in load through increased efficiency, conservation, or load control measures.

SEC. 102. FEDERAL SUPPORT FOR REGIONAL COORDINATION.
(1) TECHNICAL ASSISTANCE.—The Secretary of Energy shall provide technical assistance to States and regional organizations formed by two or more States to assist them in coordinating their energy policies on a regional basis. Such technical assistance may include assistance in—
(1) assessing future supply availability and demand requirements,
(2) planning and siting additional energy infrastructure, including generating facilities, electric transmission facilities, pipelines, refineries, and distributed generation facilities to meet regional needs,
(3) identifying and resolving problems in distribution networks,
(4) developing plans to respond to surge demand or emergency needs, and (5) developing renewable energy, energy efficiency, conservation, and load control programs.

(b) ANNUAL CONFERENCE ON REGIONAL ENERGY COORDINATION.—
(1) ANNUAL CONFERENCE.—The Secretary of Energy shall convene an annual conference to promote regional coordination on energy policy and infrastructure security.
(2) PARTICIPATION.—The Secretary of Energy shall invite appropriate representatives
of federal, state, and regional energy organizations, and other interested parties.

(3) STATE AND FEDERAL AGENCY COOPERATION.—The Secretary of Energy shall consult and cooperate with State and regional energy organizations, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the Administrator for the National Energy Regulatory Commission, the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality in the planning and conduct of the conference.

(4) AGENDA.—The Secretary of Energy, in consultation with the officials identified in paragraph (3) and participants identified in paragraph (2), shall establish an agenda for each conference that promotes regional coordination on energy policy and infrastructure issues.

(5) RECOMMENDATIONS.—Not later than 60 days after the conclusion of each annual conference, the Secretary of Energy shall report to the President and the Congress recommendations arising out of the conference that may improve:

(A) “interconnection,” infrastructure and regional energy issues, and over the implementation of recommendations arising out of the conference that may improve:

Title II—Electricity

Subtitle A—Amendments to the Federal Power Act

SEC. 201. DEFINITIONS.

(a) DEFINITION OF ELECTRIC UTILITY.—Section 203(a) of the Federal Power Act (16 U.S.C. 796(22)) is amended to read as follows:

"(22) ‘electric utility’ means any person or Federal or State agency (including any municipally owned electric utility) that participates in a generation, transmission, or distribution system or an energy or other coordination, as may be necessary to carry out the purposes of such a coordinated effort;"

(b) DEFINITION OF TRANSMITTING UTILITY.—Section 203(b) of the Federal Power Act (16 U.S.C. 796(23)) is amended to read as follows:

"(b) DEFINITION OF TRANSMITTING UTILITY.—The term ‘transmitting utility’ means an entity and each Federal power marketing agency having secured an order of the Commission authorizing it to do so—"

(1) sell, lease, or otherwise dispose of any part thereof of a value in excess of $1,000,000;";

"(2) merge or consolidate, directly or indirectly, with facilities used for the generation of electric energy or other coordination, as may be necessary to carry out the purposes of such a coordinated effort;"

"(3) whether market mechanisms, such as power exchanges and bid auctions, function adequately;"

"(4) the effect of demand response mechanisms;"

"(5) the effect of mechanisms or requirements that are comparable to those under subsection (a) or (b) of section 201(b)(1); facilities used for the transmission of electric energy in the interstate commerce; or"

"(B) for the sale of electric energy at wholesale;"

"(6) other such considerations as the Commission may deem to be appropriate and in the public interest;"

Section 203(a) of the Federal Power Act (16 U.S.C. 823b) is amended to read as follows:

"(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—"

"(A) sell, lease, or otherwise dispose of the whole or any part thereof of a value in excess of $1,000,000;"

"(B) merge or consolidate, directly or indirectly, with facilities of any other person, by any means whatsoever, any security of any public utility, or"

"(C) purchase, acquire, or take any security of any public utility, or"

"(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy, the production or transportation of natural gas;"

"(2) No holding company in a holding company system that includes a transmitting utility, a generating utility company, a public utility system, or a public utility, without first having secured an order of the Commission authorizing it to do so."

"(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical plant or organization is situated, and to such other persons as it may deem advisable.

"(4) After notice and opportunity for hearing, if the Commission finds that the proposed disposition, consolidation, acquisition, or control will be consistent with the public interest, it shall approve the same.

"(5) For purposes of this subsection, the terms ‘electric utility company,’ ‘gas utility company,’ ‘holding company,’ and ‘holding company system’ have the meaning given to those terms in the Public Utility Holding Company Act of 2002.

"(6) Notwithstanding section 201(b)(1), facilities used for the generation of electric energy shall be subject to the jurisdiction of the Commission for purposes of this section.

SEC. 202. ELECTRIC UTILITY MERGERS.

Section 203(a) of the Federal Power Act (16 U.S.C. 823b) is amended by adding at the end the following:

"(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint filed by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order in accordance with this section, or order such other action as will, in the judgment of the Commission, adequately ensure a just and reasonable market-based rate.

"SEC. 204. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 826e) is amended by—"

(1) striking “60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period in the second sentence and inserting ‘on which the complaint is filed’; and"

(2) striking “60 days after the publication by the Commission of notice of its intention to initiate such proceeding nor later than 5 months after the expiration of such 60-day period in the third sentence and inserting ‘on which the complaint is filed’.

"SEC. 250. TRANSMISSION INTERCONNECTIONS.

Section 210 of the Federal Power Act (16 U.S.C. 824c) is amended as follows:

"TRANSMISSION INTERCONNECTION AUTHORITY

"SEC. 210. (a)(1) The Commission shall, by rule, establish technical standards and procedures for the interconnection of facilities used for the generation of electric energy with facilities used for the transmission of electric energy in interstate commerce. The rule shall provide—"

"(A) criteria to ensure that an interconnection will not unreasonably impair the reliability of the transmission system; and

"(B) for the apportionment or reimbursement of the costs of making the interconnection.

"(2) Notwithstanding section 201(f), a transmitting utility shall interconnect its transmission facilities with the generation facilities of a power producer upon the application of the power producer if the power producer complies with the requirements of the rule.

"(b) Upon the application of a power producer or its own motion, the Commission may, after giving notice and an opportunity for a hearing to any entity whose interest may be affected, issue an order requiring—"

"(1) the physical connection of facilities used for the generation of electric energy with facilities used for the transmission of electric energy in interstate commerce;"

"(2) such action as may be necessary to make effective any such physical connection;"

"(3) such sale or exchange of electric energy or other coordination, as may be necessary to carry out the purposes of such order; or"

"(4) such increase in transmission capacity as may be necessary to carry out the purposes of such order.

"(c) As used in this section, the term ‘power producer’ means an entity that owns or operates a facility used for the generation of electric energy..."

SEC. 206. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

"OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

"SEC. 211A. (1) Subject to section 212(b), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—"

"(A) at rates that are comparable to those that the regulated transmitting utility charges itself, and"

"(B) on terms and conditions (not relating to rates) that are comparable to those under the Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

"(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—"

"(A) sells no more than 4,000,000 megawatt hours of electricity per year;"

"(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or"

"(C) meets other criteria the Commission determines to be in the public interest.

"(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

"(4) In exercising its authority under paragraph (1), the Commission may remodel transmission rates to an unregulated transmitting utility that are comparable to those necessary to meet the requirements of paragraph (1).

"(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

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"(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Interstate Commerce Act of 1970 (49 U.S.C. 10901 et seq.)."

"(7) For purposes of this subsection, the term ‘unregulated transmitting utility’ means an entity that (A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

(B) is either an entity described in section 201(f) or a rural electric cooperative.

SEC. 207. ELECTRIC RELIABILITY STANDARDS.

Part II of the Federal Power Act is further amended by adding at the end the following:

"SEC. 215. ELECTRIC RELIABILITY STANDARDS.

"(a) DUTY OF THE COMMISSION.—the Commission shall establish and enforce one or more systems of mandatory electric reliability standards to ensure the reliable operation of the interstate transmission system, which shall be applicable to—

"(1) any entity that sells, purchases, or transmits, electric energy using the interstate transmission system, and

"(2) any entity that owns, operates, or maintains facilities that are a part of the interstate transmission system.

"(b) STANDARDS.—In carrying out its responsibility under subsection (a), the Commission shall enforce, in or out of, a reliability standard proposed or adopted by the North American Electric Reliability Council, a regional reliability council, a similar organization, or a State regulatory authority.

"(c) ENFORCEMENT.—In carrying out its responsibility under subsection (a), the Commission may certify one or more self-regulating reliability organizations (which may include the North American Electric Reliability Council, one or more regional reliability councils, or any similar organization) to ensure the reliable operation of the interstate transmission system and to monitor and enforce compliance of their members with electric reliability standards adopted under this section.

"(d) COOPERATION WITH CANADA AND MEXICO.—The Commission shall ensure that any self-regulating reliability organization certified under this section, one or more of whose members own or operate facilities that transmit electric energy to or from Canada or Mexico, provide for the participation of such utilities in the governance of the organization and the adoption of reliability standards by the organization and the adoption of reliability standards by the organization.

"(e) PRESERVATION OF STATE AUTHORITY.—Nothing in this section shall be construed to prevent States or any State to take action to ensure the safety, adequacy, and reliability of local distribution facilities service within the State, except where the exercise of such authority unreasonably impairs the reliability of the interstate transmission system.

"(f) DEFINITIONS.—For purposes of this section:

"(1) The term ‘interstate transmission system’ means the network of facilities used for the transmission of electric energy in interstate commerce.

"(2) The term ‘reliability’ means the ability of the interstate transmission system to transmit sufficient electric energy to supply the aggregate electric demand and energy requirements of electricity consumers at all times and the ability of the system to withstand sudden disturbances.

SEC. 209. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act is further amended by adding at the end the following:

"SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

"(a) FAIR ACCESS TO INTERMITTENT GENERATORS.—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not penalize such generators, directly or indirectly, for characteristics that are—

"(1) inherent to intermittent energy resources; and

"(2) beyond the control of such generators.

"(b) POLICIES.—The Commission shall ensure that the policies set forth in paragraph (2) are beyond the control of such generators.

"(2)enacting the transmitting utility’s system. For purposes of administering this exemption, there shall be a rebuttable presumption of no adverse impact where intermittent generators collectively constitute 20 percent or less of total generation interconnection with transmission utility’s ability to supply that portion of the network services provided by transmitting utility.

"(3) The Commission shall ensure that to the extent any transmission charges recover-
the distribution only in enclosed portable containers or distribution to tenants or employees of the company operating such facilities for their own use and not for resale) of natural gas for manufactured gas for heat, light, or power.

(b) The term “holding company” means—

(A) any company, 10 percent or more of the voting securities of any public utility company or of a holding company of any public utility company; and

(B) any person, determined by the Commission, after notice and opportunity for hearing, to have a controlling influence, directly or indirectly, over the management, or policy having a direct or indirect effect on the management, of any public utility company or holding company as to make it necessary or appropriate for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this subtitle upon holding companies.

(9) The term “holding company system” means a holding company, together with its subsidiary companies.

(10) The term “jurisdictional rates” means rates established by the Commission for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale by a public utility company or holding company, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for light, heat, or power.

(11) The term “natural gas company” means a company engaged in the transmission or sale of natural gas in interstate commerce, or the sale of such gas in interstate commerce for resale.

(12) The term “person” means an individual, partnership, or corporation.

(13) The term “public utility” means any person who owns or operates facilities used for transmission of electric energy in interstate commerce, or sales of electric energy at wholesale in interstate commerce.

(14) The term “public utility company” means an electric utility company or a gas utility company.

(15) The term “State committee” means any commission, board, agency, or officer, by whatever name called, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies.

(16) The term “subsidiary company” of a holding company means—

(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to control (whether directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with one or more other persons) so as to make it necessary for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this subtitle in subsidiary companies of holding companies.

(17) The term “voting security” means any security that, directly or indirectly, is held by a holder thereof to vote in the direction or management of the affairs of a company.

SEC. 223. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935


SEC. 224. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Each holding company and each affiliate of a holding company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of such holding company, and shall make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate of the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records of any company in a holding company system, or any affiliate thereof, as the Commission deems to be relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with jurisdictional rates.

(d) CONFIDENTIALITY.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his or her knowledge during the course of examination of books, accounts, memoranda, or other records as provided in this section, except as may be required by the Commission or by a court of competent jurisdiction.

SEC. 225. STATE ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Upon the written request of a State committee having jurisdiction to regulate a public utility company in a holding company system, the holding company or any associate company or affiliate thereof, of which such public utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail by the State committee; and

(2) the State committee deems relevant to costs incurred by such public utility company; and

(3) are necessary for the effective discharge of the responsibilities of the State committee with respect to such proceeding.

(b) LIMITATION.—Subsection (a) does not apply to any person that is a holding company solely by reason of ownership of one or more qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.).

(c) CONFIDENTIALITY OF INFORMATION.—The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

(d) EFFECT OF STATE LAW.—Nothing in this section shall preempt applicable State law concerning the provision of books, accounts, memoranda, and other records under subsection (a) shall be subject to terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

(e) COURT JURISDICTION.—Any United States district court located in the State in which the State committee referred to in subsection (a) is located shall have jurisdiction to enforce compliance with this section.

SEC. 226. EXEMPTION AUTHORITY.

(a) RULEMAKING.—Not later than 90 days after the effective date of this subtitle, the Commission shall promulgate a final rule to exempt from the requirements of section 224 any person that is a holding company, solely with respect to one or more—

(1) qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.);

(2) exempt wholesale generators; or

(3) foreign utility companies.

(b) OTHER AUTHORITY.—The Commission shall exempt a person or transaction from the requirements of section 224 if, upon application or upon the motion of the Commission—

(1) the Commission finds that the books, accounts, memoranda, and other records of any person are not relevant to the jurisdictional rates of a public utility or natural gas company; or

(2) the Commission finds that any class of transactions is not relevant to the jurisdictional rates of a public utility or natural gas company.

SEC. 227. AFFILIATE TRANSACTIONS.

(a) COMMISSION AUTHORITY UNAFFIRMED.—Nothing in this subtitle shall limit the authority of the Commission under the Federal Power Act (16 U.S.C. 825e–825p) to require that jurisdictional rates are just and reasonable, including the ability to deny or approve the pass through of costs, the prevention of cross-subsidization, and the promulgation of such rules and regulations as are necessary or appropriate for the protection of utility customers.

(b) RECOVERY OF COSTS.—Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public utility company from an associate company.

SEC. 228. APPLICABILITY.

Except as otherwise specifically provided in this subtitle, no provision of this subtitle shall apply to, or be deemed to include—

(1) the United States;

(2) a State or any political subdivision of a State;

(3) any foreign governmental authority not operating in the United States;

(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or

(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), or (3) acting as such in the course of his or her official duty.

SEC. 229. EFFECT ON OTHER REGULATIONS.

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to regulate public utility customers.

SEC. 230. ENFORCEMENT.

The Commission shall have the same powers as set forth in sections 306 through 317 of the Federal Power Act (16 U.S.C. 825e–825p) to enforce the provisions of this subtitle.

SEC. 231. SAVINGS PROVISIONS.

(a) IN GENERAL.—Nothing in this subtitle prohibits a person from engaging in or continuing to engage in, any transactions in which it is legally engaged or authorized to engage on the effective date of this subtitle.

(b) EFFECT ON OTHER COMMISSION AUTHORITY.—Nothing in this subtitle limits the authority of the Commission under the Federal
Power Act (16 U.S.C. 791a et seq.) (including section 301 of that Act) and the Natural Gas Act (15 U.S.C. 717 et seq.) (including section 8 of that Act).  

SEC. 227. IMPLEMENTATION. Not later than 18 months after the date of enactment of this subtitle, the Commission shall —

(a) Consult with and solicit comments from its advisory members, the States, representatives of the electric power industry, and the public.

(b) Study and report on the functions transferred to the Commission under this subtitle that shall be transferred from the Securities and Exchange Commission to the Commission.

SEC. 234. INTER-Agency REVIEW OF COMPETITION IN THE WHOLESALE AND RETAIL MARKETS FOR ELECTRIC ENERGY. (a) Task Force.—There is established an inter-agency task force, to be known as the "Electric Energy Market Competition Task Force" (in this section as the "task force"), which shall consist of—

(A) 1 member each from—

(1) the Department of Justice, to be appointed by the Attorney General of the United States;

(B) the Federal Energy Regulatory Commission, to be appointed by the chairman of that Commission; and

(C) the Federal Trade Commission, to be appointed by the chairman of that Commission;

and

(B) 2 advisory members (who shall not vote), of whom—

(A) 1 shall be appointed by the Secretary of Agriculture to represent the Rural Utility Service;

and

(B) 1 shall be appointed by the Chairman of the Securities and Exchange Commission to represent that Commission.

(b) Study and Report.—(1) Study.—The task force shall perform a study and analysis of the protection and promotion of competition within the wholesale and retail market for electric energy in the United States.

(2) Report.—Not later than 1 year after the effective date of this subtitle, the task force shall submit a final report of its findings under paragraph (1) to the Congress.

(c) Authorization of Appropriations.—Such funds as may be necessary to carry out this subtitle are authorized to be appropriated.

SEC. 238. CONFORMING AMENDMENTS TO THE FEDERAL POWER ACT. (a) Conformity.—Section 318 of the Federal Power Act (16 U.S.C. 823q) is repealed.

(b) Definitions.—(1) The terms "real-time pricing," "real-time rate schedule," "real-time metering," and "real-time pricing service" as used in this section shall have the meanings provided therein.

(2) Notwithstanding subsection (b) of section 214 of the Federal Power Act (16 U.S.C. 824m), the Federal Power Act is amended by striking "(b)" and inserting "(c)"

(3) Section 214 of the Federal Power Act (16 U.S.C. 824m) is amended by striking "(b)" and inserting "(c)"

Subtitle C—Amendments to the Public Utility Regulatory Policies Act of 1978

SEC. 241. REAL-TIME PRICING STANDARDS. (a) Adoption of Standard.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

"(11) Real-Time Pricing.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time rate schedule, under which the rate charged to such consumer shall be varied by the hour (or smaller time interval) according to changes in the electric utility's wholesale market power cost. The real-time pricing service shall be designed to manage energy use and cost through real-time metering and communications technology.

(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this subsection."

SEC. 242. ADOPTION OF ADDITIONAL STANDARDS. (a) Adoption of Standards.—Section 113(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2623(b)) is amended by adding at the end the following:

"(b) Distribution of Generation.—Each electric utility shall provide distributed generation, combined heat and power, and district heating and cooling networks with access to the local distribution grid and competitive pricing of service, and shall use simplified standard contracts for the interconnection of facilities that have a power production capacity of 250 kilowatts or less.

(c) Distribution Interconnections.—No electric utility may refuse to interconnect a generating facility with the distribution facilities of the electric utility if the owner or operator of the generating facility complies with technical standards adopted by the State regulatory authority and agrees to pay the costs established by such State regulatory authority.

(b) Fossil Fuel Efficiency.—Each electric utility shall develop a plan to minimize dependence on consuming or producing electric energy that sells to consumers is generated using a diverse range of fuels and technologies, including renewables.

(c) Minimum Fuel and Technology Diversity Standard.—Each electric utility shall develop a plan to minimize dependence on consuming or producing electric energy that sells to consumers is generated using a diverse range of fuels and technologies, including renewables.

Sec. 243. TECHNICAL ASSISTANCE. Section 123(c) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2642(c)) is amended by adding at the end the following:

"(c) Technical Assistance for Certain Responsibilities.—The Secretary may provide such technical assistance as he determines appropriate to assist regulatory authorities and electric utilities in carrying out their responsibilities under section 111(d)(1) and paragraphs (6), (7), (8), and (9) of section 113(a)."

SEC. 244. COGENERATION AND SMALL POWER PRODUCTION PURCHASE AND SALE REQUIREMENTS. (a) Termination of Mandatory Purchase and Sale Requirements.—Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2624(c)) is amended by adding at the end the following:

"(m) Termination of Mandatory Purchase and Sale Requirements.—(1) In general.—After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase or sell electric energy under this section.

(2) Except on existing rights and remedies.—Nothing in this subsection affects the rights or remedies of any party with respect to the purchase or sale of electric energy or capacity from or to a facility under this section under any contract or obligation entered into before the date of enactment of this subsection, including—"
"(A) the right to recover costs of purchasing such electric energy or capacity; and
"(B) in States without competition for retail electric supply, the obligation of a utility to sell net metering service at just and reasonable rates for consumption by a qualifying small power production facility or a qualifying cogeneration facility, backup, standby, and maintenance power.

"(3) RECOVERY OF COSTS.—
"(a) REGULATION.—To ensure recovery by an electric utility of purchases electric energy or capacity from a qualifying facility pursuant to any legally enforceable obligation entered into or imposed under this section of the sale of energy, the Commission shall issue and enforce such regulations as may be necessary to ensure that the electric utility shall collect the prudently incurred costs associated with such purchases.
"(B) ENFORCEMENT.—A regulation under subparagraph (A) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act (16 U.S.C. 791a et seq.).

"(4) DETERMINATION OF OWNERSHIP LIMITATIONS.—
"(1) Section 3(17)(C) of the Federal Power Act (16 U.S.C. 796(17)(C)) is amended to read as follows:

"(C) 'qualifying small power production facility' means a small power production facility that the Commission determines by rule, meets such requirements respecting minimum size, fuel use, and fuel efficiency as the Commission may, by rule, prescribe.

"(2) Section 3(18)(B) of the Federal Power Act (16 U.S.C. 796(18)(B)) is amended to read as follows:

"(B) 'qualifying cogeneration facility' means a cogeneration facility that the Commission determines, by rule, meets such requirements respecting minimum size, fuel use, and fuel efficiency as the Commission may, by rule, prescribe.

"SEC. 245. NET METERING.

Title VI of the Public Utility Regulatory Policies Act of 1978 is amended by adding at the end the following:

"SEC. 605. NET METERING FOR RENEWABLE ENERGY AND FUEL CELLS.

"(a) Definitions.—For purposes of this section:

"(1) The term 'eligible on-site generating facility' means a small power production facility that the Commission determines by rule, meets such requirements respecting minimum size, fuel use, and fuel efficiency as the Commission may, by rule, prescribe.

"(2) The term 'net metering service' means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.

"(B) REQUIREMENT TO PROVIDE NET METERING SERVICE.—Each electric utility shall make available net metering service to an electric consumer that the electric utility serves.

"(3) IDENTICAL CHARGES.—An electric utility—

"(a) shall charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge that is identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

"(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

"(4) MEASUREMENT.—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

"(5) ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net energy of electric energy sold, in accordance with normal metering practices.

"(6) ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.—If the quantity of electric energy that is generated by an on-site generating facility to the electric utility during a billing period exceeds the quantity of electric energy supplied by the electric utility to the on-site generating facility, the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with normal metering practices.

"SEC. 251. INFORMATION DISCLOSURE.

Subtitle D—Consumer Protection

"(a) OFFERS AND SOLICITATIONS.—The Federal Trade Commission shall issue rules requiring each electric utility that sells electric energy to an electric consumer to provide the electric consumer a statement containing the following information:

"(2) the price of the electric energy, including a description of any variable charges;

"(3) a description of all other charges associated with the service being offered, including fines, surcharges, taxes, export charges, backup service charges, stranded cost recovery charges, and customer service charges;

"(C) information the Federal Trade Commission determines is technologically and economically feasible to provide, is of assistance to electric consumers in making purchasing decisions, and, therefore, shall disclose—

"(A) the product or its price.

"(B) the share of electric energy that is generated by each fuel type.

"(C) the environmental emissions produced in generating the electric energy.

"(d) PERIODIC BILLINGS.—The Federal Trade Commission shall issue rules regarding any electric utility that sells electric energy to transmit to each of its electric consumers, in addition to the information transmitted pursuant to section 115(c) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625(f)), a clear and concise statement containing the information described in subsection (b) for each billing period.

"SEC. 252. CONSUMER PRIVACY.

"(a) PROHIBITION.—The Federal Trade Commission shall issue rules prohibiting any electric utility that obtains consumer information in connection with the sale or delivery of electric energy from a consumer from using, disclosing, or permitting access to such information unless the electric consumer to whom such information relates provides prior written approval.

"(b) PERMITTED USE.—The rules issued under this section shall not prohibit any electric utility from using, disclosing, or permitting access to consumer information referred to in subsection (a) for any of the following purposes:

"(1) to facilitate an electric consumer's change in selection of an electric utility under procedures approved by the State or State regulatory authority;

"(2) to initiate, render, bill, or collect for the sale or delivery of electric energy to electric consumers or for related services; and

"(3) to protect the privacy of the person obtaining such information.

"(c) AGGREGATE CONSUMER INFORMATION.—The rules issued under this subsection may permit a person to use, disclose, and permit access to aggregate consumer information and may require an electric utility to make such information available to other electric utilities upon request and payment of a reasonable fee.

"(d) DEFINITIONS.—As used in this section:

"(1) the term 'aggregate consumer information' means collective data that relates to a group or category of electric consumers, from which individual consumer identities and characteristics have been removed.

"(2) the term 'consumer information' means information that relates to the quantity, technical configuration, type, destination, or amount of use of electric energy delivered to an electric utility by any retail electricity service except with the informed consent of the electric consumer.
SEC. 254. APPLICABLE PROCEDURES.

The provisions of this subtitle apply to each electric utility if the total sales of electric energy by such utility for purposes other than resale exceed 500 million kilowatt-hours per calendar year. The provisions of this subtitle do not apply to the operations of an electric utility to the extent that such operations relate to sales of electric energy for purposes of resale.

SEC. 255. STATE AUTHORITY.

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing additional laws, rules, or procedures regarding the practices which are the subject of this section, so long as such laws, rules, or procedures are not inconsistent with the provisions of this section or with any rule prescribed by the Federal Trade Commission pursuant to it.

SEC. 256. REDISTRIBUTION OR REALLOCATION.

The Secretary shall establish other procedures necessary for efficient administration of the program. The Secretary shall not establish any criteria or procedures that have the effect of removing 500 million kilowatt-hours per year from the pool of funds to achieve the stated purposes of this section.

SEC. 257. APPLICATION OF SUBTITLE.

The provisions of this subtitle apply to Federal and State authorizations have been provided by the United States to Indians because of the United States or the District of Columbia, or section 1381(a)(2)(C) of the Internal Revenue Code of 1986, a public utility described in section 281(a)(2) of the State, Commonwealth, territory, or possession of the United States or the District of Columbia, or a political subdivision thereof, or an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special trust relationship provided by the United States to Indians because of their status as Indians.

SEC. 258. DEFINITIONS.

As used in this subtitle:

(1) The term "aggregate consumer information" means data related to a group or category of electric consumers, from which individual consumer identities and identifying characteristics have been removed.

(2) The term "consumer information" means information that relates to the quantity, technical configuration, type, destination, and manner of electric energy delivered to an electric consumer.

(3) The terms "electric consumer", "electric utility", and "State regulatory authority" have the same meanings ascribed in section 3 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602).

Title VT—Rural Construction Grants

SEC. 261. RENEWABLE ENERGY PRODUCTION INCENTIVE.

(a) INCENTIVE PAYMENTS.—Section 1212(a) of the Energy Policy Act of 1992 (42 U.S.C. 13217(a)) is amended—

(1) by striking "(c) ELIGIBILITY WINDOW.—Section 1212(c) of the Energy Policy Act of 1992 (42 U.S.C. 13217(c)) is amended by striking "during the 10-fiscal year period beginning with the first fiscal year after the enactment of this section" and inserting "before October 1, 2013".

(b) PAYMENT PERIOD.—Section 1212(d) of the Energy Policy Act of 1992 (42 U.S.C. 13217(d)) is amended by inserting "or in which the Secretary finds that all necessary Federal and State authorizations have been obtained to begin construction of the facility" after "eligible for such payments".

(c) AMOUNT OF PAYMENT.—Section 1212(e)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13217(e)(1)) is amended by inserting "landfill gas, incremental hydropower, ocean after "wind, biomass,"

(d) SUNSET.—Section 1212(f) of the Energy Policy Act of 1992 (42 U.S.C. 13217(f)) is amended by striking "the expiration of" and all that follows through "of this section" and inserting "before October 1, 2023".

(e) INCREMENTAL HYDROPOWER; AUTHORIZATION OF APPROPRIATIONS.—Section 1212 of the Energy Policy Act of 1992 (42 U.S.C. 13217) is further amended by inserting subsection (g) and inserting the following:

(1) IN GENERAL.—Subject to paragraph (2), there shall be appropriated such sums as may be necessary to carry out this section for fiscal years 2003 through 2023.

(2) LIMITATION USED FOR INCREMENTAL HYDROPOWER PROGRAMS.—Not more than 30 percent of the amounts made available under paragraph (1) shall be used to carry out programs described in subsection (g).

SEC. 262. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) RESOURCE ASSESSMENT.—Not later than 3 months after the date of enactment of this title, and each year thereafter, the Secretary of Energy shall review the available assessments of renewable energy resources available within the United States, including solar, wind, biomass, ocean, geothermal, and hydroelectric energy resources, and undertake new assessments as necessary, taking into account current conditions, available technologies and other relevant factors.

(b) CONTENTS OF REPORT.—Not later than one year after the date of enactment of this title, and each year thereafter, the Secretary shall publish a report based on the assessment of renewable energy resources under subsection (a).

(c) DETERMINATION OF COST-EFFECTIVENESS AND MOST EFFECTIVE USE OF THE FUNDS.—In making grants under this section, the Secretary shall give a preference to renewable energy facilities.

(d) GRANT CRITERIA.—The Secretary shall make grants based on a determination of cost-effectiveness and most effective use of the funds to achieve the stated purposes of this section.

SEC. 263. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—The President shall ensure that, of the total amount of electric energy used by Federal government consumers during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—

shall be renewable energy. The President shall encourage the use of innovative purchasing practices, including aggregation and the use of renewable energy derivatives, by Federal agencies.

(b) DEFINITION.—For purposes of this section, the term "renewable energy" means electric energy generated from solar, wind, geothermal, biomass, fuel cells, or additional electricity generated from increased efficiency or additions of new capacity at an existing hydroelectric dam.

SEC. 264. RURAL CONSTRUCTION GRANTS.

Section 313 of the Rural Electrification Act of 1936 (7 U.S.C. 940c) is amended by adding after subsection (b) the following:

"(c) RURAL AND REMOTE COMMUNITIES ELECTRIFICATION GRANTS.—The Secretary of Agriculture, in consultation with the Secretary of Energy and the Secretary of the Interior, may provide grants to eligible borrowers under this Act for the purpose of increasing energy efficiency, sitting or upgrading transmission and distribution lines, or providing or modernizing electric facilities for—

(1) a unit of local government of a State or territory; or

(2) an Indian tribe or tribal College or University as defined in section 316(b)(2) of the Higher Education Act (20 U.S.C. 1098k(b)(2)).

(d) GRANT CRITERIA.—The Secretary shall make grants based on a determination of cost-effectiveness and most effective use of the funds to achieve the stated purposes of this section.

"(e) ROOM FOR IMPROVEMENT.—In making grants under this Act for the purpose of increasing energy efficiency, the Secretary shall encourage the use of renewable energy facilities.

(f) DEFINITION.—For purposes of this section, the term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska
Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible to receive federal programs and services provided by the United States to Indians because of their status as Indians;

(e) AUTHORIZATION.—For the purpose of carrying out subsection (c), the Secretary is authorized to be appropriated to the Secretary $20,000,000 for each of the seven fiscal years following the date of enactment of this subsection.

SEC. 265. RENEWABLE PORTFOLIO STANDARD.

Title VI of the Public Utility Regulatory Policies Act of 1978 is further amended by adding at the end the following:

``SEC. 608. RENEWABLE PORTFOLIO STANDARD.

``(a) MINIMUM RENEWABLE GENERATION REQUIREMENT.—For each calendar year beginning with 2003, each retail electric supplier shall submit to the Secretary renewable energy credits in an amount equal to the required annual percentage, specified in subsection (b), of the total electric energy sold by the retail electric supplier to electric consumers in the calendar year. The retail electric supplier may satisfy this submission before the following calendar year through the use of a renewable energy resource at an eligible facility.

``(b) REQUIRED ANNUAL PERCENTAGE.—

``(1) For calendar years 2003 and 2004, the required annual percentage shall be determined by multiplying the required annual percentage in any amount less than the amount in paragraph (2);

``(2) For calendar year 2005 the required annual percentage shall be 2.5 percent of the retail electric supplier's base amount; and

``(3) For each calendar year from 2006 through 2020, the required annual percentage of the supplier's base amount shall be .5 percent greater than the required annual percentage for the calendar year immediately preceding.

``(c) SUBMISSIONS OF CREDITS.—(1) A retail electric supplier may satisfy the requirements of subsection (a) through the submission of—

``(A) renewable energy credits issued under subsection (d) for renewable energy generated by the retail electric supplier in the calendar year for which credits are being submitted or any of the two previous calendar years;

``(B) renewable energy credits obtained by purchase or exchange under subsection (e);

``(C) energy credits borrowed against future years under subsection (f); or

``(D) any combination of credits under subparagraphs (A), (B), and (C).

``(2) A credit or portion thereof shall be counted toward compliance with subsection (a) only once.

``(d) ISSUANCE OF CREDITS.—(1) The Secretary shall establish, not later than one year after the date of enactment of this section, a program to issue, monitor the sale or exchange of, and track renewable energy credits.

``(2) Under the program, an entity that generates electric energy through the use of a renewable energy resource may apply to the Secretary for the issuance of renewable energy credits. The application shall indicate—

``(A) the type of renewable energy resource used to produce the electricity;

``(B) the location where the electric energy was produced, and

``(C) any other information the Secretary determines appropriate.

``(3) As provided in paragraphs (B) and (C), the Secretary shall issue to an entity one renewable energy credit for each kilowatt-hour of electric energy the entity generates in calendar year 2002 and any succeeding year through the use of a renewable energy resource at an eligible facility.

``(E) CREDIT TRADING.—A renewable energy credit may be sold or exchanged by the entity to whom issued or by any other entity who acquires the credit. A renewable energy credit for any year that is not used to satisfy the minimum generation requirement of subsection (a) for that year may be carried forward for use in another year.

``(f) CREDIT BORROWING.—At any time before the end of calendar year 2003, a retail electric supplier that has reason to believe that it will not have sufficient renewable energy credits to comply with subsection (a) may—

``(1) submit a plan to the Secretary demonstrating that the retail electric supplier will earn sufficient credits within the next 3 calendar years. The amount taken into account, will enable the retail electric supplier to meet the requirements of subsection (a) for calendar year 2003 and the calendar year involved; and

``(2) upon the approval of the plan by the Secretary, apply credits that the plan demonstrates the entity will earn within the next 3 calendar years to meet the requirements of subsection (a) for each calendar year involved.

``(g) ENFORCEMENT.—The Secretary may bring an action in the appropriate United States district court to impose a civil penalty on a retail electric supplier that does not comply with this subsection. A retail electric supplier who does not submit the required number of renewable energy credits under subsection (a) is subject to a civil penalty.

``(h) INFORMATION COLLECTION.—The Secretary may collect the information necessary to verify and audit—

``(1) the annual electric energy generation and renewable energy generation of any entity applying for renewable energy credits under this section,

``(2) the validity of renewable energy credits submitted by a retail electric supplier to the Secretary, and

``(3) the quantity of electricity sales of all retail electric suppliers.

``(i) ENVIRONMENTAL SAVINGS CLAUSE.—Incremental hydropower shall be subject to all applicable environmental laws and licensing and regulatory requirements.

``(j) STATE SAVINGS CLAUSE.—This section does not preclude a State from requiring additional renewable energy generation in that State.

``(k) DEFINITIONS.—For purposes of this section—

``(1) the term 'eligible facility' means—

``(A) a facility for the generation of electric energy from a renewable energy resource that is placed in service on or after January 1, 2002; or

``(B) a repowering or cofiring increment that is placed in service on or after January 1, 2002 at a facility for the generation of electric energy from a renewable energy resource that was placed in service before January 1, 2002.

``(l) An eligible facility does not have to be interconnected to the transmission or distribution system facilities of an electric utility.

``(2) The term 'generation offset' means—

``(A) the incremental generation of electric energy generated by a renewable energy resource at a site where a customer consumes electricity from a renewable energy technology;

``(3) the term 'incremental hydropower' means additional capacity achieved from increased efficiency or additions of capacity after January 1, 2002 at a hydroelectric dam that was placed in service before January 1, 2002.

``(m) The term 'Indian land' means—

``(A) any land within the limits of any Indian reservation, pueblo or rancheria;

``(B) any land not within the limits of any Indian reservation, pueblo or rancheria title to which was on the date of enactment of this paragraph either held by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation;

``(C) any dependent Indian community, and

``(D) any land conveyed to any Alaska Native corporation under the Alaska Native Claims Settlement Act.

``(n) The term 'Indian tribe' means any Indian tribe, band, nation or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

``(o) The term 'renewable energy' means electric energy generated by a renewable energy resource.

``(p) The term 'renewable energy resource' means solar, wind, biomass, ocean, or geothermal energy, a generation offset, or incremental hydropower facility.

``(q) The term 'repowering or cofiring increment' means the additional generation from a modification that is placed in service...
on or after January 1, 2002 to expand electri-
city production at a facility used to gen-
erate electric energy from a renewable en-
ergy resource or to cofire biomass that was
placed in service before January 1, 2002.

"(9) The term 'retail electric supplier' means a
person, State agency, or Federal agency
that sells electric energy to electric con-
sumers for purposes other than resale
during the preceding calendar year.

"(10) The term 'retail electric supplier's
base amount' means the total amount of
electric energy sold by the retail electric
supplier to electric customers during the
most recent calendar year for which infor-
mation is available, excluding electric en-
ergy generated by a renewable energy re-
source, landfill gas, or a hydroelectric fac-
tility.

"(11) SUNSET.—Subsection (a) of this section expires December 31, 2020.

SEC. 260. RENEWABLE ENERGY ON FEDERAL LAND.

(a) COST-SHARE DEMONSTRATION Pro-
gram.—Within 12 months after the date of
enactment of this Act, the Secretary of the
Interior, Agriculture, and Energy shall
develop guidelines for a cost-share demon-
stration program for the development of
wind and solar energy facilities on Federal
land.

(b) DEFINITION OF FEDERAL LAND.—As
used in this section, the term 'Federal land'
means the United States lands that is
subject to the operation of the mineral
leasing laws; and is either:

(1) public land as defined in section 103(e)
of the Federal Land Policy and Manage-
ment Act of 1976 (42 U.S.C. 1702(o)); or

(2) a unit of the National Forest System
as that term is used in section 1(a) of the For-
est and Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

(c) RIGHTS-OF-WAYS.—The demonstration
program shall provide for the issuance of
rights-of-way pursuant to the provisions of
title V of the Federal Land Policy and Man-
agement Act of 1976 (43 U.S.C. 1761 et seq.)
by the Secretary of the Interior with respect to
Federal land under the jurisdiction of the
Department of the Interior, and by the Secre-
 tary of Agriculture with respect to federal
lands under the jurisdiction of the Depart-
ment of Agriculture.

(d) AVAILABLE SITES.—For purposes of this
demonstration program, the issuance of
rights-of-way shall be limited to areas

(1) of high energy potential for wind or
solar development;

(2) that have been identified by the wind or
solar energy industry, through a process of
nomination, application, or otherwise, as
being of particular interest to one or both in-
dustries;

(3) that are not located within roadless areas;

(4) where operation of wind or solar facili-
ties would be compatible with the scenic,
recreational, environmental, cultural, or his-
toric values of the Federal land, and would
not require the construction of new roads for
the siting of lines or other transmission fa-
cilities; and

(5) where issuance of the right-of-way is
consistent with the land and resource
management plans of the relevant land manage-
ment agencies.

(e) COST-SHARE PAYMENTS BY DOE.—The
Secretary of Energy, in cooperation with the
Secretary of the Interior with respect to
Federal land under the jurisdiction of the
Department of the Interior, and the Secre-
tary of Agriculture with respect to Federal
land under the jurisdiction of the Depart-
ment of Agriculture, shall determine if the
portion of a project on federal land is eligible
for financial assistance pursuant to this sec-
tion. Only those projects that are consistent
with the requirements of this section and
further the purposes of this section shall be
eligible for financial assistance. The Secretary of Energy
shall provide no more than 15 percent of the costs of the project on the federal land, and
the remaining costs shall be paid by non-
Federal sources.

(f) REVISION OF LAND USE PLANS.—The Secre-
tary of the Interior shall consider develop-
ing a new or amended land use plan appro-
priate, in revisions of land use plans under
section 202 of the Federal Land Policy and
Management Act of 1976 (42 U.S.C. 1722(c))
and section 202 of the Federal Land Policy
and Management Act of 1976 (42 U.S.C. 1712);
and in land use plans under section 5 of the
subsection shall preclude the issuance of
the land use plan by the appropriate land
management agency.

(g) ECONOMIC BENEFITS.—Within 24
months after the date of enactment of this
section, the Secretary of the Interior shall
develop and report to Congress recommenda-
tions on any statutory or regulatory changes
the Secretary considers necessary in the
development of renewable energy on Federal
land. The report shall include—

(1) a four-year plan approved by the Secre-
tary of the Interior, in cooperation with the
Secretary of Agriculture, for encour-
gaging the development of wind and solar en-
ergy on Federal land in an environmentally
sound manner; and

(2) an analysis of—

(A) whether the use of rights-of-ways is the
best means of authorizing use of Federal
land for the development of wind and solar
energy, or whether such resources could be
better developed through a leasing system,
or other method;

(B) the desirability of grants, loans, tax
credits or other provisions to promote wind
and solar energy development on Federal
land; and

(C) any problems, including environmental
concerns, which the Secretary of the Interior
or the Secretary of Agriculture have encoun-
tered in the development of wind or solar
energy projects on Federal land, or believe are like-
ly to arise in relation to the development of
wind or solar energy on Federal land;

(3) a list, developed in consultation with the
Secretaries of Energy and Defense, of lands under
the jurisdiction of the Depart-
ments of Energy and Defense that would be
suitable for development for wind or solar
energy, and recommended statutory and reg-
ulatory mechanisms for such development; and

(4) an analysis, developed in consultation with
the Secretaries of Energy and Com-
merce, of the potential for development of
wind, solar, and ocean energy on the Outer
Continental Shelf, with recommended statutory and regulatory mechanisms for
such development.

TITLE III—HYDROELECTRIC RE-
LICENSING.

SEC. 301. ALTERNATIVE MANDATORY COND-
ITIONS AND FISHWAYS.

(a) ALTERNATIVE MANDATORY CONDI-
TIONS.—Section 4 of the Federal Power Act (16 U.S.C. 797) is amended by adding at the end the fol-
lowing:

"(h)(1) Whenever any person applies for a
license for any project works within any re-
serve of the Outer Continental Shelf, and the Secre-
tary of the department under whose super-
vision such reservation falls deems a condi-
tion to such license to be necessary under the
first proviso of subsection (e), the license appli-
cant or any other party to the licensing
proceeding may propose an alternative con-
dition.

"(2) Notwithstanding the first proviso of
subsection (e), the Secretary of the depart-
ment under whose supervision the reserva-
tion falls shall accept an alternative condi-
tion referred to in paragraph (1), and the Commis-
sion shall include in the li-
cense such alternative condition, if the Secre-
tary determines that the appropriate department deter-
mines, based on substantial evidence pro-
vided by the party proposing such alter-
native condition, that the alternative condi-
tion—

"(A) provides no less protection for the
reservation than provided by the condition
defined necessary by the Secretary; and

"(B) will either—

"(i) cost less to implement, or

"(ii) result in improved operation of the
project works for electricity production,

as compared to the condition deemed neces-
 sary by the Secretary.

"(3) Within 1 year after the enactment of
this subsection, each Secretary concerned
shall, by rule, establish a process to expedi-
tiously resolve conflicts arising under this
subsection.

(b) ALTERNATIVE FISHWAYS.—Section 18 of the
Federal Power Act (16 U.S.C. 811) is amended by—

(1) inserting '(a)' before the first sentence; and

(2) adding at the end the following:

"(b)(1) Whenever the Commission shall re-
quire a licensee to construct, maintain, or
operate a fishway prescribed by the Secre-
tary of the Interior or the Secretary of
Commerce under this section, the licensee or
any other party to the proceeding may pro-
pose an alternative to such prescription to
construct, maintain or operate a fishway.

"(2) Notwithstanding subsection (a), the
Secretary of the Interior or the Secretary of
Commerce, as appropriate, shall accept and
prescribe, and the Commission shall require,
the proposed alternative referred to in para-
graph (1), if the Secretary of the appropriate
department determines, based on substantial
evidence provided by the party proposing
such alternative, that the alternative—

"(A) will be no less effective than the
fishway prescribed by the Secretary,

"(B) will either—

"(i) cost less to implement, or

"(ii) result in improved operation of the
project works for electricity production,

as compared to the fishway initially pre-
scribed by the Secretary.

"(3) Within 1 year after the enactment of
this subsection, the Secretary of the Interior
and the Secretary of Commerce shall each,
by rule, establish a process to expedi-
tiously resolve conflicts arising under this
subsection.".

SEC. 302. CHARGES FOR TRIBAL LANDS.

Section 10(e)(1) of the Federal Power Act
(16 U.S.C. 808(e)(1)) is amended by inserting after the second proviso the following:

"Provided further, that the Commission
shall not issue a new or original license for
projects involving tribal lands embraced
within the Indian reservations until annual
charges required under this section have
been fixed.

SEC. 303. DISPOSITION OF HYDROELECTRIC CHARGES.

Section 17 of the Federal Power Act (16 U.S.C. 810) is further amended—

(1) by striking "to be expended under the
direction of the Secretary of the Interior for
the maintenance and operation of dams and
other navigation structures owned by the

United States or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States;” and

(b) In Section 311(a) of the Federal Power Act (16 U.S.C. 823b(a)), as amended by section 206 of this Act, the text is amended to read as follows:

“(b) TIMETABLE.—The provisions of this section shall become effective on February 15, 2002.”

(2) Such regulations shall provide for—

(A) the participation of the Commission in the pre-application environmental scoping process conducted by the resource agencies pursuant to section 217 of the Energy Policy Act (16 U.S.C. 803(j)), sufficient to allow the Commission and the resource agencies to coordinate environmental reviews; and detailed environmental prescriptions of the Commission and the agencies under Part I of the Federal Power Act, and under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), of the provisions of section 217 of the Federal Power Act (16 U.S.C. 803(b)), sufficient to allow the Commission and the resource agencies under Part I of the Federal Power Act, and under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), of the provisions of section 217 of the Federal Power Act (16 U.S.C. 803(b)), sufficient to allow the

(B) issuance by the resource agencies of draft and final mandatory conditions under section 4(e) of the Federal Power Act (16 U.S.C. 803(e)) and draft and final mandatory fishway prescriptions under section 18 of the Federal Power Act (16 U.S.C. 811);

(C) to the maximum extent possible, ensure that the Commission staff in the draft analysis of the license application conducted under the National Environmental Policy Act, of all license articles and license conditions the Commission is likely to include in the license;

(D) coordination by the Commission and the resource agencies of analysis under the National Environmental Policy Act for final license articles and conditions recommended by the Commission staff, and the final mandatory conditions and fishway prescriptions of the resource agencies;

(E) procedures for ensuring coordination and sharing, to the maximum extent possible, of information, studies, and analyses by the Commission and the resource agencies to reduce the need for duplicative studies and analysis by license applicants and other parties to the license proceeding; and

(F) procedures for ensuring resolution at an early stage of the process of the scope and type of reasonable and necessary information, studies, and analyses to be provided by the license applicant.

(b) PROCEDURES OF THE COMMISSION.—Within 18 months after the date of enactment of this section, the Commission shall—

(1) set a schedule for the Commission to issue

(A) a tendering notice indicating that an application has been filed with the Commission;

and

(B) advanced notice to resource agencies of the issuance of the Ready for Environmental Analysis Notice requesting submission of recommendations, conditions, prescriptions, and comments;

and

(C) a license decision after completion of environmental assessments or environmental impact statements prepared pursuant to the National Environmental Policy Act;

and

(D) responses to petitions, motions, complaints, and requests for rehearing;

and

(2) set deadlines for an applicant to conduct all needed resource studies in support of its license application;

(3) ensure a coordinated schedule for all major actions by the applicant, the Commission, affected Federal and State agencies, Indian Tribes and other parties, through final decision on the application; and

(4) provide for the adjustment of schedules if unavoidable delays occur.

(3) Significant environmental benefits achieved by new license conditions;

(4) significant unmitigated environmental damage of the project and costs to mitigate such damage; and

(5) litigation arising from the issuance or failure to issue new licenses for existing projects under section 15 of the Federal Power Act or the imposition or failure to impose new license conditions.

(c) DEFINITION.—As used in this section, the term "new license condition" means any condition imposed under—

(1) section 4(e) of the Federal Power Act (16 U.S.C. 803(e));

(2) section 10(a) of the Federal Power Act (16 U.S.C. 803(a));

(3) section 10(e) of the Federal Power Act (16 U.S.C. 803(e));

(4) section 10(i) of the Federal Power Act (16 U.S.C. 803(i));

(5) section 18 of the Federal Power Act (16 U.S.C. 811); or

(6) section 501(d) of the Clean Water Act (33 U.S.C. 1341(d)).

(d) CONSULTATION.—The Commission shall give interested persons and licensees an opportunity to submit information and views in writing.

(e) REPORT.—The Commission shall report its findings to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Commerce of the House of Representatives not later than 24 months after the date of enactment of this section.

SEC. 308. DATA COLLECTION PROCEDURES.

Within 24 months after the date of enactment of this section, the Federal Energy Regulatory Commission, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall jointly develop procedures for ensuring complete and accurate information is acquired in a timely and cost to parties in the hydroelectric licensing process under part I of the Federal Power Act (16 U.S.C. 791 et seq.). Such data shall be published regularly but no less frequently than every three years.

TITLE IV—INDIAN ENERGY

SEC. 401. COMPREHENSIVE INDIAN ENERGY PROGRAM.

Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501–3506) is amended by adding after section 206 the following:

"SEC. 207. COMPREHENSIVE INDIAN ENERGY PROGRAM.

(a) DEFINITIONS.—For purposes of this section—

(1) the term 'Director' means the Director of the Office of Indian Energy Policy and Programs established by section 217 of the Department of Energy Organization Act, and

(2) the term 'Indian land' means—

(A) any land within the limits of an Indian reservation, pueblo, or rancheria; and

(B) any land not within the limits of an Indian reservation, pueblo, or rancheria whose title on the date of enactment of this section was held—

(i) in trust by the United States for the benefit of an Indian tribe;

(ii) subject to restriction by the United States against alienation, or
(iii) by a dependent Indian community; and

(C) land conveyed to an Alaska Native Corporation under the Alaska Native Claims Settlement Act.

(2) Indian Energy Education Planning and Management Assistance.—

(1) The Director shall establish programs within Indian Energy Policy and Programs to assist Indian tribes in meeting their energy education, research and development, planning, and management needs.

(2) The Director may make grants, on a competitive basis, to an Indian tribe for—

(A) renewable energy, energy efficiency, and conservation programs;

(B) studies and other activities supporting tribal acquisition of energy supplies, services, or facilities; and

(C) planning, constructing, developing, operating, maintaining, and improving tribal electrical generation, transmission, and distribution facilities; and

(D) developing, constructing, and interconnecting electric power transmission facilities with transmission facilities owned and operated by a Federal power marketing agency or an electric utility that provides open access transmission service.

(3) The Director may develop, in consultation with an Indian tribe, a formula for making grants under this section. The formula may take into account the following—

(A) the total number of acres of Indian land owned by an Indian tribe;

(B) the total number of households on the Indian tribe’s Indian land;

(C) the total number of households on the Indian tribe’s Indian land that have no electricity service or are under-served; and

(D) financial or other assets available to the Indian tribe from any source.

(4) In making a grant under paragraph (2), the Director shall give priority to an applicant that—

(A) demonstrates significant tribal energy needs.

(B) is the lead tribe administering a grant.

(C) demonstrates that the proposal is consistent with the strategic priorities of the tribe.

(D) demonstrates that the proposal is consistent with the tribe’s energy program.

(E) has demonstrated financial and administrative capacity.

(F) has demonstrated a strong commitment to indigenous participation.

(G) has demonstrated a strong commitment to project implementation.

(H) has demonstrated a strong commitment to project management.

(I) has demonstrated a strong commitment to community involvement.

(J) has demonstrated a strong commitment to community benefit.

(K) has demonstrated a strong commitment to community education.

(L) has demonstrated a strong commitment to community engagement.

(M) has demonstrated a strong commitment to community involvement.

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(O) has demonstrated a strong commitment to community education.

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(S) has demonstrated a strong commitment to community education.

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(B) a facility located on tribal land that processes or refines renewable or nonrenewable energy resources developed on tribal lands.

(d) RENEWALS.—Leases or rights-of-way entered into under this subsection may be renewed at the discretion of the Indian tribe in accordance with the requirements of this section.

(e) TRIBAL REGULATION REQUIREMENTS.—

(1) The Secretary shall have the authority to approve or disapprove tribal regulations requiring a lease or right-of-way approval. The Secretary shall approve such tribal regulations if they are comprehensive in nature, including—

(A) securing necessary information from the lessee or right-of-way applicant;

(B) term of the conveyance;

(C) lease renewals;

(D) consideration for the lease or right-of-way;

(E) technical or other relevant requirements;

(F) requirements for environmental review as set forth in paragraph (3);

(G) requirements for compliance with all applicable tribal, federal, and state laws; and

(H) final approval authority.

(2) No lease or right-of-way shall be valid unless it is in compliance with the approved tribal regulations.

(3) An Indian tribe, as a condition of securing Secretarial approval as contemplated in paragraphs (1) and (2), must establish an environmental review process that includes the following—

(A) an identification and evaluation of all significant environmental impacts of the proposed action as compared to a no action alternative;

(B) identification of proposed mitigation; and

(C) determination that the tribe is informed of and has an opportunity to comment on the proposed action prior to tribal approval of the lease or right-of-way; and

(D) sufficient administrative support and technical capability to carry out the environmental review process.

(4) The Secretary shall review and approve or disapprove the regulations of the Indian tribe within 180 days of the submission of such regulations to the Secretary. Any disapproval of such regulations by the Secretary shall be accompanied by written documentation that sets forth the basis for the disapproval. The 180-day period may be extended by the Secretary after consultation with the Indian tribe.

(5) If the Indian tribe executes a lease or right-of-way pursuant to tribal regulations required under this subsection, the Indian tribe shall provide the Secretary with—

(A) a copy of the lease or right-of-way document and all amendments and renewals thereto; and

(B) in the case of regulations or a lease or right-of-way that permits payment to be made directly to the Indian tribe, documentation sufficient to enable the Secretary to disapprove the regulations.

(6) The United States shall not be liable for losses sustained by any party to a lease executed pursuant to tribal regulations under this subsection, including the Indian tribe.

(7) (A) An interested party may, after exhaustion of tribal remedies, submit, in a timely manner, a petition to the Secretary to review the compliance of the Indian tribe with the tribal regulations approved under this subsection. If upon such review, the Secretary determines that the regulations were violated, the Secretary may take such action as may be necessary to remedy the violation, including rescinding or holding the lease or right-of-way in abeyance until the violation is cured. The Secretary may also rescind the approval of the tribal regulations and reassume the responsibility for approval of leases or rights-of-way associated with the facilities adversely affected.

(B) If the Secretary seeks to remedy a violation described in subparagraph (A), the Secretary shall—

(i) make a written determination with respect to the regulations that have been violated;

(ii) provide the Indian tribe with a written notice of the violation together with such written determination; and

(iii) prior to the exercise of any remedy or the rescission of the approval of the regulations involved in the lease or right-of-way approval responsibility, provide the Indian tribe with a hearing and a reasonable opportunity to cure the alleged violation.

(C) The tribe shall retain all rights to appeal as provided by regulations promulgated by the Secretary.

(f) AGREEMENTS.—

(1) Agreements between an Indian tribe and a business entity that are directly associated with the development of electric generation facilities, transmission facilities, or facilities to process or refine renewable or nonrenewable energy resources developed on Indian land shall separately require the approval of the Secretary pursuant to section 18 of title 25, United States Code, so long as the activity that is the subject of the agreement has been the subject of an environmental review process pursuant to subsection (e) of this section.

(2) The United States shall not be liable for any losses or damages sustained by any party, including the Indian tribe, that are associated with an agreement entered into under this subsection.

(g) DISCLAIMER.—Nothing in this section is intended to modify or otherwise affect the applicability of any provision of the Indian Mineral Leasing Act of 1938 (25 U.S.C. 396a–396g); Indian Mineral Development Act of 1982 (25 U.S.C. 2101–2108); Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201–1232); any amendments thereto; or any other laws not specifically addressed in this section.

SEC. 405. INDIAN MINERAL DEVELOPMENT ACT REVIEW.

(a) In General.—The Secretary of the Interior shall conduct a review of the activities that have been conducted by the governments of Indian tribes under the authority of the Indian Mineral Development Act of 1982 (25 U.S.C. 2101 et seq.).

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Resources of the House of Representatives, the Committee on Indian Affairs of the Senate, and the Committees on Energy and Commerce and Resources of the House of Representatives and the Committees on Energy and Natural Resources of the Senate a report on energy consumption and renewable energy development potential on Indian lands. The report shall address the development of renewable energy by Indian tribes, including federal policies and regulations, and make recommendations regarding the removal of such barriers.

(c) CONSULTATION.—The Secretary shall consult with Indian tribes on a government-to-government basis in developing the report and recommendations as provided in this section.

SEC. 407. FEDERAL POWER MARKETING ADMINISTRATIONS.

Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3301) (as amended by section 201) is amended by adding the following:

SEC. 408. FEDERAL POWER MARKETING ADMINISTRATIONS.

(a) DEFINITION OF ADMINISTRATOR.—In this section the term ‘Administrator’ means—

(1) the Administrator of the Bonneville Power Administration;

(2) the Administrator of the Western Area Power Administration; and

(3) each Administrator established under section (e) of this section.

(b) ASSISTANCE FOR TRANSMISSION STUDIES.—In providing discretionary assistance to Indian tribes under paragraph (1), each Administrator shall give priority, in funding to Indian tribes that have limited financial capability, to conduct such studies.

(c) POWER ALLOCATION STUDY.—

(1) Not later than 2 years after the date of enactment of this Act, the Secretary of Energy shall transmit to the Committees on Energy and Commerce and Resources of the House of Representatives and the Committees on Energy and Natural Resources of the Senate a report containing—

(A) a study of the effect of Federal power by Indian tribes.

(B) the amount of power allocated to Indian tribes by the Western Area Power Administration, or power sold by the Southwestern Power Administration, and the Bonneville Power Administration to or for the benefit of Indian tribes in their service areas. The report shall identify—

(A) the amount of power allocated to tribes by the Western Area Power Administration, and how the benefit of that power is utilized by the tribes;

(B) the amount of power sold to tribes by other Power Marketing Administrations; and

(C) existing barriers that impede tribal access to and utilization of federal power, and opportunities to remove such barriers and improve the ability of Indian tribes to market federal power.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy such sums as may be necessary to carry out the purposes of this section.

SEC. 408. FEASIBILITY STUDY OF COMBINED WIND AND HYDROPOWER DEVELOPMENT.

(a) STUDY.—The Secretary of Energy, in coordination with the Secretary of the Army...
and the Secretary of the Interior, shall conduct a study of the cost and feasibility of developing a demonstration project that would use wind energy generated by Indian tribes and developed by the Army Corps of Engineers on the Missouri River to supply firming power to the Western Area Power Administration.

(2) Study. The study shall—

(a) determine the feasibility of the blending of wind energy and hydropower generated by the Missouri River dams operated by the Army Corps of Engineers;

(b) assess the economic potential of and projected purchase requirements for firming through the use of wind power; and

(c) include an independent engineer as a study team member.

The Secretary shall submit a report to Congress not later than one year after the date of enactment of this title. The Secretary shall include in the report—

(1) an analysis of the potential energy cost savings to the customers of the Western Area Power Administration through the blended wind and hydropower;

(2) an evaluation of whether a combined wind and hydropower system could reduce reservoir fluctuation, enhance efficient and reliable energy production and provide Missouri River energy flexibility; and

(3) recommendations for a demonstration project which the Western Area Power Administration could carry out in partnership with an Indian tribal government in order to demonstrate the feasibility and potential of using wind energy produced on Indian lands to supply firming energy to the Western Area Power Administration or other Federal power marketing agency;

(4) analysis of the economic and environmental benefits to be realized through such a federal-tribal partnership and identification of how such a partnership could contribute to the energy security of the United States;

(c) CONGRESSIONAL RECORD.—The Secretary shall consult with Indian tribes on a government-to-government basis in developing the report and recommendations provided in this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $500,000 to carry out this section, which shall remain available until expended. All costs incurred by the Western Area Power Administration in accordance with the terms and conditions of this section shall be non-reimbursable.

TITLE V—NUCLEAR POWER

Subtitle B—Department of Energy

Reauthorization

SEC. 501. SHORT TITLE. This subtitle may be cited as the “Price-Anderson Amendments Act of 2002.”

SEC. 502. EXPANSION OF DEPARTMENT OF ENERGY INDEMNIFICATION AUTHORITY.

(a) GENERAL.—Section 170 d.(1)(A) of the Atomic Energy Act of 1946 (42 U.S.C. 2210(d)(1)(A)) is amended by striking “,” until August 1, 2002,”.

(b) INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1946 (42 U.S.C. 2210(d)(5)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

(c) LIABILITY LIMIT.—Section 170 e.(4) of the Atomic Energy Act of 1946 (42 U.S.C. 2210(e)(4)) is amended by striking “paragraph (3)” and inserting “paragraph (2)(B)”.

SEC. 503. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1946 (42 U.S.C. 2210(d)(5)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

(b) LIABILITY.—Section 170 e.(4) of the Atomic Energy Act of 1946 (42 U.S.C. 2210(e)(4)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

SEC. 504. REPORTS.

(a) INVENTORY SALES.—Section 3112(d) of the USEC Privatization Act (42 U.S.C. 2297h–10(d)) is amended to read as follows:

“(9) except as provided in subsections (b), (c), and (e) of this section, no sale or transfer of uranium in any form shall be made unless—

(1) the President determines that the material is not necessary for national security needs;

(2) the Secretary, in consultation with the President, determines that the sale or transfer will not adversely affect the national security interests of the United States; and

(3) the Secretary determines that the sale of the material will not have an adverse market impact on the uranium mining, conversion, or enrichment industry, taking into account the sales of uranium under the Russian RBU Agreement and the Suspension Agreement; and

(4) the price paid to the Secretary will not be less than the fair market value of the material.”

(b) EXEMPT SALES OR TRANSFERS.—Notwithstanding subsection (d)(2), the Secretary may transfer or sell uranium—

(1) to a United States reprocessor under the University Reactor Fuel Assistance and Support Program or the Reduced Enrichment for Hard-Tailored Nuclear Fuel Program; and

(2) to USEC Inc. to replace contaminated uranium received from the Department of Energy when the United States Enrichment Corporation was privatized;

(3) for non-defense purposes in the event of a disruption in supply to end users in the United States; and

(4) for purposes of this section, the term ‘not-for-profit’ means that no part of the net earnings of the contractor, subcontractor, or supplier inures, or may lawfully inure, to the benefit of any natural person or for-profit artificial person.”

SEC. 505. EFFECTIVE DATE. The amendments made by this section shall not apply to any incident occurring under a contract entered into before the date of enactment of this section.

SEC. 506. EFFECTIVE DATE. The amendments made by this section shall not apply to any nuclear incident that occurs before the date of enactment of this subtitle.

Subtitle B—Miscellaneous Provisions

SEC. 507. URIANUM CONTRACTORS.—Section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a (b)(2)) is amended to read as follows:

“(b) LIMITATION FOR NOT-FOR-PROFIT INSTITUTIONS.—Subsection d. of section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(d)) is amended as follows:

‘‘(d) Notwithstanding subsection a., a civil penalty for a violation under subsection a. shall not exceed the amount of the fee paid under section 234A of this title, and shall not be assessed in excess of $50,000,000 for any not-for-profit contractor, subcontractor, or supplier.”
"(5) to any person for national security purposes, as determined by the Secretary.".

SEC. 512. REALLOCATION OF THORIUM REIMBURSEMENTS.

(a) REIMBURSEMENT OF THORIUM LICENSEE.—Section 1001(b)(2)(C) of the Energy Policy Act of 1992 (42 U.S.C. 2296a) is amended—

(1) by striking "$140,000,000" and inserting "$365,000,000".

(2) by adding at the end the following:

"Such payments shall not exceed the following amounts:

(i) $30,000,000 in fiscal year 2002.

(ii) $55,000,000 in fiscal year 2003.

(iii) $20,000,000 in fiscal year 2004.

(iv) $20,000,000 in fiscal year 2005.

(v) $20,000,000 in fiscal year 2006.

Any amounts authorized to be paid in a fiscal year under this subparagraph that are not paid in that fiscal year may be paid in subsequent fiscal years.".

(b) AUTHORIZATION OF APPROPRIATIONS.—

Section 1004(a) of the Energy Policy Act of 1992 (42 U.S.C. 2296a–2) is amended by striking "$490,000,000" and inserting "$715,000,000".

SEC. 513. FAST FLUX TEST FACILITY.

The Secretary of Energy shall not reactivate the Fast Flux Test Facility to conduct—

(1) any atomic energy defense activity,

(2) any space-related mission, or

(3) any program for the production or utilization of nuclear material if the Secretary has determined, in a record of decision, that the program can be carried out at existing operating facilities.

DIVISION B—DOMESTIC OIL AND GAS PRODUCTION AND TRANSPORTATION TITLE VII—OIL AND GAS PRODUCTION AND TRANSPORTATION

SEC. 601. PERMANENT AUTHORITY TO OPERATE THE STRATEGIC PETROLEUM RESERVE.

(a) AMENDMENT TO TITLE I OF THE ENERGY POLICY AND CONSERVATION ACT.—Title I of the Energy Policy and Conservation Act (42 U.S.C. 6211 et seq.) is amended—

(1) by striking section 106 (42 U.S.C. 6246) and inserting—

"$60,000,000, to remain available until expended.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary for the activities under this section $5,000,000 for each of fiscal years 2003 through 2005 to carry out the provisions of this section.

SEC. 602. FEDERAL ONSHORE LEASING PROGRAMS FOR OIL AND GAS.

SEC. 603. OIL AND GAS LEASE ACREAGE LIMITATIONS.

SEC. 604. ORPHANED AND ABANDONED WELLS ON FEDERAL LAND.

(a) ESTABLISHMENT.—(1) The Secretary of the Interior, in cooperation with the Secretary of Agriculture, shall establish a program to ensure within three years after the date of enactment of this Act, remediation, reclamation, and closure of orphaned oil and gas wells located on lands administered by the Department of the Interior and the U.S. Forest Service.

(c) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary for the activities under this section $5,000,000 for each of fiscal years 2003 through 2005 to carry out the provisions of this section.

SEC. 605. OFFSHORE DEVELOPMENT.

Section 5 of the Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1334) is amended by striking at the end of subsection (b)—

"(K) SUSPENSION OF OPERATIONS FOR SUBSALT EXPLORATION.—Notwithstanding any other provision of law or regulation, the Secretary may grant a request for a suspension of operations under any lease to allow the lessee to reprocess or reinterpret geologic or geophysical data or to address adverse impacts to surface or groundwater sources associated with production of coalbed methane; and"

SEC. 606. COALBED METHANE STUDY.

SEC. 607. AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary of Energy for the activities provided for in this section $3,000,000 for each of fiscal years 2003 through 2005 to carry out the activities provided for in this section.

SEC. 608. ORPHANED AND ABANDONED OIL AND GAS WELL PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Energy shall establish a program to provide technical assistance to the various oil and gas producing states to facilitate state efforts over a ten-year period to ensure a practical and economical remedy for environmental problems caused by orphaned and abandoned exploration or production wells on state and Federal land.

(b) PROGRAM ELEMENTS.—The program should include—

(1) mechanisms to facilitate identification of responsible parties wherever possible;

(2) rank orphaned and abandoned wells on the basis of factors such as other land use priorities, potential environmental harm and public visibility; and

(3) training and information and training programs on best practices for remediation of different types of sites.

(c) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to the Secretary of Energy for the activities under this section $5,000,000 for each of fiscal years 2003 through 2005 to carry out the provisions of this section.

SEC. 609. COALBED METHANE STUDY.

(a) STUDY.—The National Academy of Sciences shall conduct a study on the effects of coalbed methane production on surface and water resources.

(b) DATA ANALYSIS.—The study shall analyze available hydrological and water quality data, along with other pertinent environmental or other information to determine—

(1) adverse effects associated with surface or subsurface disposal of waters produced during extraction of coalbed methane;

(2) depletion of groundwater aquifers or drinking water sources associated with production of coalbed methane;

(3) any other significant adverse impacts to surface or water resources associated with production of coalbed methane; and

(4) production techniques or other factors that can mitigate adverse impacts from coalbed methane development.

(b) PLAN.—Within six months from the date of enactment of this section, the Secretary of the Interior, in cooperation with the Secretary of Agriculture, shall prepare a plan for carrying out the program established under subsection (a). Copies of the plan shall be transmitted to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.
(d) COMPLETION OF STUDY.—The National Academy of Sciences shall submit the study to the Secretary of the Interior within 18 months after the date of enactment of this Act, and shall make the study available to the public at the same time.

(e) REPORT TO CONGRESS.—(1) The Secretary of the Interior shall report to Congress within 6 months after the issuance of the study:

(1) the findings and recommendations of the study;
(2) the Secretary’s agreement or disagreement with each of its findings and recommendations; and
(3) any recommended changes in funding to address the effects of coalbed methane production on surface and water resources.

SECT. 608. FISCAL POLICIES TO MAXIMIZE RECOVERY OF DOMESTIC OIL AND GAS RESOURCES.

(a) EVALUATION.—The Secretary of Energy, in coordination with the Secretaries of the Interior, Commerce, and Treasury, Indian tribes and the Interstate Oil and Gas Compact Commission, shall evaluate the impact of existing Federal and State tax and royalty policies on the development of domestic oil and gas resources and on revenues to Federal, State, local and tribal governments.

(b) SCOPE.—The evaluation under subsection (a) shall:

(1) analyze the impact of fiscal policies on oil and natural gas exploration, development drilling, and production under different price scenarios, including the impact of the individual and alternative Minimum Tax, state and local production taxes and fixed royalty rates during low price periods;
(2) assess the effect of existing federal and state fiscal policies on investment under different geological and developmental circumstances, including but not limited to deep and deviated wells, coalbed methane and other unconventional oil and gas formations;
(3) assess the extent to which federal and state fiscal policies negatively impact the ultimate recovery of resources from existing fields and smaller accumulations in offshore waters, especially in water depths less than 800 meters, of the Gulf of Mexico;
(4) compare existing federal and state policies with tax and royalty regimes in other countries to emphasize similarities with tax and royalty regimes in other countries; and
(5) evaluate how alternative tax and royalty regimes that include counter-cyclical measures, could increase recovery of domestic oil and natural gas resources and revenues to Federal, State, local and tribal governments.

(c) POLICY RECOMMENDATIONS.—Based upon the findings of the evaluation under subsection (a), the Secretary shall include guidelines for private resource holders and producers to receive in kind as royalties from production of crude oil the United States is entitled to receive in kind as royalties from production on Federal lands; and

(d) MAINTAIN PRODUCTION CAPABILITY DURING LOW PRICE PERIODS.—The Secretary of Energy shall submit to Congress a report that includes guidelines for private resource holders and producers to:

(1) maintain production capability during periods of low oil and/or natural gas prices;
(2) ensure a consistent level of domestic production; and
(3) provide federal financial assistance to any Alaska natural gas transportation project authorized under this section.

TITLE VII—NATURAL GAS PIPELINES

Subtitle A—Alaska Natural Gas Pipeline

SEC. 701. SHORT TITLE.

This subtitle may be cited as the “Alaska Natural Gas Pipeline Act of 2002”.

SEC. 702. FINDINGS.

The Congress finds that:

(1) Construction of a natural gas pipeline system from the North Slope to the contiguous United States markets is in the national interest and will enhance national energy security by providing access to the significant gas reserves to meet the anticipated demand for natural gas.

The Congress issued a certificate of public convenience and necessity for the Alaska Natural Gas Transportation System, which remains in effect.

SEC. 703. PURPOSES.

The purposes of this subtitle are:

(1) to expedite the approval, construction, and initial operation of one or more transportation systems for the delivery of Alaska natural gas to the contiguous United States;

(2) to ensure access to such transportation systems on an equal and nondiscriminatory basis and to promote competition in the exploration, development and production of Alaska natural gas; and

(3) to provide federal financial assistance to any transportation system for the transport of Alaska natural gas to the contiguous United States, for which an application for a certificate of public convenience and necessity has been filed with the Commission not later than 6 months after the date of enactment of this subtitle.

SEC. 704. ISSUANCE OF CERTIFICATE OF PUBLIC CONVENIENCE AND Necessity.

(a) AUTHORITY OF THE COMMISSION.—Notwithstanding the provisions of the Alaska Natural Gas Transportation Act of 1976 (25 U.S.C. 1519–1519o), the Commission may, pursuant to section 7(c) of the Natural Gas Act (25 U.S.C. 1717(c)), consider and act on an application for a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project other than the Alaska Natural Gas Transportation System.

(b) ISSUANCE OF CERTIFICATE.—(1) The Commission shall issue a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project under this section if the applicant has an agreement to transport Alaska natural gas through the proposed Alaska natural gas transportation project for use in the contiguous United States; and

(2) satisfied the requirements of section 7(e) of the Natural Gas Act (25 U.S.C. 1717(e)).

(c) Regulatory process.—The Commission shall issue a final order granting or denying any application for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act (25 U.S.C. 1717(c)) and this section not more than 60 days after the issuance of the final environmental impact statement for that project pursuant to section 704.

(d) REVIEWS AND ACTIONS OF OTHER FEDERAL AGENCIES.—All reviews conducted and actions taken by any federal officer or agency with respect to an Alaska natural gas transportation project authorized under this section shall be expedited, in a manner consistent with completion of the necessary reviews and approvals by the deadlines set forth in this subtitle.

(e) REGULATIONS.—The Commission may issue regulations to carry out the provisions of this section.

SEC. 705. ENVIRONMENTAL REVIEWS.

(a) COMPLIANCE WITH NEPA.—The issuance of a certificate of public convenience and necessity authorizing the construction and initial operation of any Alaska natural gas transportation project under section 704 shall be treated as a major federal action significantly affecting the human environment within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(b) DESIGNATION OF LEAD AGENCY.—The Commission shall be the lead agency for purposes of complying with the National Environmental Policy Act of 1969, and shall be responsible for preparing an environmental impact statement required by section 102(2)(C) of that Act (42 U.S.C. 4332(2)(C)) with respect to an Alaska natural gas transportation project under section 704. The Commission shall prepare a single environmental statement under this section, which shall consolidate the environmental reviews of all Federal agencies considering any aspect of the project.

(c) OTHER AGENCIES.—All Federal agencies considering aspects of the construction and operation of an Alaska natural gas transportation project under section 704 shall cooperate with the Commission, and shall comply with deadlines established by the Commission in the preparation of the statement under this section. The statement under this section shall be used by all such agencies to satisfy their responsibilities under section
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102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) with respect to such project.

(d) EXPEDITED PROCESS.—The Commission shall, after notice and opportunity for public comment, act within 120 days after the date on which the Commission has received the application, or issue a negative determination of completeness, and shall issue the final statement not later than 12 months after the date on which the Commission has received the application, unless the Commission finds that additional time is needed.

(c) ENVIRONMENTAL REVIEWS UNDER ANGTA.—The Secretary of Energy shall require the sponsor of the Alaska Natural Gas Transportation System to submit such updated environmental data, reports, permits, and impact analyses as the Secretary determines are necessary to develop detailed terms, conditions, and compliance plans required by section 5 of the President’s Decision.

SEC. 706. FEDERAL COORDINATOR.

(a) ESTABLISHMENT.—There is established as an independent establishment in the executive branch, the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects.

(b) FEDERAL COORDINATOR.—The Office shall be headed by a Federal Coordinator for Alaska Natural Gas Transportation Projects, who shall—

(1) be appointed by the President, by and with the advice of the Senate;

(2) hold office at the pleasure of the President, and

(3) be compensated at the rate prescribed for level III of the Executive Schedule (5 U.S.C. 5314).

(c) DUTIES.—The Federal Coordinator shall be responsible for—

(1) coordinating the expeditious discharge of all activities by federal agencies with respect to an Alaska natural gas transportation project, and

(2) ensuring the compliance of Federal agencies with the provisions of this subtitle.

SEC. 707. JUDICIAL REVIEW.

(a) EXCLUSIVE JURISDICTION.—The United States Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction to determine—

(1) the validity of any final order or action (including a failure to act) of the Commission under this subtitle;

(2) the constitutionality of any provision of this subtitle, of any decision made or action taken thereunder; or

(3) the adequacy of any environmental impact statement prepared under the National Environmental Policy Act of 1969 with respect to any action under this subtitle.

(b) DEADLINE FOR FILING CLAIM.—Claims arising under this subtitle may be brought not later than 60 days after the date of the decision or action giving rise to the claim.

SEC. 708. LOAN GUARANTEE.

(a) AUTHORITY.—The Secretary of Energy may guarantee to any eligible for inclusion on the National Register of Historic Places.

(b) CONDITIONS.—The Secretary of Energy may require that—

(1) the Secretary of Energy may not guarantee a loan under this section unless the guarantee has been filed with and approved for a certificate of public convenience and necessity by section 704(b) of this Act or section 9 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719g) for the purpose of constructing an Alaska natural gas transportation project.

(c) LIMITATION ON AMOUNT.—Commitments to guarantee a loan made to the holder of a certificate of public convenience and necessity issued under section 704(b) of this Act or section 9 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719g) may add to, amend, or abrogate any term or condition included in such certificate, except that the Secretary of Energy may require that any term or condition included in such certificate, except that the Secretary of Energy may require that any term or condition included in such certificate, permit, right-of-way, lease, or other authority to authorize the construction of the project.

(d) REGULATIONS.—The Secretary of Energy may issue regulations to carry out the provisions of this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are appropriated to the Secretary such sums as may be necessary to cover the cost of loan guarantees, as defined by section 501(e) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(b)).

SEC. 709. STUDY OF ALTERNATIVE MEANS OF CONSTRUCTION.

(a) REQUIREMENT OF STUDY.—If no application for the issuance of a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project has been filed with the Commission within 6 months after the date of enactment of this title, the Secretary of Energy shall conduct a study of alternative approaches to the construction and operation of such transportation system.

(b) SCOPE OF STUDY.—The study shall consider the feasibility of establishing a government corporation to construct an Alaska natural gas transportation project, and alternative means of providing federal financing and ownership (including alternative combinations of government and private corporate ownership) of the project.

(c) REPORT.—If the Secretary of Energy is required to conduct a study under subsection (a), he shall submit a report containing the results of the study, his recommendations, and any proposals for legislation to implement his recommendations to the Congress within 6 months after the expiration of the Secretary of Energy’s authority to guarantee a loan under section 708.

SEC. 710. SAVINGS CLAUSE.


SEC. 711. CLARIFICATION OF AUTHORITY TO AMEND TERMS AND CONDITIONS TO MEET CURRENT PROJECT REQUIREMENTS.

Any Federal officer or agency responsible for granting or issuing any certificate, permit, right-of-way, lease, or other authorization under this section is authorized to make any changes in the terms and conditions of such certificates, permits, right-of-way, lease, or other authorization as may be necessary to meet current project requirements (including physical design, facilities, and tariff specifications), so long as such action does not compel a change in the basic nature and general route of the Alaska natural gas transportation project as designated or described in section 2 of the President’s Decision, or would otherwise preclude the expeditious construction and initial operation of such transportation system.

SEC. 712. DEFINITIONS.

For purposes of this subtitle:

(1) the term “Alaska natural gas” has the meaning given such term by section 4(1) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719b(1)).

(2) the term “Alaska natural gas transportation project” means any other natural gas pipeline system that carries Alaska natural gas from the North Slope of Alaska to the border of Canada and that is authorized under the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719–719o); or

(b) section 704 of this subtitle.

(3) the term “Alaska Natural Gas Transportation System” means the Alaska natural gas transportation project authorized under the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719c) and described in section 2 of the President’s Decision.

(4) the term “Commission” means the Federal Energy Regulatory Commission.

(5) the term “natural gas company” means a person engaged in the transportation of natural gas in interstate commerce or the sale in interstate commerce of such gas for resale; and

(6) the term “President’s Decision” means the President and Resolution on the Alaska Natural Gas Transportation system issued by the President on September 22, 1977 pursuant to section 7 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719c) and approved by Public Law 95–158.

SEC. 713. SENSE OF THE SENATE.

It is the sense of the Senate that an Alaska natural gas transportation project will provide significant economic benefits to the United States and Canada. In order to maximize those benefits, the Senate urges the sponsors of the pipeline project to make every effort to use any manufactured or produced in North America and to negotiate a project labor agreement to expedite construction of the pipeline.

Subtitle II—Operating Pipelines

SEC. 721. APPLICATION OF HISTORIC PRESERVATION ACT TO OPERATING PIPELINES.

Section 7 of the Natural Gas Act (15 U.S.C. 717(l)(5)) is amended by adding at the end the following:

“(v) Notwithstanding the National Historic Preservation Act (16 U.S.C. 470 et seq.), a transportation facility shall not be eligible for inclusion on the National Register of Historic Places unless—

(A) the Commission has permitted the abandonment of the transportation facility pursuant to subsection (b), or

(B) the owner of the facility has given written consent to such eligibility.

“(v) Any transportation facility considered eligible for inclusion on the National Register of Historic Places is eligible for inclusion on the National Register of Historic Places unless—

(A) the Commission has denied the application to construct an Alaska natural gas transportation project pursuant to subsection (b), or

(B) the owner of the facility has given written consent to such eligibility.

SEC. 722. ENVIRONMENTAL REVIEW AND PERMITTING OF NATURAL GAS PIPELINE PROJECTS.

(a) INTERAGENCY REVIEW.—The Chairman of the Council on Environmental Quality, in coordination with the Federal Energy Regulatory Commission, shall establish an interagency task force to develop an interagency memorandum of understanding to expedite the environmental review and permitting of natural gas pipeline projects.

(b) MEMORANDUM OF INTERAGENCY TASK FORCE.—The task force shall consist of—

(1) the Chairman of the Council on Environmental Quality, who shall serve as the Chairman of the task force,

(2) the Chairman of the Federal Energy Regulatory Commission,
(3) the Director of the Bureau of Land Management,
(4) the Director of the U.S. Fish and Wildlife
Service,
(5) the Commanding General, U.S. Army
Corps of Engineers,
(6) the Chief of the Forest Service,
(7) the Administrator of the Environment
al Protection Agency,
(8) the Chairman of the Advisory Council
on Historic Preservation, and
(9) the heads of other agencies as the
Chairman of the Council on Environmental
Quality and the Chairman of the Federal En-
ergy Regulatory Commission deem ap-
propriate.

(c) Memorandum of Understanding.—The
agencies represented by the members of the
interagency task force shall enter into the
memorandum of understanding not later
than one year after the date of the enact-
ment of this section.

DIVISION C—DIVERSIFYING ENERGY
DEMAND AND IMPROVING EFFICIENCY

TITLE VIII—FUELS AND VEHICLES

Subtitle A—CAFE Standards and Related
Matters

SEC. 801. AVERAGE FUEL ECONOMY STANDARDS
FOR PASSENGER AUTOMOBILES AND
LIGHT TRUCKS.

(a) Increased Standards.—Section 32902
of title 49, United States Code, is amended—
(1) by striking “(except passenger au-
tomobiles)” in subsection (a) and inserting
“(except passenger automobiles and light
trucks)”;
(2) by striking “(except passenger au-
tomobiles)” in subsection (a) and inserting
“(except passenger automobiles and light
trucks)”;
(3) by striking subsection (b) and inserting
the following:

(b) Standards for Passenger Automobiles
and Light Trucks.—

(1) In general.—The Secretary of Trans-
portation, after consultation with the Ad-
ministrator of the Environmental Protection
Agency, shall prescribe average fuel econ-
omy standards for passenger automobiles
and light trucks manufactured by a manufac-
turer in each model year beginning with model
year 2005 in order to achieve a com-
bined average fuel economy standard for pas-
enger automobiles and light trucks for
model year 2013 of at least 35 miles per gal-
lon.

(2) Annual Progress Toward Standard
Required.—In prescribing average fuel econ-
omy standards under paragraph (1), the Sec-
etary shall prescribe appropriate annual
fuel economy standard increases for pas-
enger automobiles and light trucks that—
(A) increase the applicable average fuel
economy standard ratably over the 9 model-
year period beginning with model year 2005
and ending with model year 2013;
(B) require that each manufacturer achieve—
(i) a fuel economy standard for passenger
automobiles manufactured by that manufac-
turer of at least 27.5 miles per gallon no later
than model year 2010; and
(ii) a fuel economy standard for light
trucks manufactured by that manufacturer
of at least 22.5 miles per gallon no later than
model year 2010; and
(C) for any model year within that 9
model-year period does not result in an aver-
age fuel economy standard lower than—
(i) 27.5 miles per gallon for passenger
automobiles; or
(ii) 22.5 miles per gallon for light duty
trucks.

(D) Deadline for Regulations.—The Sec-
etary shall promulgate the regulations re-
quired under paragraphs (1) and (2) in final
form no later than 18 months after the date of en-

(4) Default Standards.—If the Secretary
fails to meet the requirement of paragraph
(3), the average fuel economy standard for
passenger automobiles and light trucks manufac-
tured by a manufacturer in each model year
beginning with model year 2005 is the average fuel
economy standard set forth in the following:

For model year 2005—

2005 ............................................. 22.5 miles per gallon
2006 ............................................. 25 miles per gallon
2007 ............................................. 26.5 miles per gallon
2008 ............................................. 28 miles per gallon
2009 ............................................. 29.5 miles per gallon
2010 ............................................. 31 miles per gallon
2011 ............................................. 32.5 miles per gallon
2012 ............................................. 34 miles per gallon
2013 and thereafter ............................................. 35 miles per gallon

For model year 2006—

2006 ............................................. 23.5 miles per gallon
2007 ............................................. 25 miles per gallon
2008 ............................................. 26.5 miles per gallon
2009 ............................................. 28 miles per gallon
2010 ............................................. 29.5 miles per gallon
2011 ............................................. 31 miles per gallon
2012 ............................................. 32.5 miles per gallon
2013 and thereafter ............................................. 34 miles per gallon

(5) Combined Standard for Model Years
After Model Year 2010.—Unless the default
standards under paragraph (4) are in effect,
for model years after model year 2010, the Sec-
etary shall by rulemaking establish—
(A) separate average fuel economy stand-
ards for passenger automobiles and light
trucks manufactured by a manufacturer;
(B) a combined average fuel economy
standard for passenger automobiles and light
trucks manufactured by a manufacturer;
and
(C) by striking “(except passenger au-
tomobiles)” in subsection (c)(1) and inserting
“(except passenger automobiles and light
trucks)”.

(6) Reporting.—The Administrator of the
Environmental Protection Agency, shall, with-
in 12 months after the date of enactment
of the Energy Policy Act of 2002 and annu-
ally thereafter, submit to the Committee on
Commerce, Science, and Transportation of
the Senate and the Committee on Commerce,
Science, and Transportation of the House of
Representatives a report on the results of the
study required by paragraph (5). The report shall
include—

(A) a comparison between—

(i) fuel economy measured, for each
model in the applicable model year, through
testing procedures in effect as of the date
of enactment of the Energy Policy Act of
2002; and
(ii) fuel economy of such passenger au-
tomobiles and light trucks during actual on-
road performance, as determined under that
paragraph;

(B) a statement of the percentage dif-
ference, if any, between actual on-road fuel
economy and fuel economy measured by test
procedures of the Environmental Protection
Agency; and

(C) a plan to reduce, by model year 2015,
the percentage difference identified under
paragraph (B) by using uniform test
methods that reflect actual fuel economy
consumers experience under nor-
mal driving conditions to no greater than
5 percent.

SEC. 802. ENSURING SAFETY OF PASSENGER
AUTOMOBILES AND LIGHT TRUCKS.

(a) In General.—The Secretary of Trans-
portation shall exercise such authority under
Federal law as the Secretary may have
to ensure that—

(1) passenger automobiles and light
trucks (as those terms are defined in section
32901 of title 49, United States Code) are safe;

(2) progress is made in improving the
overall safety of passenger automobiles and
light trucks; and

(3) progress is made in maximizing United
States employment.

(b) Improved Crashworthiness.—Sub-
chapter II of chapter 301 of title 49, United
States Code, is amended by adding at the end
the following:

(1) Improved Crashworthiness Standards.—
(1) Rollovers.—Within 3 years after the
date of enactment of the Energy Policy Act of
2002, the Secretary of Transportation,
through the National Highway Traffic Safety
Administration, shall promulgate a
vehicle safety standard under this chapter for
rollover crashworthiness standards that in-
cludes—

(A) dynamic roof crush standards;

(B) improved seat structure and safety
belt design;
‘‘3’’ side impact head protection airbags; and
‘‘4’’ roof impact protection measures.

(b) HEAVY VEHICLE HARMS REDUCTION COM-
PARTNERSHIP.—

‘‘1’’ Within 3 years after the date of enact-
ment of the Energy Policy Act of 2002, the Sec-
retary, through the National Highway
Traffic Safety Administration, shall pre-
scribe a federal motor vehicle safety stan-
dard under this chapter that will reduce the
aggregate number of heavy trucks by 30 percent,
using a baseline of model year 2002, and will
improve vehicle compatibility in collisions
between light trucks and cars, in order to
protect against unnecessary death and in-
jury.

‘‘2’’ The Secretary should review the effec-
tiveness of this standard every five years fol-
lowing the issuance of the standard and shall
issue, through the National Highway
Traffic Safety Administration, upgrades to
the standard to reduce fatalities and injuries
related to vehicle compatibility and light
truck aggressivity.’’

(c) CONFORMING AMENDMENT.—The chapter
analysis for chapter 301 of title 49, United
States Code, is amended—

(1) by striking ‘‘section 30128’’ in subsection (a) and

(2) by striking ‘‘(c)’’ in subsection (c) and

SEC. 804. HIGH OCCUPANCY VEHICLE EXCEP-
TIBILITY STANDARD.—

(a) IN GENERAL.—Notwithstanding section
102(a)(1) of title 23, United States Code, a State
may, for the purpose of promoting energy
security, permit a vehicle with fewer than 2 occupants to operate in high
occupancy vehicle lanes if it is a hybrid vehicle or is certified by the Secretary of Transpor-
tation, after consultation with the Adminis-
trator of the Environmental Protection
Agency, to be a vehicle that runs only on an
alternative fuel.

(b) HYBRID VEHICLE DEFINED.—In this sec-
tion, the term ‘‘hybrid vehicle’’ means a motor vehicle—

(1) which—

(A) draws propulsion energy from onboard sources of stored energy which are both—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system; or

(B) recovers kinetic energy through regen-
 erative braking and provides at least 13 per-
cent maximum power from the electrical
storage device;

(c) ALTERNATIVE FUEL DEFINED.—In this sec-
tion, the term ‘‘alternative fuel’’ has the mean-
ing such term has under section 301(2)
of title 49, United States Code, and

(d) USE OF CREDIT VALUE TO CALCULATE CIVIL
PENALTY.—Section 32912(b) of title 49, United States
Code, is amended—

(1) by inserting ‘‘and is unable to purchase
sufficient credits under section 32903(g) to
comply with the standard’’ after ‘‘title’’ the
first place it appears; and

(2) by striking all after ‘‘penalty’’ and in-
serting ‘‘of the greater of—

‘‘(1) an amount determined by multi-
plying—

‘‘(A) the number of credits necessary to en-
able the manufacturer to meet that stand-
adard, by

(3) 1.5 times the previous year’s weighted
average open market price of a credit under
section 32903(g); or

(2) $5 multiplied by each 0.1 of a mile a
vehicle by which the applicable average fuel
economy standard under section 29602 ex-
cedes the average fuel economy—

‘‘(A) calculated under section 32904(a)(1)(A)
or (B) for automobiles to which the standard
applied manufactured by the manufacturer
during the model year;

(3) by multiplying the number of those
automobiles; and

‘‘(C) reduced by the credits available to the
manufacturer under section 32903 for the
model year;’’

(c) CONFORMING AMENDMENTS.—Section
32903 of title 49, United States Code, is
amended—

(1) by inserting ‘‘or light trucks’’ after
‘‘passenger automobiles’’ each place it ap-
ppears in subsection (c);

(2) by inserting after ‘‘manufacturer.’’ in
subsection (d) ‘‘Credits earned with respect to
nonpassenger automobiles or light trucks;’’ and

(3) by inserting after ‘‘manufacturer.’’ in
subsection (e) ‘‘Credits earned with respect to
nonpassenger automobiles or light trucks;

SEC. 806. GREEN LABELS FOR FUEL ECONOMY.

Section 32908 of title 49, United States
Code, is amended—

(1) by striking ‘‘title’’ in subsection (a)(1)
and inserting ‘‘title, and a light truck (as de-
defined in section 32901(17) after model year
2001; and’’;

(2) by redesignating subparagraph (F) of
subsection (b)(1) as subsection (b)(2); and

SEC. 807. CREDIT TRADING PROGRAM.

(a) IN GENERAL.—Section 32903 of title 49,
United States Code, is amended by adding at
the end the following:

‘‘(1) The Credit Trading System—

‘‘(i) with the Credit Trading System;—

‘‘(1) by striking ‘‘title’’ and inserting
‘‘title, and a light truck (as defined in
section 32901(17) after model year
2001; and’’;

(3) by inserting ‘‘or light trucks’’ after
‘‘passenger automobiles’’ in the place it
appears in subsection (c);

‘‘(3) PROGRAM REQUIREMENTS.—The system
established under paragraph (1) shall—

(A) be applicable—

(i) to light trucks;

(ii) to nonpassenger automobiles or light
duty trucks;’’ and

‘‘(e) CREDIT DEFINED.—In this section, ‘‘credit’’
means—

(1) a manufacturer’s credit or a credit
applied—

(A) with respect to passenger automobiles
manufactured domestically may be applied
with respect to passenger automobiles
and light trucks; and

(B) with respect to light trucks may be
applied with respect to passenger auto-
mobiles;’’

‘‘(C) with respect to passenger automo-
tables manufactured domestically may be
applied with respect to passenger automo-
tables;’’

‘‘(D) with respect to passenger automo-
tables not manufactured domestically may be
applied with respect to passenger automo-
tables manufactured domestically;’’

‘‘(E) the Secretary and the Adminis-
trator shall jointly submit an annual
report to the Congress—

‘‘(1) describing the effectiveness of the
credits provided by this subsection
achieving the purposes of paragraph (2); and

‘‘(2) setting forth a full accounting of all
credits, transfers, sales, and purchases
for the most recent model year for which
data is available.’’

(b) NO CARRYBACK OF CREDITS.—Section
32903(b) of title 49, United States Code, is
amended—

(1) by striking ‘‘title’’ and inserting
‘‘title, and a light truck (as de-
defined in section 32901(17) after model year
2001; and’’;

(2) by redesignating subparagraph (F) of
subsection (b)(1) as subsection (b)(2); and

SEC. 808. GREEN LABELS FOR FUEL ECONOMY.
Section 32908 of title 49, United States
Code, is amended—

(1) by striking ‘‘title’’ and inserting
‘‘title, and a light truck (as de-
defined in section 32901(17) after model year
2001; and’’;

(2) by redesignating subparagraph (F) of
subsection (b)(1) as subsection (b)(2); and

(3) by inserting after ‘‘manufacturer.’’ in
subsection (e) ‘‘Credits earned with respect to
nonpassenger automobiles or light trucks;

SEC. 809. CREDIT TRADING PROGRAM.

Section 32903 of title 49, United States
Code, is amended—

(1) by inserting ‘‘or light trucks’’ after
‘‘passenger automobiles’’ in the place it
appears in subsection (c);

‘‘(2) PURPOSES.—The purposes of the sys-
tem are—

(1) the ability of the manufacturer to
reach the fuel economy standard,

(2) the ability of the manufacturer to
reach the fuel economy standard
under this chapter that will reduce the
fatalities and injuries related to vehicle compatibility
and light truck aggressivity;’’

‘‘(A) MARKETING ANALYSIS.—Within 2 years
after the date of enactment of the Energy
Policy Act of 2002, the Administrator shall
complete a study of social marketing strate-
gies with the goal of maximizing consumer
understanding of point-of-sale labels or logos
described in paragraph (1)(F).”
"(B) CRITERIA.—In developing criteria for the label or logo, the Administrator shall also consider, among others as appropriate, the following factors:

(1) The amount of greenhouse gases that will be emitted over the life-cycle of the automobile.

(ii) The fuel economy of the automobile.

(iii) The recycling of the automobile.

(iv) Any other pollutants or harmful by-products related to the automobile, which may include those generated during manufacturing of the automobile, those issued during use of the automobile, or those generated after the automobile ceases to be operated.

(6) FUELSTAR PROGRAM.—The Secretary, in consultation with the Administrator, shall establish a program, to be known as the ‘fuelstar’ program, under which stars may be awarded to any manufacturer of passenger automobiles or light trucks (as those terms are defined in section 32903 of title 49, United States Code) whose work directly results in production models of

(A) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title;

(B) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title;

3) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 40 miles per gallon under section 32902 of such title.

(b) MANUFACTURER’S AWARD.—The Secretary of Transportation shall establish an award program, to be known as the ‘fuelstar’ program, under which stars may be awarded to any manufacturer of passenger automobiles or light trucks (as those terms are defined in section 32903 of title 49, United States Code) whose work directly results in production models of

(A) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title;

(B) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title;

(C) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 40 miles per gallon under section 32902 of such title.

(3) market price data.

(4) the quantity of renewable fuels consumed; and

(5) the quantity of renewable fuels imported; and

(6) market price data.

SEC. 814. GREEN SCHOOL BUS PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Energy and the Secretary of Transportation shall jointly establish a program for awarding grants on a competitive basis to eligible entities, including school districts and local governments, for the purchase of fuel-efficient motor vehicle fuels market in the United States, and for the reduction in the consumption of petroleum used for vehicle fuel, and

(2) the annual reduction in greenhouse gas emissions properly attributable to the implementation of the average fuel economy standards imposed under section 32902 of title 49, United States Code, as a result of the amendments made by this Act.

SEC. 808. DEPARTMENT OF TRANSPORTATION ENGINEERING AWARD PROGRAM.

(a) ENGINEERING AWARD.—The Secretary of Transportation shall conduct an open competition, under which stars may be awarded to any manufacturer of passenger automobiles or light trucks (as those terms are defined in section 32903 of title 49, United States Code) whose work directly results in production models of

(A) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title;

(B) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title;

(C) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 40 miles per gallon under section 32902 of such title.

(b) MANUFACTURER’S AWARD.—The Secretary of Transportation shall establish an award program, to be known as the ‘fuelstar’ program, under which stars may be awarded to any manufacturer of passenger automobiles or light trucks (as those terms are defined in section 32903 of title 49, United States Code) whose work directly results in production models of
(c) SOLICITATION.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall solicit proposals for grants under this section.

(4) CONDITIONS OF GRANT.—A grant shall be awarded under this section only—

(1) to a local governmental entity responsible for providing school bus service for one or more school districts; or

(2) jointly to an entity described in paragraph (1) and a contracting entity that provides school bus service to the public school system or agency.

(e) TYPES OF GRANTS.—

(1) In general.—Grants under this section shall support the demonstration and commercial application of technologies to facilitate the use of alternative fuel school buses and ultra-low sulfur diesel school buses instead of buses manufactured before model year 1977 and diesel-powered buses manufactured before model year 1991.

(2) No economic benefit.—Other than the receipt of the grant, a recipient of a grant under this section may not receive any economic benefit in connection with the receipt of the grant.

(f) prioritY OF GRANT APPLICATIONS.—The Secretary shall give priority to awarding grants to applicants who can demonstrate the use of alternative fuel buses and ultra-low sulfur diesel school buses instead of buses manufactured before model year 1977. Funds provided under the grant may only be used—

(A) to pay the cost, except as provided in paragraph (e)(3), of new alternative fuel school buses or ultra-low sulfur diesel school buses, including State taxes and contract fees; and

(B) to provide—

(i) up to 10 percent of the price of the alternative fuel buses acquired, for necessary alternative fuel infrastructure if the infrastructure will only be available to the grant recipient; and

(ii) up to 15 percent of the price of the alternative fuel buses acquired, for necessary alternative fuel infrastructure if the infrastructure will be available to the grant recipient and to other bus fleets. 

(g) Conditions of Grant.—A grant provided under this section shall be operated as part of the school bus fleet for which the grant was made for a period of 5 years.

(h) Buses.—Funding under a grant made under this section may only be used to demonstrate the use of new alternative fuel school buses or ultra-low sulfur diesel school buses that—

(1) have a gross vehicle weight greater than 14,000 pounds;

(2) are powered by a heavy duty engine;

(3) in the case of alternative fuel school buses, emit not more than—

(A) 0.08 grams per brake-horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and 0.01 grams per brake-horsepower-hour of particulate matter; and

(B) for buses manufactured in model years 2003 through 2006, 1.8 grams per brake-horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and 0.01 grams per brake-horsepower-hour of particulate matter; and

(4) in the case of ultra-low sulfur diesel school buses, emit not more than the lesser of—

(A) the emissions of nonmethane hydrocarbons and oxides of nitrogen and 0.01 grams per brake-horsepower-hour of particulate matter; and

(B) the applicable following amounts—

(i) for buses manufactured in model year 2002 or 2003, 3.0 grams per brake-horsepower-hour of oxides of nitrogen and 0.01 grams per brake-horsepower-hour of particulate matter; and

(ii) for buses manufactured in model years 2004 through 2006, 2.5 grams per brake-horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and 0.01 grams per brake-horsepower-hour of particulate matter.

(i) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall seek to the maximum extent practicable to achieve nationwide deployment of alternative fuel school buses through the program under this section, and shall ensure a broad geographic distribution of grant awards, with a goal of no State receiving more than 25 percent of the grant funding made available under this section for a fiscal year.

(j) Limitation on Funding.—The Secretary shall provide not less than 20 percent and not more than 25 percent of the grant funding made available under this section for any fiscal year for the acquisition of ultra-low sulfur diesel school buses.

(k) DEFINITIONS.—For purposes of this section—

(1) the term ‘alternative fuel school bus’ means a bus powered substantially by electricity (including electricity supplied by a power plant), by liquefied natural gas, compressed natural gas, hydrogen, propane, or methanol or ethanol at no less than 85 percent by volume; and

(2) the term ‘ultra-low sulfur diesel school bus’ means a school bus powered by diesel fuel which contains sulfur at not more than 15 parts per million.

SEC. 815. FUEL CELL BUS DEVELOPMENT AND DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program for entering into cooperative agreements with private sector fuel cell bus developers for the development of fuel cell-powered school buses, and subsequently with not less than 2 units of local government using natural gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel cell-powered school buses.

(b) Cost Sharing.—The non-Federal contribution for activities funded under this section shall be not less—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (a)

(c) FUNDING.—No more than $25,000,000 of the amounts authorized under section 815 may be used for carrying out this section for the period ending September 30, 2003.

(d) REPORTS TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, and not later than October 1, 2006, the Secretary shall transmit to the appropriate congressional committees a report that—

(1) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(2) assesses the research, development and demonstration program under this section.

SEC. 816. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Energy for carrying out sections 814 and 815, to remain available until expended—

(1) $50,000,000 for fiscal year 2003;

(2) $90,000,000 for fiscal year 2004;

(3) $70,000,000 for fiscal year 2005; and

(4) $80,000,000 for fiscal year 2006.

SEC. 817. BIODIESEL FUEL USE CREDIT.

Section 312(c) of the Energy Policy Act of 1992 (42 U.S.C. 13212(c)) is amended—

(1) by striking “NOT” in the subsection heading; and

(2) by striking “not”.

SEC. 818. RENEWABLE CONTENT OF MOTOR VEHICLE FUEL.

(a) In general.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (a) as subsection (q); and

(2) by inserting after subsection (q) the following:

“(o) RENEWABLE FUEL PROGRAM.—

(1) Definitions.—In this section—

(A) CELLULOSIC BIOMASS ETHANOL.—The term ‘cellulosic biomass ethanol’ means ethanol derived from any lignocellulosic or hemicellulosic material that is available on a renewable or recurring basis, including—

(i) dedicated energy crops and trees;

(ii) wood and wood residues;

(iii) grasses;

(iv) agricultural commodities and residues;

(v) fibers;

(vi) animal waste and other waste materials; and

(vii) municipal solid waste.

(B) RENEWABLE FUEL.—

(i) In general.—The term ‘renewable fuel’ means motor vehicle fuel that—

(1) is produced from crop, starch, sugar, or other biomass feedstocks;

(2) is derived from a biogas source, including a landfill, sewage waste treatment plant, feedlot, or other place where decaying organic material is found; and

(3) (C) SMALL REFINERY.—The term ‘small refinery exemptions from renewable fuel standards’ means a refinery that—

(1) is a small refinery as defined in section 312(f)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13220(f)(1)).

(2) meets all other applicable requirements of this Act.

(3) is a small refinery as defined in section 312(f)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13220(f)(1)).

There are authorized to be appropriated to the Secretary of Energy for carrying out this section (q); and

(4)bike

(5) RENEWABLE FUELS.—

(1) $50,000,000 for fiscal year 2003;

(2) $90,000,000 for fiscal year 2004;

(3) $70,000,000 for fiscal year 2005; and

(4) $80,000,000 for fiscal year 2006.

SEC. 817. BIODIESEL FUEL USE CREDIT.

Section 312(c) of the Energy Policy Act of 1992 (42 U.S.C. 13212(c)) is amended—

(1) by striking “NOT” in the subsection heading; and

(2) by striking “not”.

SEC. 818. RENEWABLE CONTENT OF MOTOR VEHICLE FUEL.

(a) In general.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (a) as subsection (q); and

(2) by inserting after subsection (q) the fo
2004 through 2012 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Applicable volume of renewable fuel: (in millions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>2.3</td>
</tr>
<tr>
<td>2005</td>
<td>2.6</td>
</tr>
<tr>
<td>2006</td>
<td>2.9</td>
</tr>
<tr>
<td>2007</td>
<td>3.2</td>
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<tr>
<td>2008</td>
<td>3.5</td>
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<td>2009</td>
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<td>2010</td>
<td>4.3</td>
</tr>
<tr>
<td>2011</td>
<td>4.7</td>
</tr>
<tr>
<td>2012</td>
<td>5.0</td>
</tr>
</tbody>
</table>

(iii) Calendar year 2013 and thereafter.—For the purpose of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be equal to the product obtained by multiplying—

(1) the number of gallons of motor vehicle fuel that the Administrator estimates will be sold or introduced into commerce in the calendar year; and

(2) the ratio that—

(a) the number of gallons of motor vehicle fuel sold or introduced into commerce in calendar year 2012 that contains renewable fuel to

(b) the number of gallons of motor vehicle fuel sold or introduced into commerce in calendar year 2012.

(b) Cellulosic Biomass Ethanol.—For the purposes of paragraph (2), 1 gallon of cellulosic biomass ethanol shall be considered to be the equivalent of 1.5 gallons of renewable fuel.

(4) CREDIT PROGRAM.—

(A) IN GENERAL.—The Administrator, after public notice and opportunity for comment, may waive the requirement of paragraph (2) in whole or in part on petition by 1 or more States by reducing the national quantity of renewable fuel required under this subsection.

(B) USE OF CREDITS.—A person that generates credits under subparagraph (A) may use the credits, transfer all or a portion of the credits to another person, for the purpose of complying with paragraph (2).

(C) FIDELITY OF CREDITS.—A credit generated under this paragraph shall expire 1 year after the date on which the credit was generated.

(5) WIVERS.—

(A) IN GENERAL.—The Administrator, after public notice and opportunity for comment, may waive the requirement of paragraph (2) in whole or in part on petition by 1 or more States by reducing the national quantity of renewable fuel required under this subsection if—

(i) based on a determination by the Administrator, after public notice and opportunity for comment, that implementation of the requirement of paragraph (2) would severely harm the economy or environment of a State, a region, or the United States; or

(ii) based on a determination by the Administrator, after public notice and opportunity for comment, that there is an inadequate domestic supply or distribution capacity to meet the requirement.

(B) PETITIONS FOR WAIVERS.—The Administrator, after consultation with the Secretary of Agriculture and the Secretary of Energy—

(i) shall approve or deny a State petition for a waiver of the requirement of paragraph (2) within 180 days after the date on which the petition is received; but

(ii) may extend that period for up to 60 additional days after public notice and opportunity for comment and for consideration of the comments submitted.

(C) TERMINATION OF WAIVERS.—A waiver granted under subparagraph (A) shall terminate after 1 year, but may be renewed by the Administrator after consultation with the Secretary of Agriculture and the Secretary of Energy.

(6) SMALL REFINERS.—The requirement of paragraph (2) shall not apply to a small refiner.

(7) REGULATIONS.—Not later than 270 days after the date of enactment of this paragraph, the Administrator shall promulgate regulations to—

(a) in paragraphs (b), (c), (d), and (f) of section 211 of the Clean Air Act (42 U.S.C. 7545(b)) as amended by inserting “or” after paragraph (q) (as redesignated by subsection (a)(1)) the following:

“(p) DISTILLATION INDEX.—Effective January 1, 2004, no person shall manufacture, sell, supply, offer for sale, or supply, dispense, transport, or introduce into commerce gasoline that has a distillation index that exceeds 1,200.

(b) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking “(n), (o), or (p)” and inserting “(n), (o), or (p)”; and

(B) in the second sentence, by striking “(n), (o), and (p)” and inserting “(n), (o), or (p)”; and

(2) in the first sentence of paragraph (2), by striking “(n) each place it appears and inserting “(n), (o), and (p)”; and

(d) ELIMINATION OF ETHANOL WAIVER.—Section 211(b)(4) of the Clean Air Act (42 U.S.C. 7545(b)(4)) is amended by striking “For” and inserting “In the case of a State that is not located east of the Mississippi River, for”;

SEC. 819. NEIGHBORHOOD ELECTRIC VEHICLES.


(1) by striking “or a dual fueled vehicle” and inserting “; a dual fueled vehicle, or a neighborhood electric vehicle”;

(2) by striking “and” at the end of paragraph (13);

(3) by striking the period at the end of sub-paragraph (14) and inserting “; and”; and

(4) by adding at the end the following:

“(15) the term ‘neighborhood electric vehicle’ means a motor vehicle that qualifies as both—

(A) a low-speed vehicle, as such term is defined in section 211(d) of title 49, Code of Federal Regulations; and

(B) a zero-emission vehicle, as such term is defined in section 86.1703–99 of title 40, Code of Federal Regulations.”

Subtitle C—Federal Reformulated Fuels

SEC. 821. SHORT TITLE.

This subtitle may be cited as the “Federal Reformulated Fuels Act of 2002.”

SEC. 822. LEAKING UNDERGROUND STORAGE TANKS.

(a) USE OF LUST FUNDS FOR REMEDIATION OF MTBE CONTAMINATION.—Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991(b)(h)) is amended—

(1) in paragraph (7)—

(A) by striking paragraphs (1) and (2) of this subsection and inserting paragraphs “(1), (2), and (12)”; and

(B) by inserting “and section 9010” before “if” and;

(2) by adding at the end the following:

“(12) REMEDIATION OF MTBE CONTAMINATION.—

(A) IN GENERAL.—The Administrator and the States may use funds made available under section 9011 to carry out corrective actions with respect to a release of methyl tertiary butyl ether that presents a threat to human health or the environment.

(B) APPLICABLE AUTHORITY.—Subparagraph (A) shall be carried out—

(i) in accordance with paragraph (2); and

(ii) in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State pursuant to paragraph (1).”

(b) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) is amended by striking section 9010 and inserting the following:

“SEC. 9010. RELEASE PREVENTION AND COMPLIANCE.

“Funds made available under section 9011(2) from the Leaking Underground Storage Tank Trust Fund may be used for conducting inspections, or for issuing orders or bringing actions under this section—

(1) by a State (pursuant to section 9003(h)(7)) acting under—

(A) a program approved under section 9004; or

(B) State requirements regulating underground storage tanks that are similar or identical to this subtitle; and

(2) by the Administrator, acting under this subtitle or a State program approved under section 9004.

“SEC. 9011. AUTHORIZATION OF APPROPRIATIONS.

“In addition to amounts made available under section 9007(f), there are authorized to be appropriated from the Leaking Underground Storage Tank Trust Fund—

(1) to carry out section 9003(h)(12), $200,000,000 for fiscal year 2002, to remain available until expended, and

(2) to carry out section 9010—

(A) $50,000,000 for fiscal year 2002; and

(B) $30,000,000 for each of fiscal years 2003 through 2007.”.

(c) TECHNICAL AMENDMENTS.—

(1) Section 1001 of the Solid Waste Disposal Act (42 U.S.C. 6901) is amended by striking the item relating to section 9010 and inserting the following:

“Sec. 9010. Release prevention and compliance.

“Sec. 9011. Authorization of appropriations.”

(2) Section 9001(3)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991(3)(A)) is amended by striking “substances” and inserting “substances”.

(3) Section 9005(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking “paragraphs (c) and (d)” and inserting “paragraphs (c) and (d)”.

(4) Section 9006(a) of the Solid Waste Disposal Act (42 U.S.C. 6991a(c)) is amended in the second sentence of paragraph (1) by striking “paragraphs (b) and (d)” and inserting “paragraphs (b), (c), and (d)”; and

(5) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(A) in subsection (a), by striking “study taking” and inserting “study, taking”;

(B) in subsection (b)(4), by striking “relevant” and inserting “relevant”; and

(C) in subsection (b)(4), by striking “Environmental” and inserting “Environmental”.}

“SEC. 823. AUTHORITY FOR WATER QUALITY PROTECTION FROM FUEL.

(a) IN GENERAL.—Section 211(c) of the Clean Air Act (42 U.S.C. 7545(c)) is amended—

(1) in paragraph (1)—

(A) by inserting “fuel or fuel additive or” after “Administrator any”; and

(B) by striking “air pollution which” and inserting “air pollution, or water pollution, that”;

(2) in paragraph (4)(B), by inserting “or water quality protection,” after “emission control,” and;

(3) by adding at the end the following:

“(5) BAN ON THE USE OF MTBE.—Not later than 4 years after the date of enactment of

February 15, 2002 CONGRESSIONAL RECORD — SENATE S931
this paragraph, the Administrator shall ban the use of methyl tertiary butyl ether in motor vehicle fuel.

(b) No Effect on Law Regarding State Authority.—The amendments made by subsection (a) have no effect on the law in effect on the day before the date of enactment of this Act regarding the authority of States to limit the use of methyl tertiary butyl ether in gasoline.

SEC. 824. WAIVER OF OXYGEN CONTENT REQUIREMENT FOR REFORMULATED GASOLINE.

Section 211(c)(1) of the Clean Air Act (42 U.S.C. 7545(c)(1)) is amended—

(1) by striking “Within 1 year after the date of enactment of this Act” and inserting “February 15, 2002”;

(2) by adding at the end the following:

“(B) by striking ‘‘February 15, 2002’’ and inserting ‘‘(II) OPT-IN AREAS.—A Governor of a State that maintains in the PADD a performance standard under paragraph (2)(B) and (3)(A)(v) to gasoline sold or dispensed in the State.

(II) TREATMENT AS REFORMULATED GASOLINE.—In the case of a State for which the Governor invokes the waiver described in clause (I), and provisions that comply with subparagraphs (I) and (III) of this subsection other than paragraphs (2)(B) and (3)(A)(v) shall be considered to be reformed gasoline for the purposes of this subsection.

(III) EFFECTIVE DATE OF WAIVER.—A waiver under clause (I) shall take effect on the earlier of—

(I) the date on which the performance standards under subparagraph (C) take effect; or

(II) the date that is 270 days after the date of enactment of this subparagraph.

(C) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSION REDUCTIONS.

(I) IN GENERAL.—As soon as practicable after the date of enactment of this subparagraph, the Administrator shall—

(I) promulgate regulations consistent with subparagraph (A) and paragraph (3)(B)(ii) to ensure that reductions of toxic air pollutant emissions achieved under the reformed gasoline program under this section before the date of enactment of this subparagraph are maintained in States for which the Governor waives the oxygenate requirement under subparagraph (B)(i).

(II) determine that the requirement described in clause (I)—

(a) is consistent with the bases for performance standards described in clause (II); and

(bb) shall be deemed to be the performance standards under clause (ii) and shall be applied in accordance with clause (III).

(III) PADD PERFORMANCE STANDARDS.—The Administrator, in regulations promulgated under clause (I)(i), shall establish annual average performance standards for each Petroleum Administration for Defense District (referred to in this subparagraph as a “PADD”).

(I) the average of the annual aggregate reductions in emissions of toxic air pollutants achieved under the reformed gasoline program in each PADD during calendar years 1999 and 2000, determined on the basis of the 1999 and 2000 Reformulated Gasoline Survey Data, as collected by the Administrator; and

(II) such other information as the Administrator determines to be appropriate.

(4) by adding at the end the following:

“(IV) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in subparagraph (A).

(V) STATUTORY PERFORMANCE STANDARDS.—

(I) IN GENERAL.—Notwithstanding any other provision of this section, the Administrator shall—

(I) promulgate regulations consistent with subparagraph (C) and paragraph (3)(A)(v) to gasoline sold or dispensed in the State.

(II) STATE STANDARDS.—The performance standards established under subparagraph (B)(i) shall not apply in any State that has received a waiver under section 208(b).

(IV) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in subparagraph (A).

(V) STATUTORY PERFORMANCE STANDARDS.—

(I) IN GENERAL.—Notwithstanding any other provision of this section, the Administrator shall—

(I) promulgate regulations consistent with subparagraph (C) and paragraph (3)(A)(v) to gasoline sold or dispensed in the State.

(III) STATE STANDARDS.—The performance standards established under subparagraph (B)(i) shall not apply in any State that has received a waiver under section 208(b).

(IV) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in subparagraph (A).

(II) IN GENERAL.—The performance standards under this subparagraph shall be applied on an annual basis if, or in the future, the average performance standard of gasoline that is sold or introduced into commerce in the State for which the Governor waives the oxygenate requirement under subparagraph (B)(i).

(III) MORE STRINGENT REQUIREMENTS.—The performance standards under this subparagraph shall not apply to any requirement under subsection 202(i) more stringent than the performance standards.

(IV) PADD PERFORMANCE STANDARDS.—The performance standards under this subparagraph shall not apply in any State that has received a waiver under section 208(b).

(V) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in subparagraph (A).

(VI) STATE STANDARDS.—The performance standards established under subparagraph (B)(i) shall not apply in any State that has received a waiver under section 208(b).

(VII) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in subparagraph (A).

(II) by adding at the end the following:

“(B) OPT-IN AREAS.—A Governor of a State may submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the results of the study.

(B) CONTRACTS FOR STUDY.—In carrying out this paragraph, the Administrator may enter into 1 or more contracts with non-governmental entities.

SEC. 826. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (a) as subsection (p); and

(2) by inserting after subsection (n) the following:

“(o) ANALYSES OF MOTOR VEHICLE FUEL CHANGES AND EMISSIONS MODEL.—

“(1) Anti-Rollback Sliding Analysis.—If, as a draft analysis of the changes in emissions of toxic pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Federal Reformed Fuels Act of 2002.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 4 years after the date of enactment of this subsection, the Administrator shall publish for public comment a draft analysis of the changes in emissions of toxic pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Federal Reformed Fuels Act of 2002.

“(2) EMISSIONS MODEL.—For the purposes of this subsection, as soon as the necessary data becomes available, the Administrator shall develop and finalize an emissions model that reasonably reflects the effects of fuel characteristics or components on emissions from vehicles in the motor vehicle fleet during calendar year 2005.”.

SEC. 827. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

Section 211(b) of the Clean Air Act (42 U.S.C. 7545(b)) is amended—

(1) by striking “(6) OPT-IN AREAS.—(A) Upon” and inserting the following:

“(6) OPT-IN AREAS.—(A) Upon”;

(2) by striking “(5) OPT-IN AREAS.—(A)” and inserting “(5)”;

(3) by adding at the end the following:

“(A) Classified Areas.—In accordance with section 110, a State may submit to the Administrator a State implementation plan revision that includes—

(i) conduct a study on the effects on public health, air quality, and water resources of increased use of, and the feasibility of using as substitutes for methyl tertiary butyl ether in gasoline;

(ii) establish a period of effectiveness for applying the prohibition specified in paragraph (5) to a portion of a State that—
(d) DEFINITIONS.—In this section:

(1) The term ‘automobile’ does not include any vehicle designed for combat-related missions, law enforcement work, or emergency response to the public;

(2) The term ‘executive agency’ has the meaning given in section 105 of title 5.

(3) The term ‘new automobile’, with respect to the fleet of automobiles of an executive agency, means an automobile that is purchased for the first time after September 30, 1999;

(4) The term ‘fuel-efficient automobile’ means a new automobile that achieves the fuel economy set forth in subsection (f);

(5) The term ‘new vehicle’, with respect to the fleet of automobiles of an executive agency, means a new vehicle that is purchased for the first time after September 30, 1999;

(6) The term ‘light-duty vehicle’ means a passenger automobile or a light-duty truck;

(7) The term ‘light-duty truck’ means a truck that has an average fuel economy greater than the average fuel economy standard.

SEC. 832. FUEL EFFICIENCY OF THE FEDERAL FLEET OF AUTOMOBILES.

Subtitle D—Additional Fuel Efficiency Measures

SEC. 831. FUEL EFFICIENCY OF THE FEDERAL FLEET OF AUTOMOBILES.

Section 32917 of title 49, United States Code, is amended to read as follows:

“§ 32917. Standards for executive agency automobiles

(a) BASELINE AVERAGE FUEL ECONOMY.—The head of each executive agency shall determine the fuel efficiencies in the agency’s fleet of automobiles that were leased or bought as a new vehicle in fiscal year 1999.

(b) INCREASE OF AVERAGE FUEL ECONOMY.—The head of each executive agency shall manage the procurement of automobiles for that agency in such a manner that the average fuel economy so determined shall be the baseline average fuel economy for the agency’s fleet of automobiles.

(c) CALCULATION OF AVERAGE FUEL ECONOMY.—Average fuel economy shall be calculated for the purposes of this section in accordance with the methodology which the Secretary of Transportation shall prescribe for the implementation of this section.

SEC. 832. ASSISTANCE FOR STATE PROGRAMS TO REBATE FUEL-INEFFICIENT MOTOR VEHICLES.

(a) ESTABLISHMENT.—The Secretary shall establish a program, to be known as the ‘State Motor Vehicle Efficiency Improvement Program.’ Under this program, the Secretary shall provide grants to States to operate programs to offer owners of passenger automobiles and light-duty trucks manufactured in model years more than 15 years prior to the fiscal year in which appropriations are made under this section (d) financial incentive for the following:

(1) scrap such automobiles and to replace them with automobiles with higher fuel efficiency; or

(2) repair such vehicles to improve their fuel economy.

(b) STATE PLAN.—Not later than 180 days after the date of enactment of an appropriations act containing funds authorized under subsection (d), to be eligible to receive funds under the program, the Governor of a State shall submit to Secretary a plan to carry out a program under this subtitile in that State.

(c) ELIGIBILITY CRITERIA.—The Secretary shall approve a State plan and provide the funds under subsection (d), if the State plan—

(1) for voluntary vehicle scrapage programs—

(A) requires that all passenger automobiles and light-duty trucks turned in be scrapped; and

(B) requires that prior to scrapping a vehicle, the state provide public notification of the intent to scrap and allow for the salvage of valuable parts from the vehicle;

(C) requires that all passenger automobiles and light-duty trucks turned in be currently registered in the State in order to be eligible;

(D) requires that all passenger automobiles and light-duty trucks turned in be operational at the time that they are turned in;

(E) requires the Governor of the State (or the Secretary of the Department of Transportation, if the Governor determines that it is in the public interest) to provide appropriate funding for the disposal of scrapped vehicles;

(F) provides, in addition to the payment under paragraph (1), a minimum payment to the person recycling the scrapped passenger automobile or light-duty truck for each turned-in passenger automobile or light-duty truck;

(G) provides a minimum payment to the automobile owner for each passenger automobile or light-duty truck turned in;

(H) provides, in addition to the payment under paragraph (G), an additional credit that may be redeemed by the owner of the turned-in vehicle or light-duty truck that the Secretary shall establish to promote the purchase of new fuel-efficient automobiles and light-duty trucks;

(I) estimates the fuel efficiency benefits of the program, and reports the estimated results to the Secretary annually; and

(2) for voluntary vehicle repair programs—

(A) requires that the repair contribute at least 20 percent of the cost of the repairs; and

(B) sets a ceiling below which the vehicle owner is responsible for the cost of repairs;

(c) Calculation of credit funding—The credit made available from the Bureau of the Census, Department of Commerce, for all States at the time that the Secretary needs to compute shares under this subsection.

SEC. 833. IDLING REDUCTION SYSTEMS IN HEAVY DUTY VEHICLES.

Title III of the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) is amended by adding at the end the following:

“PART K—REDUCING TRUCK IDLING

SEC. 400AA. REDUCING TRUCK IDLING.

(a) STUDY.—Not later than 18 months after the date of enactment of this section, the Secretary shall, in consultation with the Secretary of Transportation, commence a study to analyze the potential fuel savings resulting from long duration idling of main drive engines in heavy-duty vehicles.

(b) REGULATIONS.—Upon completion of the study under subsection (a), the Secretary may issue regulations requiring the installation of idling reduction systems on all newly manufactured heavy-duty vehicles.

(c) DEFINITIONS.—As used in this section:

(1) The term ‘heavy-duty vehicle’ means a vehicle that has a gross vehicle weight rating greater than 8,500 pounds and is powered by a diesel engine.

(2) The term ‘idling reduction system’ means a device or system of devices used to reduce long duration idling of a diesel engine in a vehicle.

(3) The term ‘long duration idling’ means the operation of a main drive engine of a heavy-duty vehicle for a period of more than 15 consecutive minutes when the main drive
engine is not engaged in gear, except that such term does not include idling as a result of traffic congestion or other impediments to the movement of a heavy-duty vehicle.

"(4) The term "vehicle" has the meaning given such term in section 4 of title 1, United States Code."

**TITLE IX—ENERGY EFFICIENCY AND AS- SISTANCE TO LOW INCOME CONSUMERS**

**Subtitle A—Low Income Assistance and State Energy Programs**

**SEC. 901. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION ASSISTANCE, AND STATE ENERGY GRANTS.**

**ENERGY GRANTS.**

(a) LIHEAP.—(1) Section 602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to the Secretary of the Interior for the fiscal year ending September 30, 2003, 2030, 2020, or 2021, as the case may be, sums as may be necessary."

(b) WEATHERIZATION.—Section 622 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8622) is amended by striking "$300,000,000" and inserting "$750,000".

**SEC. 902. STATE ENERGY PROGRAMS.**

(a) STATE ENERGY CONSERVATION PLANS.—Section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by adding at the end the following:

"(g) The Secretary shall, at least once every three years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of the State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities and actions that may be carried out in pursuit of common energy conservation goals.

(b) STATE ENERGY CONSERVATION GOALS.—Section 364 of the Energy Policy and Conservation Act (42 U.S.C. 6324) is amended to read:

"SEC. 364. Each State energy conservation plan with respect to which assistance is made available under this part or after the date of enactment of the Energy Policy Act of 2002 shall contain a goal, consisting of an improvement of 25 percent or more in the efficiency of use of energy in the State concerned, which shall be compared to the average energy use per square foot of the State for the calendar year 2000, and may contain interim goals.

(c) STATE ENERGY CONSERVATION GRANTS.—Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking "fiscal years 1999 through 2003 such sums as may be necessary." and inserting: "$750,000,000".

SEC. 903. ENERGY EFFICIENT SCHOOLS.

(a) ESTABLISHMENT.—There is established in the Department of Energy the High Performance Schools Program (in this section referred to as the "Program").

(b) GRANTS.—The Secretary of Energy may make grants to a State energy office—

(1) to assist school districts in the State to improve the energy efficiency of school buildings;

(2) to administer the Program; and

(3) to promote participation in the Program.

(c) GRANTS TO ASSIST SCHOOL DISTRICTS.—The Secretary may make grants to school districts under subsection (b)(1) on the State energy office using the grants to assist school districts that have demonstrated:

(1) a commitment to use grants to build additional school buildings to meet increasing elementary or secondary enrollments or to renovate existing school buildings;

(2) a commitment to use the grant funds to develop high performance school buildings in accordance with a plan that the State energy office, in consultation with the State educational agency, has determined is feasible and appropriate to achieve the purposes for which the grant is made.

(d) GRANTS TO ASSIST ADMINISTRATION.—Grants under subsection (b)(2) shall be used to—

(1) evaluate compliance by school districts with requirements of this section;

(2) distribute information and materials to clearly define and promote the development of high performance school buildings for both new and existing facilities;

(3) organize, and conduct, programs for school board members, school personnel, architects, engineers, and others to advance the concepts of high performance school buildings;

(4) obtain technical services and assistance in planning and designing high performance school buildings; or

(5) collect and monitor data and information pertaining to the high performance school building projects.

(e) GRANTS TO PROMOTE PARTICIPATION.—Grants under subsection (b)(3) shall be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy savings performance contracts, providing training for school administrations, students, and communities, and coordinating public benefit programs.

(f) SUPPLEMENTING GRANT FUNDS.—The State energy office shall encourage qualifying school districts to supplement funds awarded pursuant to this section with funds from other sources in the implementation of their plans.

(g) ALLOCATIONS.—Except as provided in subsection (b), funds appropriated to carry out this section shall be allocated as follows:

(1) 70 percent shall be used to make grants under subsection (b)(1);

(2) 15 percent shall be used to make grants under subsection (b)(2);

(3) 15 percent shall be used to make grants under subsection (b)(3).

(h) OTHER FUNDS.—The Secretary of Energy may retain an amount, not to exceed $300,000,000 per year, to assist State energy offices in coordinating and implementing the Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve high performance school buildings.

(i) AUTHORIZATION OF APPROPRIATIONS.—For grants under subsection (b) there are authorized to be appropriated—

(1) $200,000,000 for fiscal year 2003;

(2) $220,000,000 for fiscal year 2004;

(3) $220,000,000 for fiscal year 2005;

(4) $230,000,000 for fiscal year 2006; and

(5) such sums as may be necessary for fiscal year 2007 and each fiscal year thereafter through fiscal year 2012.

(j) DEFINITIONS.—For purposes of this section:

(1) HIGH PERFORMANCE SCHOOL BUILDING.—The term "high performance school building" means a school building that, in its design, construction, operation, and maintenance—

(A) maximizes use of renewable energy and energy-efficient technologies and systems;
(b) Review and Revision of Energy Performance Standards.—Section 543(a)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended by adding at the end the following:

"(6) Criteria.—Section 543(c)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8253(c)(1)) is further amended by adding at the end the following:

"(7) Use of Energy Consumption Data in Federal Buildings.—

"(1) In General.—Beginning not later than January 1, 2003, each agency shall use, to the maximum extent practicable, the purpose of efficient use of energy and reduction in the cost of electricity used in the Federal buildings of the agency, interval consumption data that measures on a real-time or daily basis consumption of electricity in the Federal buildings of the agency.

"(2) Plan.—As soon as practicable after the date of enactment of this paragraph, in a report submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing how the agency will implement the requirement of paragraph (1), including how the agency will designate personnel primarily responsible for building energy performance standards.

"(3) Federal Building Performance Standards.—

"(a) Revised Standards.—Section 305(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)) is amended—

"(1) in paragraph (2)(A), by striking "CAFO Model Energy Code, 1992" and inserting "the 2000 International Energy Conservation Code;" and

"(2) by adding at the end the following:

"(b) Additional Revisions.—Not later than 1 year after the date of enactment of this paragraph, the Secretary of Energy shall establish, by rule, revised Federal building energy performance standards that require that, if cost-effective:

"(i) new commercial buildings and multifamily high rise residential buildings be constructed so as to achieve the applicable Energy Star building energy performance ratings or energy consumption levels at least 30 percent below those of the most recent ASHRAE Standard 90.1, whichever results in the greater increase in energy efficiency; and

"(ii) new residential buildings (other than those described in clause (i)) be constructed so as to achieve the applicable Energy Star building energy performance ratings or energy consumption levels at least 30 percent below the requirements of the most recent version of the International Energy Conservation Code.

"(c) Statement on Compliance of New Buildings.—In the budget for each fiscal year, the Federal agriculture building that is in compliance with the measurement and verification protocols of the Department of Energy shall be metered or submetered in accordance with guidelines established by the Secretary under paragraph (2).

"(d) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this paragraph and to implement the revised standards established under this paragraph, including a monitoring and commissioning report that is in compliance with the measurement and verification protocols of the Department of Energy.
SEC. 914. PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) REQUIREMENTS.—Part 3 of title V of the National Energy Conservation Policy Act is amended by adding, at the end of the section the following:

"(a) REQUIREMENTS.—In this section:

"(1) ENERGY STAR PROGRAM.—The term "Energy Star program" means the program established by section 324A of the Energy Policy and Conservation Act.

"(2) DESIGNATION OF ELECTRIC MOTORS.—In the case of electric motors of 1 to 500 horsepower, agencies shall select only premium efficient motors that meet a standard designated by the Secretary. The Secretary shall designate such a standard within 120 days. The initial standards shall be developed after considering the recommendations of associated electric motor manufacturers and energy efficiency groups.

"(b) PROCUREMENT.—Subsection (a) and the amendment made by that subsection take effect on the date that is 180 days after the date of enactment of this Act.

SEC. 915. REVIEW OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8267(c)) is repealed.

SEC. 916. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8267c(2)) is amended to read as follows:

"(2) The term "energy savings" means a reduction in the cost of energy or water, from a base cost established through a methodology set forth in the contract, used in an existing federally owned building or buildings or other federally owned facilities as a result of—

"(A) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(B) the increase of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(C) the increased efficient use of existing water sources.

(b) ENERGY SAVINGS CONTRACT.—Section 803(3) of the National Energy Conservation Policy Act (42 U.S.C. 8267c(3)) is amended to read as follows:

"(3) The terms "energy savings contract" and "energy savings performance contract" mean a contract which provides for the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy or water conservation measure or series of measures at one or more locations.

(c) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8267c(4)) is amended to read as follows:

"(4) The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 8266b(a); or

"(B) a water conservation measure that improves water quality, is life cycle cost effective, and involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not at a Federal hydropower facility."

SEC. 917. REVIEW OF ENERGY SAVINGS PERFORMANCE CONTRACT PROGRAM.

Within 180 days after the date of the enactment of this Act, the Secretary of Energy shall complete a review of the Energy Savings Performance Contract program to identify statutory, regulatory, and administrative obstacles that prevent Federal agencies from fully utilizing the program. In addition, this review shall identify all areas for increasing program flexibility and effectiveness to the extent that such changes are consistent with statutory authority.
(I) accepting applications for loans from the Bank in fiscal year 2002; and
(II) making loans from the Bank in fiscal year 2003.

(8) ENERGY SAVINGS PERFORMANCE CONTRACTING FUNDING.—To the extent practicable, an agency shall not submit a project for which energy performance contracting funding is available, except to the extent that the agency determines that the project is acceptable to the Federal agency under title VIII.

(9) PURPOSES OF LOAN.—(i) A loan from the Bank may be used to pay—
(I) the costs of an energy or water efficiency project, or a renewable or alternative energy project, for a new or existing Federal building (including selection and design of the project);
(II) the costs of an energy metering plan and measurement and verification plan for the Bank until a loan is repaid, a Federal agency to make repayments under this paragraph (2).

(7) SELECTION CRITERIA.—(I) IN GENERAL.—The Secretary shall establish criteria for the selection of projects to be awarded loans in accordance with paragraph (2).

(3) PLAN REQUIREMENTS.—The plan shall include—
(I) a description of the life-cycle cost analysis used to determine the cost-effectiveness of proposed energy efficiency projects;
(II) a schedule of energy surveys to ensure complete surveys of all congressional buildings every five years to determine the cost and payback period of energy and water conservation measures;
(III) a strategy for installation of life cycle cost-effective energy and water conservation measures;
(IV) the results of a study of the costs and benefits of installation of submetering in congressional buildings.

(2) information packages and ‘how-to’ guides for each Member and employing authority of Congress that cost-effective methods to save energy and taxpayers dollars in the workplace.

(8) CONTRACTING AUTHORITY.—The Architect—
(I) may contract with nongovernmental entities and use private sector capital to finance energy conservation projects and meet energy performance requirements; and
(II) may use innovative contracting methods that will attract private sector funding for the installation of energy efficient and renewable energy technology, such as energy savings performance contracts described in title VIII.

(9) CAPITOL VISITOR CENTER.—The Architect—
(I) shall ensure that state-of-the-art energy efficiency and renewable energy technologies are used in the construction and design of the Visitor Center; and

(2) shall include in the Visitor Center an exhibit on the energy efficiency and renewable energy measures used in congressional buildings.

SEC. 554. ENERGY AND WATER SAVINGS MEASURES IN CONGRESSIONAL BUILDINGS.

(a) In General.—The Architect of the Capitol—
(I) shall develop, update, and implement a cost-effective energy conservation and management plan (referred to in this section as the ‘plan’) for all facilities administered by the Congress (referred to in this section as congressional buildings) to meet the energy performance requirements for Federal buildings established under section 543(a)(1).

(2) shall submit the plan to Congress, not later than 180 days after the date of enactment of this section.

(b) PLAN REQUIREMENTS.—The plan shall include—
(I) a description of the life-cycle cost analysis used to determine the cost-effectiveness of proposed energy efficiency projects;
(II) a schedule of energy surveys to ensure complete surveys of all congressional buildings every five years to determine the cost and payback period of energy and water conservation measures;
(III) a strategy for installation of life cycle cost-effective energy and water conservation measures;
(IV) the results of a study of the costs and benefits of installation of submetering in congressional buildings.

(2) information packages and ‘how-to’ guides for each Member and employing authority of Congress that cost-effective methods to save energy and taxpayer dollars in the workplace.

(3) CONGRESSIONAL BUILDINGS.—(I) energy expenditures and savings estimates for each facility;
(II) energy management and conservation projects; and
(III) future priorities to ensure compliance with this section.

(b) CONGRESSIONAL BUILDINGS.—(I) shall develop, update, and implement a cost-effective energy conservation and management plan (referred to in this section as the ‘plan’) for all facilities administered by the Congress (referred to in this section as congressional buildings) to meet the energy performance requirements for Federal buildings established under section 543(a)(1).

(2) shall submit the plan to Congress, not later than 180 days after the date of enactment of this section.

Subtitle C—Industrial Efficiency and Consumer Products

SEC. 921. VOLUNTARY COMMITMENTS TO REDUCE INDUSTRIAL ENERGY INTENSITY.

(a) Voluntary Agreements.—The Secretary of Energy shall enter into voluntary agreements with one or more persons in industrial sectors that consume significant amounts of primary energy per unit of physical output to reduce the energy intensity of their production activities.

(b) Goal.—Voluntary agreements under this section shall have an energy intensity by not less than 2.5 percent each year from 2002 through 2012.
ergy consumed per unit of physical output in an industrial process.

(e) TECHNICAL ASSISTANCE.—An entity that enters into an agreement under this section and continues to make a good faith effort to achieve the energy efficiency goals specified in the agreement shall be eligible to receive from the Secretary a grant or technical assistance as appropriate to assist in the achievement of those goals.

(f) REPORT.—Not later than June 30, 2008, and June 30, 2012, the Secretary shall submit to Congress a report that evaluates the success of the voluntary agreements under this section.

SEC. 922. AUTHORITY TO SET STANDARDS FOR COMMERCIAL PRODUCTS.

Part B of title III of the Energy Policy and Conservation Act (42 U.S.C. 6291 et seq.) is amended as follows:

(1) In the heading for such part, by inserting "COMMERCIAL" after "CONSUMER".

(2) In section 321(2), by inserting "(or commercial)" after "consumer".

(3) In paragraphs (4), (6), and (15) of section 321, by striking "consumer" each place it appears and inserting "covered".

(4) In section 322(a), by inserting "commercial" after "consumer";

(5) In section 322(b), by inserting "commercial" after "consumer" each place it appears.

(6) In section 322(b)(1)(B) and (b)(2)(A), by inserting "or business in the case of a commercial product" after "per-household" each place it appears.

(7) In section 322(b)(2)(A), by inserting "or businesses in the case of commercial products" after "households" each place it appears.

(8) In section 322(b)(2)(C), by inserting "term" and inserting "terms";

(9) By inserting "and businesses" after "household".

In section 322(b)(1)(B) by inserting "commercial" after "consumer".

SEC. 923. ADDITIONAL DEFINITIONS.

Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by adding at the end the following:

"(3) The term 'battery charger' means a device that charges batteries for consumer products.

(34) The term 'commercial refrigerator, freezer and refrigerator-freezer' means a refrigerator, freezer or refrigerator-freezer that—

(A) is not a consumer product regulated under this Act; and

(B) incorporates most components involved in the vapor-compression cycle and the refrigerated compartment in a single package.

(35) The term 'external power supply' means an external power supply circuit that is used to convert household electric current into either DC current or lower-voltage AC current to operate a consumer product.

(36) The term 'illuminated exit sign' means a sign that—

(A) is designed to be permanently fixed in place to identify an exit; and

(B) consists of—

(i) an electrically powered integral light source that illuminates the legend 'EXIT' and any directional indicators; and

(ii) a power source that maintains the light source, any directional indicators, and the background.

(37) The term 'low-voltage dry-type transformer' does not include—

(i) transformers with multiple voltage taps, with the highest voltage tap equaling at least 20 percent more than the lowest voltage tap;

(ii) transformers that are designed to be used in a special purpose application, such as transformers commonly known as drive transformers, rectifier transformers, autotransformers, Uninterruptible Power System transformers, impedance transformers, harmonic filters,regulators,ups, transformers, sealed and nonventilating transformers, machine tool transformers, welding transformers, grounding transformers, or test transformers;

(iii) any transformer not listed in clause (ii) that is excluded by the Secretary by rule because the transformer is designed for a special application and the application of standards to the transformer would not result in significant energy savings.

(38) The term "standby mode" means the lowest amount of electric power used by a household appliance when it is not performing its active functions, as defined on an individual product basis by the Secretary.

(39) The term "light" means a portable electric lamp with a reflector bowl that directs light upward so as to give indirect illumination.

(40) The term 'unit heater' means a self-contained electric heating unit designed to be installed within the heated space, except that such term does not include a warm air furnace.

SEC. 924. ADDITIONAL TEST PROCEDURES.

(a) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.—Section 324 of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is further amended by adding at the end the following:

"(B) The Secretary shall within 6 months after the date on which energy conservation standards are prescribed by the Secretary for other products referred to in sections (u) and (v) of section 325, prescribe, by rule, labeling requirements for such products. Labeling requirements adopted under this paragraph shall take effect on the same date as the standards set pursuant to sections (22) through (y).

SEC. 925. ENERGY STAR PROGRAM.

The Energy Policy and Conservation Act (42 U.S.C. 6201 and following) is amended by inserting after section 324 the following:

"(1) establish a national leader-

(a) RULEMAKING ON EFFECTIVENESS OF CONSUMER PRODUCT LABELING.—(Paraph. (u) of section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(3)) is amended by striking "in order to achieve" and adding at the end the following:

"(b) RULEMAKING ON LABELING FOR ADDITIONAL PRODUCTS.—Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is further amended by adding at the end the following:

"(a) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.—The Secretary shall within 24 months after the date of enactment of this subsection prescribe test procedures for suspended ceiling fans, refrigerated bottled or canned beverage vending machines, and other equipment of commercial interest. In the case of the suspended ceiling fans, such test procedures shall include efficiency at both maximum output and at an output no less than 50 percent of the maximum output.

SEC. 925. ENERGY LABELING.

(a) RULEMAKING ON EFFECTIVENESS OF CONSUMER PRODUCT LABELING.—(Paraph. (u) of section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(3)) is amended by striking "in order to achieve" and adding at the end the following:

"(b) RULEMAKING ON LABELING FOR ADDITIONAL PRODUCTS.—Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is further amended by adding at the end the following:

"(a) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.—The Secretary shall within
SEC. 927. ENERGY CONSERVATION STANDARDS FOR CENTRAL AIR CONDITIONERS AND HEAT PUMPS.

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(d)) is amended to read as follows:

"(1) Except as provided in paragraph (3), the seasonal energy efficiency ratio of central air conditioners and central air conditioning heat pumps manufactured on or after January 23, 2006 shall be no less than 13.0.

"(2) The Secretary shall promulgate applicable test procedures for each product class, any such standards shall be promulgated for battery chargers and external power supplies.

"(3) The seasonal energy efficiency ratio of central air conditioners or central air conditioning heat pumps manufactured on or after January 23, 2006 shall be no less than 7.7 for products that—

"(A) have a rated cooling capacity equal to or greater than 15 tons;

"(B) have an outdoor or indoor unit having at least two overall exterior dimensions or an overall displacement that—

"(i) is larger than those of other units that are currently installed in site-built single family homes, and of a similar construction and age, capacity, and

"(ii) if increased would result in a significant increase in the cost of installation or would result in a significant loss in the utility of the consumer; or

"(C) were available for purchase in the United States as of December 1, 2000.

"(4) The heating seasonal performance factor of central air conditioning heat pumps manufactured on or after January 25, 2006 shall not be less than 5.5 for products that meet the criteria in paragraph (3).

"(5) The Secretary may postpone the requirements of paragraphs (3) and (4) for specific product types until a date no later than January 23, 2008, if he determines that compliance is either—

"(A) not technologically feasible, or

"(B) not economically justifiable.

"(6) The Secretary shall publish a final rule not later than January 1, 2006 to determine whether the standards in effect for central air conditioners and central air conditioning heat pumps should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 2013.

SEC. 928. ENERGY CONSERVATION STANDARDS FOR ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended by adding at the end the following:

"(u) STANDBY MODE ELECTRIC ENERGY CONSUMPTION.—

"(1) INITIAL RULEMAKING.—

"(A) The Secretary shall, within 18 months after the effective date of this subsection, prescribe by notice and comment, definitions of standby mode and test procedures for the standby mode power use of battery chargers, external power supplies, and other units that are currently installed in site-built single family homes, and of a similar construction and age, capacity, and age, with respect to the provision of emergency power to household and small business owners concerning the energy savings resulting from properly conducted maintenance of air conditioning, heating, and ventilating systems.

"(2) The Secretary may carry out the program in cooperation with industry trade associations, industry members, and energy efficiency organizations regarding the provision of energy efficient, affordable housing and residential energy conservation measures that benefit low-income families"
MORTGAGE INSURANCE.—Section 221(k) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended, in the first undesignated paragraph beginning after subparagraph (B)(iii) (relating to solar energy systems)—

(1) by inserting “or paragraph (19)”; and

(2) by striking “20 percent and inserting “30 percent.”

MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 207(c) of the National Housing Act (12 U.S.C. 1715k(c)) is amended by striking “20 percent” and inserting “30 percent.”

COOPERATIVE HOUSING MORTGAGE INSURANCE.—Section 213(p) of the National Housing Act (12 U.S.C. 1715c(p)) is amended by striking “20 percent” and inserting “30 percent.”


LOW-INCOME MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 221(c) of the National Housing Act (12 U.S.C. 1715k(c)) is amended by striking “20 percent” and inserting “30 percent.”

ELDERLY HOUSING MORTGAGE INSURANCE.—Section 213(c)(2) of the National Housing Act (12 U.S.C. 1715c(c)(2)) is amended by striking “20 percent and inserting “30 percent.”

CONDOMINIUM HOUSING MORTGAGE INSURANCE.—Section 224(j) of the National Housing Act (12 U.S.C. 1715xj(j)) is amended by striking “20 percent” and inserting “30 percent.”

HUD Public Housing Capital Fund. Section 9(d)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437d(d)(1)) is amended—

(1) in subparagraph (1), by striking “and” at the end;

(2) in subparagraph (K), by striking the period at the end and inserting “;” and; and

(3) by adding at the end the following new subparagraph:

“(L) improvement of energy and water-use efficiency by installing fixtures and fittings that conform to the American Society of Mechanical Engineers/ American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereof, applicable at the time of installation.”

933. GRANTS FOR ENERGY-CONSERVING IMPROVEMENTS FOR ASSISTED HOUSING. Section 251(b)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8231(b)(1)) is amended—

(1) by striking “financed with loans” and inserting “assisted”;

(2) by inserting after “1959,” the following: “which are eligible multifamily housing projects (as such term is defined in section 512 of the Multifamily Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) and are subject to a mortgage restructuring and rental assistance sufficiency plans under such Act); and

(3) by inserting after the period at the end of the first sentence the following new sentence: “Such improvements may also include the installation of water and energy conserving fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereof, applicable at the time of installation.”

936. NORTH AMERICAN DEVELOPMENT BANK. Part 2 of subtitle D of title V of the North American Free Trade Agreement Implementation Act (22 U.S.C. 2900-2903) is amended by adding at the end the following:

“SEC. 545. SUPPORT FOR CERTAIN ENERGY POLICIES.

“Consistent with the focus of the Bank’s Charter on environmental infrastructure projects, the Board members representing the United States should use their voice and vote to encourage the Bank to finance projects related to clean and efficient energy, including energy conservation, that prevent, control, or reduce environmental pollution, and accordingly:

DIVISION D—ENERGY POLICY AND CLIMATE CHANGE POLICY TITLE X—CLIMATE CHANGE POLICY FORMULATION Subtitle A—Global Warming

SEC. 1001. SENSE OF CONGRESS ON GLOBAL WARMING.

(a) FINDINGS.—The Congress makes the following findings:

(1) Evidence continues to build that increases in atmospheric concentrations of man-made greenhouse gases are contributing to global climate change.

(2) The Intergovernmental Panel on Climate Change (IPCC) has concluded that “there is new and stronger evidence that most of the warming observed over the last 50 years is attributable to human activities” and that the Earth’s average temperature can be expected to rise between 2.5 and 10.4 degrees Fahrenheit in this century.

(b) SENSE OF CONGRESS.—It is the sense of the United States Congress that the United States should demonstrate international leadership and responsibility in mitigating the health, environmental, and economic threats posed by global warming by:

(1) taking responsible action to ensure significant and meaningful reductions in emissions greenhouse gases and other pollutants;

(2) creating flexible international and domestic mechanisms, including joint implementation, technology transfer, and emissions trading and carbon sequestration projects that will reduce, avoid, and sequester greenhouse gas emissions; and

(c) participating in international negotiations, including putting forth a proposal at the next meeting of the Conference of the Parties, with the objective of securing United States’ participation in a revised Kyoto Protocol or other future binding climate change agreements in a manner that is consistent with the environmental objectives of the Framework Convention on Climate Change, that protects the economic interests of the United States, and recognizes the shared international responsibility for addressing climate change, including developing country participation.

Subtitle B—Climate Change Strategy

SEC. 1011. SHORT TITLE. This title may be cited as the “Climate Change Strategy and Technology Innovation Act of 2002.”

SEC. 1012. FINDINGS. Congress finds that—

(1) evidence continues to build that increasing atmospheric concentrations of greenhouse gases are contributing to global climate change;
(2) in 1992, the Senate ratified the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992, the ultimate objective of which is the “stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system”; (3) scientific evidence currently cannot determine precisely what atmospheric concentrations are “dangerous”, the current trajectory of greenhouse gas emissions would result in stabilization of greenhouse gas concentrations in the atmosphere, not stabilization; (4) the remaining scientific uncertainties call for intervention of human actions, but not inaction; (5) greenhouse gases are associated with a wide range of human activities, including energy production, transportation, agriculture, forestry, manufacturing, buildings, and other activities; (6) the economic consequences of poorly designed climate change response strategies, or of inaction, may cost the global economy trillions of dollars; (7) much of this economic burden would be borne by the United States; (8) stabilization of greenhouse gas concentrations in the atmosphere will require transformation of the global energy system and other emitting sectors at an almost unimaginable level—a veritable industrial revolution is required; (9) greenhouse gas concentrations can only occur if the revolution is preceded by research and development that leads to bold technological breakthroughs; (10) the decade preceding the date of enactment of this Act— (A) energy research and development budgets in the public and private sectors have declined and have not been focused on the climate change response challenge; and (B) the investments that have been made have not been guided by a comprehensive strategy; (11) the negative trends in research and development funding described in paragraph (10) must be reversed with a focus not only traditional energy research and development, but also broader, breakthrough research; (12) much more progress could be made on the issue of climate change if the United States were to adopt a new approach for addressing this issue that included, as an ultimate long-term goal— (A) stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system; and (B) a response strategy with 4 key elements consisting of— (i) recognition of the long-term stabilization of greenhouse gas concentrations; (ii) technology development, including— (A) a national commitment to double energy research and development by the United States public and private sectors; and (ii) in carrying out such research and development, a national commitment to provide a high degree of emphasis on bold, breakthrough technologies that are critical to the long-term stabilization of greenhouse gas concentrations in the atmosphere; and (B) to provide analytical support and data to the White House Office, other agencies, and the public; (4) the establishment of an independent review board— (A) to review the Strategy and annually advise the United States public and international progress toward the goal of stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system; and (B) to assess— (i) the performance of each Federal agency that has responsibilities under the Strategy; and (ii) the adequacy of the budget of each such Federal agency to fulfill the responsibilities of the Federal agency under the Strategy; and (5) the establishment of offices in, or the carrying out of activities by, the Department of Agriculture, the Department of Transportation, the Department of Commerce, the Environmental Protection Agency, and other Federal agencies as necessary to carry out this title.

SEC. 1014. DEFINITIONS.

In this title: (1) CLIMATE-FRIENDLY TECHNOLOGY.—The term “climate-friendly technology” means any energy supply or end-use technology that, over the life of the technology and in comparison to similar technologies and uses of the commodity as of the date of enactment of this Act— (A) reduces greenhouse gas emissions; (B) may substantially lower emissions of other pollutants; and (C) may generate substantially smaller or less hazardous quantities of solid or liquid waste. (2) DEPARTMENT.—The term “Department” means the Department of Energy. (3) DEPARTMENT OFFICE.—The term “Department Office” means the Office of Climate Change Technology of the Department established by section 1017(a). (4) FEDERAL AGENCY.—The term “Federal agency” has the meaning given the term “agency” in section 551 of title 5, United States Code. (5) GREENHOUSE GAS.—The term “greenhouse gas” means— (A) an anthropogenic gaseous constituent of the atmosphere (including carbon dioxide, methane, nitrous oxide, chlorofluorocarbons, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and tropospheric ozone) that absorbs and re-emits infrared radiation and influences climate; and (B) an anthropogenic aerosol (such as black soot) that absorbs solar radiation and influences climate. (6) INTERAGENCY TASK FORCE.—The term “Interagency Task Force” means the United States Climate Change Response Interagency Task Force established under section 1016(d). (7) KEY ELEMENT.—The term “key element”, with respect to the Strategy, means— (A) definition of interim emission mitigation levels, that, coupled with specific mitigation approaches and after taking into account actions by other nations (if any), would limit in stabilization of greenhouse gas concentrations; (B) technology development, including— (i) a national commitment to double energy research and development by the United States public and private sectors; and (ii) in carrying out such research and development, a national commitment to provide a high degree of emphasis on bold,
breakthrough technologies that will make possible a profound transformation of the energy, transportation, industrial, agricultural, and building sectors of the United States.

(b) Development and implementation of a Climate Change Response Strategy—

(1) have the long-term goal of stabilization of greenhouse gas concentrations through actions taken by the United States and other nations;

(2) recognize that accomplishing the long-term goal of stabilization will take from many decades to more than a century, but acknowledging that significant actions must begin in the very near term;

(3) build on the 4 key elements;

(4) be developed on the basis of an examination of a broad range of emissions levels and dates for achievement of those levels (including those evaluated by the Intergovernmental Panel on Climate Change and those considered by the United States to commit the country to action); and

(5) consider the broad range of activities and actions that can be taken by United States entities to reduce, avoid, or sequester greenhouse gas emissions both within the United States and in other nations through the use of market mechanisms, which may include but not limited to mitigation activities, terrestrial sequestering efforts, carbon capture and carbon project-based activities, using emissions credits in domestic and international markets, and an application of the resulting credits from any of the above within the United States;

(6) minimize any adverse short-term and long-term social, economic, national security, and environmental impacts, including ensuring that the strategy is developed in an economically and environmentally sound manner;

(7) incorporate mitigation approaches leading to the development and deployment of advanced technologies and practices that will reduce, avoid, or sequester greenhouse gas emissions;

(8) recognize that the climate change response strategy is intended to guide the nation’s effort to address climate change, but it shall not create a legal obligation on the part of any person or entity other than the duties of the Director of the White House Office and Interagency Task Force in the development of the strategy;

(9) be consistent with the goals of energy, transportation, agricultural, forest, energy, environmental, economic, and other relevant policies of the United States;

(10) be consistent with the goals of energy, transportation, agricultural, forest, energy, environmental, and other relevant policies of the United States;

(11) have a strategy that considers the total of United States public, private, and public-private sector actions that bear on the long-term goal;

(12) be based on an evaluation of a wide range of approaches for achieving the long-term goal, including evaluation of—

(A) a variety of cost-effective Federal and State policies, programs, standards, and incentives;

(B) policies that integrate and promote innovative and new activities in the United States and in foreign countries; and

(C) participation in other international institutions, or in the support of international activities, that are established or conducted to facilitate stabilization of greenhouse gas concentrations;

(13) in the final recommendations of the Strategy, emphasize response strategies that achieve the long-term goal and provide specific recommendations concerning—

(A) measures that are appropriate for short-term implementation, giving preference to cost-effective and technologically feasible measures that will—

(i) produce significant reductions in United States emissions that lead toward achievement of the long-term goal; and

(ii) minimize any adverse short-term and long-term economic, environmental, national security, and social impacts on the United States;

(14) the development of technologies that have the potential for long-term implementation—

(a) giving preference to technologies that have the potential to reduce significantly the overall cost of stabilization of greenhouse gas concentrations; and

(b) considering the development of energy sources, energy conversion and use technologies, and efficiency options;

(15) be developed on the basis of an examination of a broad range of emissions levels and dates for achievement of those levels (including those evaluated by the Intergovernmental Panel on Climate Change and those considered by the United States to commit the country to action);

(16) provide a detailed explanation of how the measures recommended by the Strategy will ensure that they do not result in serious harm to the economy of the United States;

(17) provide a detailed explanation of how the mechanisms recommended by the Strategy will achieve the long-term goal of stabilization of greenhouse gas concentrations;

(18) provide any recommendations for legislative and administrative actions necessary to implement the strategy;

(19) serve as a framework for climate change response actions by all Federal agencies;

(20) recommend which Federal agencies are, or should be, responsible for the various aspects of implementation of the Strategy and any budgetary implications;

(21) address how the United States should engage State, tribal, and local governments in developing and carrying out a response to climate change;

(22) provide a detailed explanation of how the United States should integrate the Strategy into international response to climate change; and

(23) be subject to review by an independent review board in accordance with section 1019.

(c) Submission to Congress.—Not later than one year after the date of enactment of this title, the President shall submit to Congress the Strategy.

(1) prepare a copy of the Strategy to Congress under subsection (b), and any budgetary implications;

(2) submit a version of the Strategy to Congress under subsection (b), at the discretion of the President (including an updated version of the Strategy), after, the President shall submit to Congress a report that—

(i) be subject to review by an independent review board in accordance with section 1019;

(ii) be subject to review by an independent review board in accordance with section 1019;

(d) Updating.—Not later than 2 years after the date of submission of the Strategy to Congress, the President, at the end of each 2-year period thereafter, the President shall submit to Congress an updated version of the strategy.

(e) Progress Reports.—Not later than one year after the date of submission of the Strategy to Congress under subsection (b), and any budgetary implications, the President shall submit to Congress a report that—

(i) be subject to review by an independent review board in accordance with section 1019;

(ii) be subject to review by an independent review board in accordance with section 1019;

(iii) be subject to review by an independent review board in accordance with section 1019;
(1) describes the progress on implementation of the Strategy; and
(2) provides recommendations for improvement of the Strategy and the implementation of its goals.
(e) ALIGNMENT WITH ENERGY, TRANSPORTATION, INDUSTRIAL, AGRICULTURAL, FORESTRY, AND OTHER PROGRAMS.—The Director of the White House Office shall coordinate activities carried out under the Strategy with actions associated with the energy, transportation, industrial, agricultural, forestry, and other relevant policies of the United States. To the extent that the objectives of both the Strategy and the policies are met without compromising the climate change-related goals of the Strategy or the goals of the policy, the Strategy shall be aligned with any such policies.

SEC. 1016. NATIONAL OFFICE OF CLIMATE CHANGE RESPONSE OF THE EXECUTIVE OFFICE OF THE PRESIDENT.

(a) ESTABLISHMENT.—(1) In general.—There is established, within the Executive Office of the President, the National Office of Climate Change Response.
(2) Focus.—The White House Office shall have the focus of achieving the long-term goal of stabilization of greenhouse gas concentrations.
(b) DUTIES.—(1) Description.—The Director of the White House Office shall—
(A) establish policies, objectives, and priorities for the Strategy;
(B) in accordance with subsection (d), establish the Interagency Task Force to serve as the primary mechanism through which the heads of departments and agencies shall assist the Director of the White House Office in developing and implementing the Strategy;
(C) to the maximum extent practicable, ensure that the Strategy is based on objective, quantitative analysis, drawing on the analytical capabilities of Federal and State agencies, especially the Department Office; and
(D) advise the President concerning necessary changes in organization, management, budgeting, and personnel allocation of Federal agencies involved in climate change response activities.
(2) Advising the President concerning necessary changes in organization, management, budgeting, and personnel allocation of Federal agencies involved in climate change response activities (A) the extent to which United States energy, transportation, industrial, agricultural, forestry, building, and other relevant programs are capable of producing progress on the long-term goal of stabilization of greenhouse gas concentrations; and
(3) DUTIES OF THE DIRECTOR OF THE WHITE HOUSE OFFICE.—
I. IN GENERAL.—The White House Office shall be headed by a Director, who shall report directly to the President.
(2) APPOINTMENT.—The Director of the White House Office shall be a qualified individual as determined by the President, and with the advice and consent of the Senate.
(3) DUTIES OF THE DIRECTOR OF THE WHITE HOUSE OFFICE.—
(I) CLIMATE, ENERGY, TRANSPORTATION, INDUSTRIAL, AGRICULTURAL, BUILDING, FORESTRY, AND OTHER PROGRAMS.—The Director of the White House Office, using an integrated perspective considering the totality of actions in the United States, shall advise the President and the heads of Federal agencies of—
(A) to which proposed or newly created energy, transportation, industrial, agricultural, forestry, building, and other relevant programs positively or negatively affect the ability of the United States to achieve the long-term goal of stabilization of greenhouse gas concentrations.
(I) ADVISORY DUTIES.—
(A) CLIMATE CHANGE RESPONSE OF THE EXECUTIVE OFFICE OF THE PRESIDENT.
(B) the extent to which proposed or newly created tax policy, trade policy, and foreign policy are capable of producing progress on the long-term goal of stabilization of greenhouse gas concentrations; and
II. NATIONAL OFFICE OF CLIMATE CHANGE RESPONSE OF THE EXECUTIVE OFFICE OF THE PRESIDENT.
(2) FOCUS.—The White House Office shall have the focus of achieving the long-term goal of stabilization of greenhouse gas concentrations.
III. INTERNATIONAL TREATIES.—
(1) DESCRIPTION.—The Secretary of State, acting in conjunction with the Interagency Task Force and using the analytical tools of the White House Office, shall provide to the Director of the White House Office an opinion that—
(i) specifies, to the maximum extent practicable, the extent to which the United States is contributing effectively to, or is not contributing effectively to, international treaties or components of treaties that have an influence on greenhouse gas management;
(ii) assesses the extent to which the treaties advance the long-term goal of stabilization of greenhouse gas concentrations, while minimizing short-term and long-term economic and social impacts and considering other impacts; and
(iii) the extent to which the United States is contributing effectively to, or is not contributing effectively to, national treaties or components of treaties of a limited term.
(3) DUTIES.—The White House Office shall—
(A) establish policies, objectives, and priorities for the Strategy;
(B) in accordance with subsection (d), establish the Interagency Task Force to serve as the primary mechanism through which the heads of departments and agencies shall assist the Director of the White House Office in developing and updating the Strategy; and
(C) to the maximum extent practicable, shall promote public awareness, outreach, and information-sharing to further the understanding of the full range of climate change-related issues.
(4) ANNUAL REPORT.—The Director of the White House Office, in consultation with the Interagency Task Force and other interested parties, shall prepare an annual report for submission by the President to Congress that—
(A) assesses progress in implementation of the Strategy;
(B) assesses progress, in the United States and in foreign countries, toward the long-term goal of stabilization of greenhouse gas concentrations;
(C) assesses progress toward meeting climate change-related international obligations; and
(D) makes recommendations for actions by the Federal Government designed to close any gap between progress-to-date and the measures that are necessary to achieve the long-term goal of stabilization of greenhouse gas concentrations; and
(E) addresses the totality of actions in the United States that relate to the 4 key elements.
(5) ANALYSIS.—During development of the Strategy, the President shall place significant emphasis on the use of objective, quantitative analysis, taking into consideration any uncertainties associated with the analysis.

(1) in general.—The Director of the White House Office shall employ a professional staff of not more than 25 individuals to carry out the duties of the White House Office.
(2) INTERGOVERNMENTAL PERSONNEL AND FELLOWSHIPS.—The Director of the White House Office may use the authority provided by the Intergovernmental Personnel Act of 1970 (42 U.S.C. 2701 et seq.) and subchapter VI of chapter 33 of title 5, United States Code, and fellowships, to obtain staff from academia, scientific bodies, nonprofit organizations, and national laboratories, for appointments of a limited term.
(3) DUTIES OF THE WHITE HOUSE OFFICE.—
(I) IN GENERAL.—The Director of the White House Office shall establish the United States Climate Change Response Interagency Task Force.
(2) COMPOSITION.—The Interagency Task Force shall be composed of—
(A) the Director of the White House Office, who shall serve as Chairperson;
(B) the Secretary of State;
(C) the Secretary of the Treasury;
(D) the Secretary of Commerce;
(E) the Secretary of the Interior;
(F) the Secretary of Transportation;
(G) the Secretary of Agriculture;
(H) the Administrator of the Environmental Protection Agency; and
(I) the Administrator of the Agency for International Development.
(4) DUTIES.—The Interagency Task Force shall—
(A) establish policies, objectives, and priorities for the Strategy; and
(B) advise the President concerning necessary changes in organization, management, budgeting, and personnel allocation of Federal agencies involved in climate change response activities.
(5) ANNUAL REPORT.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(6) ANNUAL SUBMISSION.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(7) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(8) STUDY.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(9) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(10) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(11) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(12) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(13) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(14) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(15) REPORTS.—The President shall submit by the first day of February of each year, a report to Congress that—
(A) describes the progress on implementation of the Strategy; and
(B) includes an analysis of the progress that has been made toward meeting the national goals established in the Strategy.
(iii) build consensus around a Strategy that is based on strong scientific, technical, and economic analyses.

(4) WORKING GROUPS.—The Chairperson of the Interagency Task Force may establish such topical working groups as are necessary to carry out the duties of the Interagency Task Force.

(e) Provision of Support Staff.—In accordance with procedures established by the Chairperson of the Interagency Task Force, the Federal agencies represented on the Interagency Task Force shall provide staff from the agencies to support information, data collection, and analyses required by the Interagency Task Force.

(f) Hearings.—On request of the Chairperson, the Interagency Task Force may hold such hearings, meet and act at such times and places, take such testimony, and receive such evidence as the Interagency Task Force considers to be appropriate.

SEC. 1017. TECHNOLOGY INNOVATION PROGRAM IMPLEMENTED THROUGH THE OFFICE OF CLIMATE CHANGE TECHNOLOGY OF THE DEPARTMENT OF ENERGY

(a) Establishment of Office of Climate Change Technology of the Department of Energy

(1) In General.—There is established, within the Department, the Office of Climate Change Technology.

(2) Duties of Department Office.—

(A) Manager of Technology Research and Development Program that directly supports the Strategy by—

(i) focusing on high-risk, bold, breakthrough technologies that—

(I) have significant promise of contributing to the national climate change policy of long-term stabilization of greenhouse gas concentrations by—

(aa) mitigating the emissions of greenhouse gases;

(bb) removing and sequestering greenhouse gases from emission streams; or

(cc) removing and sequestering greenhouse gases from the atmosphere;

(II) are not being addressed significantly by other Federal programs; and

(III) would represent a substantial advance beyond technology available on the date of enactment of this title;

(ii) forging fundamentally new research and development partnerships among the Department, other Federal, and State programs, particularly between basic science and energy technology programs, in cases in which such efforts have significant potential to affect the ability of the United States to achieve stabilization of greenhouse gas concentrations at the lowest possible cost;

(iii) forging international research and development partnerships that are in the interests of the United States and make progress on stabilization of greenhouse gas concentrations;

(iv) making available, through monitoring, experimentation, and analysis, data that are essential for the technical and economic viability of technology central to addressing climate change; and

(v) transitioning research and development programs to other program offices of the Department once such a research and development program crosses the threshold of high-risk research and moves into the realm of more mature technology development.

(B) Prepare annual reports in accordance with subsection (a)(6);

(C) Identify the total contribution of all programs to the long-term goal and other goals of the energy technology research and development program described in subsection (a)(2)(A).

(B) Strategy.—The Director of the Department Office shall support development of the Strategy through the provision of staff and analytical support.

(C) Interagency Task Force.—Through active participation in the Interagency Task Force, the Director of the Department Office shall—

(1) based on the analytical capabilities of the Department Office, share analyses of alternative climate change response strategies with other members of the Interagency Task Force to assist all members in understanding—

(I) the scale of the climate change response challenge; and

(II) how the actions of the Federal agencies of the members of the Interagency Task Force contribute to climate change solutions; and

(2) determine how the energy technology research and development program described in subsection (a)(2)(A) can be designed for maximum impact on the long-term goal of stabilization of greenhouse gas concentrations.

(D) Tools, Data, and Capabilities.—The Director of the Department Office shall foster the development of tools, data, and capabilities to ensure that—

(i) the United States has a robust capability for evaluating alternative climate change response scenarios; and

(ii) the Department provides long-term analytical continuity during the terms of service of successive Presidents.

(E) Advisory Duties.—The Director of the Department Office shall advise the Secretary on all aspects of climate change response.

(6) Annual Reports.—The Director of the Department Office shall prepare an annual report for submission by the Secretary to Congress and the White House Office that—

(A) assesses progress toward meeting the goals of the energy technology research and development program described in subsection (a)(2)(A);

(B) assesses the activities of the Department Office;

(C) assesses the contributions of all energy technology research and development programs of the Department (including science programs) to the long-term goal and other requirements of the Strategy specified in section 1015(a); and

(D) makes recommendations for actions by the Department and other Federal agencies to address the components of technology development that are necessary to support the Strategy.

(7) Analysis.—During development of the Strategy, annual reports submitted under paragraph (6), and advice to the Secretary, the Director of the Department Office shall place significant emphasis on the use of objective, quantitative analysis, taking into consideration any associated uncertainties.

(c) Staff.—The Director of the Department Office shall employ a professional staff of no fewer than 25 to carry out the duties of the Department Office.

(d) Intergovernmental Personnel and Fellowships.—The Department Office may use the authorities provided by the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4701 et seq.), subchapter VI of chapter 33 of title 5, United States Code, and other Departmental personal authority to obtain staff from academia, scientific bodies, non-profit organizations, industry, and national laboratories, for appointments of a limited term.

(e) Relationship to Other Department Programs.—Each project carried out by the Department Office shall be—

(1) initiated only after consultation with 1 or more other appropriate program offices of the Department that support research and development in areas relating to the project;

(2) managed by the Department Office; and

(3) in the case of a project that reaches a sufficient level of maturity, with the concurrence of the Department Office and an appropriate office described in paragraph (1), transferred to the appropriate office, along with the funds necessary to continue the project to the point at which non-Federal funding can provide substantial support for the project.

(f) Analysis of Strategic Climate Change Response.—

(1) In General.—

(A) Goal.—The Department Office shall foster the development and application of advanced computational tools, data, and capabilities that, together with the capabilities of other Federal agencies, support integrated assessment of alternative climate change response scenarios and implementation of the Strategy.

(B) Participation and Support.—Projects supported by the Department Office may include participation of, and be supported by, other Federal agencies that have a role in the development, commercialization, or transfer of energy, transportation, industrial, agricultural, forestry, or other climate change related technology.

(2) Programs.—

(A) In General.—The Department Office shall—

(i) develop and maintain core analytical competencies and complex, integrated computational modeling capabilities that, together with the capabilities of other Federal agencies, are necessary to support the design and implementation of the Strategy; and

(ii) track United States and international progress toward the long-term goal of stabilization of greenhouse gas concentrations.

(B) International Carbon Dioxide Sequestration Monitoring and Analysis.—In consultation with Federal, State, academic, scientific, private sector, nongovernmental, tribal, and international carbon capture and storage technology programs, the Department Office shall design and carry out an international carbon dioxide sequestration monitoring and data program to collect, analyze, and make available the technical and economic data to ascertain—

(i) whether engineered sequestration and terastorage, and sequestration of carbon dioxide by natural processes technologies from regulatory, economic, and international perspectives;

(ii) whether carbon dioxide sequestered in geological formations or ocean systems is stable and has inconsequential leakage rates on a geologic time-scale; and

(iii) the extent to which forest, agricultural, and other terrestrial systems are suitable carbon sinks.
(A) IN GENERAL.—The Department Office shall conduct and maintain expertise in integrated assessment, modeling, and related capabilities necessary to:

(i) understand the relationship between natural, agricultural, industrial, energy, and economic systems;

(ii) design effective research and development programs; and

(iii) to develop and implement the Strategy.

(B) TECHNOLOGY TRANSFER AND DIFFUSION.—The expertise described in clause (i) shall include knowledge of technology transfer and technology diffusion in United States markets and foreign markets.

(C) DISSEMINATION OF INFORMATION.—The Department Office shall ensure, to the maximum extent practicable, that technical and scientific knowledge relating to greenhouse gas emission reduction, avoidance, and sequestration is broadly disseminated through publications, fellowships, and training programs.

ASSESSMENTS.—In a manner consistent with the Strategy, the Department shall conduct assessments of deployment of climate-friendly technologies.

USE OF PRIVATE SECTOR FUNDING.—

(A) IN GENERAL.—The Department Office shall create an operating model that allows for cost-sharing requirements and cost sharing with industry on individual climate change response projects.

(B) REQUIREMENTS.—Although cost sharing in some cases may be appropriate, the Department Office shall focus on long-term high-risk research and development and should not make industrial partnerships or cost sharing a requirement. If such a requirement would bias the activities of the Department Office toward incremental innovations.

REVIEW ON TRANSITION.—At such time as a breakthrough research and development program reaches a sufficient level of technological maturity such that the program is transitioned to a program office of the Department other than the Department Office, the cost-sharing requirements and criteria applicable to the program should be reevaluated.

PUBLICATION IN FEDERAL REGISTER.—Each cost-sharing agreement entered into under this subparagraph shall be published in the Federal Register.

SEC. 1018. ADDITIONAL OFFICES AND ACTIVITIES.

The Secretary of Agriculture, the Secretary of Transportation, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the heads of other Federal agencies may establish such offices and carry out such activities, in addition to those established or authorized by this Act, as are necessary to carry out this Act.

SEC. 1019. UNITED STATES CLIMATE CHANGE RESPONSE STRATEGY REVIEW BOARD.

(a) Establishment.—There is established as an independent establishment within the executive branch the United States Climate Change Response Strategy Review Board.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Review Board shall consist of 11 members who shall be appointed to the Review Board.

(c) DUTIES.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, by the President and with the advice and consent of the Senate, not fewer than 22 individuals who—

(i) qualified individuals; or

(ii) have the capability of recommending qualified individuals, the National Academy of Sciences shall nominate for appointment to the Review Board not fewer than 22 individuals who—

(A) are—

(i) qualified individuals; or

(ii) experts in a field of knowledge specified in section 1015(b), as a group represent broad, balanced expertise.

(B) as a group represent broad, balanced expertise.

(2) PRODUCTION OF DOCUMENTS.—(A) IN GENERAL.—Subject to subparagraph (B), the Review Board, at the request of the President or Congress, may recommend recommendations on additional climate change-related topics.

(B) SECUNDARY DUTY.—The provision of recommendations under subparagraph (A) shall be a secondary duty to the primary duty of the Review Board of providing independent review of the Strategy and the recommendations under paragraphs (1) and (2).

(d) POWERS.—

(1) HEARINGS.—(A) IN GENERAL.—On request of the Chairperson or a majority of the members of the Review Board, the Review Board may hold such hearings, meet, and act at such times and places, take such testimony, and receive such evidence as the Review Board considers to be appropriate.

(2) PROHIBITION ON FEDERAL GOVERNMENT FUNDING.—(A) IN GENERAL.—The Chairperson or a majority of the members of the Review Board, and subject to applicable law, the Secretary or head of a Federal agency represented on the Interagency Task Force, or a contractor of such an agency, shall provide the Review Board with such records, files, papers, data, and information as are necessary to respond to any inquiry of the Review Board under this Act.

(3) INCLUSION OF WORK IN PROGRESS.—Subject to applicable law, information obtained under subparagraph (1) shall not be limited to final work products; but

(ii) shall include draft work products and documentation of work in progress.

(d) POSTAL SERVICES.—The Review Board may use the United States mails in the same manner and under the same conditions as other agencies of the Federal Government.

(e) COMPENSATION OF MEMBERS.—A member of the Review Board shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Review Board.

(f) TRAVEL EXPENSES.—A member of the Review Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Review Board.

(1) IN GENERAL.—The Chairperson of the Review Board may, without regard to the provisions of title 5, United States Code, reappoint the Chairperson, one or more Executive Directors, or one or more additional personnel...
as are necessary to enable the Review Board to perform the duties of the Review Board.

(2) CONFIRMATION OF EXECUTIVE DIRECTOR.—The employment of an executive director shall be subject to confirmation by the Review Board.

(3) COMPENSATION.—(A) IN GENERAL.—Except as provided in subparagraph (B), the Chairperson of the Review Board may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 55 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(B) MAXIMUM RATE OF PAY.—The rate of pay for the executive director and other personnel shall not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Review Board may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code, at rates for individuals who do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code, enacted, the President shall provide such sums as necessary to carry out the duties of the Department Office under this Title until the date on which funds are made available under paragraph (2).

(2) amounts made available under other provisions of law for energy research and development.

SEC. 1020. AUTHORIZATION OF APPROPRIATIONS.

(a) WHITE HOUSE OFFICE.—From funds made available to Federal agencies for the fiscal year in which this Title is enacted, the President shall provide such sums as necessary to carry out the duties of the White House Office under this Title until the date on which funds are made available under paragraph (2).

(b) DEPARTMENT OFFICE.—There is authorized to be appropriated to the White House Office to carry out the duties of the White House Office under this Title $5,000,000 for each of fiscal years 2003 through 2011, to remain available through September 30, 2011.

(c) REVIEW BOARD.—(1) USE OF AVAILABLE APPROPRIATIONS.—From funds made available to Federal agencies for the fiscal year in which this Title is enacted, the President shall provide such sums as are necessary to carry out the duties of the Review Board under this Title until the date on which funds are made available under paragraph (2).

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Review Board to carry out the duties of the Review Board under this Title $3,000,000 for each of fiscal years 2003 through 2011, to remain available until expended.

(d) ADDITIONAL AMOUNTS.—Amounts authorized to be appropriated under this section shall be in addition to—

(1) funds available under subsection (a) of this section to carry out the United States Global Change Research Program under the Global Change Research Act of 1990 (15 U.S.C. 2921 et seq.); and

(2) funds available under other provisions of law for energy research and development.

Subtitle C—Science and Technology Policy

SEC. 1031. GLOBAL CLIMATE CHANGE IN THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY.

Section 101 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601) is amended—

(1) by redesignating paragraphs (7) through (13) as paragraphs (8) through (14), respectively; and

(2) by inserting after paragraph (6) the following:

(7) improving efforts to understand, assess, predict, mitigate, and respond to global climate change;

SEC. 1032. ESTABLISHMENT OF ASSOCIATE DIRECTOR FOR GLOBAL CLIMATE CHANGE.

Section 203 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6612(b)) is amended—

(1) by striking “four” in the second sentence and inserting “five”; and

(2) by striking “title.” in the second sentence and inserting “title, one of whom shall be responsible for global climate change science and technology under the Office of Science and Technology Policy.”

Subtitle D—Miscellaneous Provisions

SEC. 1041. ADDITIONAL INFORMATION FOR REGULATORY REVIEW.

In each case that an agency prepares and submits to the Administrator of the Environmental Protection Agency pursuant to Executive Order 13225 of May 18, 2001 (relating to actions concerning regulations that significantly affect energy supply, distribution, or use), or as part of compliance with Executive Order 13266 of September 30, 1993 (relating to regulatory planning and review) or its successor, the agency shall submit an estimate of the change in net annual greenhouse gas emissions resulting from the proposed significant energy action, the annual net greenhouse gas emissions that is an increase in net annual greenhouse gas emissions as a result of the proposed significant energy action, the agency shall indicate what policies or measures will be undertaken to mitigate or offset the increased emissions.

SEC. 1042. GREENHOUSE GAS EMISSIONS FROM FEDERAL FACILITIES.

(a) METHODOLOGY.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this section, the Secretary of Energy, the Secretary of Agriculture, Secretary of Commerce, and Administrator of the Environmental Protection Agency shall publish a jointly developed methodology for preparing estimates of annual net greenhouse gas emissions from all Federally owned, leased, or operated buildings, structures, or installations located on one or more of contiguous or adjacent property or properties, or a fleet of 20 or more transportation vehicles, under common control of the entity.

(2) INDIRECT EMISSIONS.—The term “indirect emissions” means greenhouse gas emissions that are a consequence of the activities of an entity but that are emitted from a facility owned or controlled by another entity and are not already reported as direct emissions by a covered entity.

(b) SEQUESTERATION.—The term “sequestration” means the capture, long-term separation, isolation, or removal of greenhouse gases from the atmosphere, including through a biological or geologic method such as reforestation or an underground reservoir.

SEC. 1103. ESTABLISHMENT OF MEMORANDUM OF AGREEMENT.


(1) recognize and maintain existing statutory authority, regulatory authorities, functions, and programs that collect data on greenhouse gas emissions and effects and that are necessary for the operation of the National Greenhouse Gas Database;

(2) distribute additional responsibilities and activities identified by this title to Federal departments or agencies according to their mission and expertise and to maximize the use of existing resources; and

(3) provide for the comprehensive collection and analysis of data on the emissions and effects of industries, products, and energy consuming appliances and vehicles.

(b) THE MEMORANDUM OF AGREEMENT ENTERED INTO UNDER SUBSECTION (A) SHALL, AS A MINIMUM, CONTAIN THE FOLLOWING:

(1) PROVISIONS TO DESIGN EFFICIENT AND EFFECTIVE GREENHOUSE GAS EMISSION REDUCTION STRATEGIES; AND

(2) PROVISIONS TO ENCOURAGE AND ACKNOWLEDGE GREENHOUSE GAS EMISSION REDUCTIONS.
(1) The Department of Energy shall be primarily responsible for developing, maintaining, and verifying the emissions reduction registry, under both this title and its author-
ity under section 1605(b) of the Energy Policy
Act of 1992 (42 U.S.C. 13268(b)).
(2) The Department of Commerce shall be primarily responsible for the development of measurement, verification and data collection systems, pursuant to this title and existing author-
ity under Titles IV and VIII of the Clean Air Act, and including mobile source emissions information from implement-
ing the Corporate Average Fuel Economy program (49 U.S.C. Chapter 229), and the Agency’s role in completing the national inventory for compliance with the United Nations Framework Convention on Climate Change.
(c) The Chairman shall publish a draft version of the Memorandum of Agreement in the Federal Register and solicit comments on it as soon as practicable and publish the final Memorandum of Agreement in the Fed-
eral Register not later than 15 months after the date of enactment of this title. The final Memorandum of Agreement shall not be subject to judicial review.
SEC. 1104. NATIONAL GREENHOUSE GAS DATA-
BASE.
(a) ESTABLISHED.—The Designated Agen-
cy or Agencies, working in consultation with the private sector and nongovernmental orga-
nizations, shall establish, operate and maintain a database to be known as the Na-
(1) Mandatory Reporting.—The Designated Agen-
cy or Agencies, in carrying out the requirements of this title, shall include—
(i) direct emissions from any land use ac-
(ii) direct emissions from vehicles owned or controlled by a covered entity;
(iii) direct emissions from any land use ac-
(iv) indirect emissions from all outsourced activities performing, or transferred from the control of an entity, and other relevant instances, as determined to be practicable under the rule;
(v) indirect emissions from electricity, heat, and steam imported from another enti-
ty, as determined to be practicable under the rule;
(vi) the production, distribution or import of greenhouse gases listed under section 1102 by an entity; and
(vii) such other categories, of which the des-
ignated Agency or Agencies determine by rule, after public notice and comment, should be included to accomplish the pur-
poses of this title.
(C) Each report shall include total mass quantities for each greenhouse gas emitted, and in terms of carbon dioxide equivalent.
(D) Each report shall include the green-
house gas emissions per unit of output by an entity, such as tons of carbon dioxide per kilowatt-hour or a similar metric.
(E) The report shall be required to be submitted not later than April 30 of the fourth year after the date of enactment of this title.
(f) The final rule promulgated under sec-
tion 1106(c) and subsequent revisions to that rule with respect to the threshold for report-
ing in subparagraph (A) shall capture infor-
mation on no less than 75 percent of green-
house gas emissions from entities.
(3) Method of Reporting.—Entity-wide emissions shall be reported at the facility level.
(4) Additional Voluntary Reporting.—An entity may report project reduc-
tions to the Designated Agen-
cy or Agencies, for inclusion in the registry portion of the national data-
base—
(A) with respect to the preceding calendar year and any greenhouse gas emitted by the entity—
(i) project reductions from facilities owned or controlled by the reporting entity in the United States;
(ii) transfers of project reductions to and from an other entity;
(iii) project reductions and transfers of project reductions outside the United States;
(iv) other indirect emissions that are not required to be reported under subsection (d); and
(v) product use phase emissions; and
(B) with respect to greenhouse gas emis-
sions reductions activities carried out since 1990 and verified according to rules imple-
menting subparagraph (6) of this subsection and submitted to the Designated Agency or Agencies before the date that is three years after the date of enactment of this title, those reductions that have been reported or submitted by an entity under section 106(b) of the Energy Policy Act of 1992 (42 U.S.C. 13268(b)) or on or under Federal or State vol-
untary greenhouse gas reduction programs.
(5) Types of Activities.—Under this paragraph (A), a voluntary report projects that re-
duce greenhouse gas emissions or sequester a greenhouse gas, including—
(A) fuel switching;
(B) energy efficiency improvements;
(C) use of renewable energy;
(D) use of combined heat and power systems;
(E) management of cropland, grassland, and grazing land;
(F) forestry activities that increase forest carbon stocks or reduce forest carbon emis-
sions;
(G) carbon capture and storage;
(H) methane recovery; and
(I) greenhouse gas offset investments.
(6) Provision of Verification Information by Third-Party Verifiers.—Each reporting en-
tity shall provide information sufficient for the Designated Agency or Agencies to verify, in accordance with measurement and verification criteria established under section 1106, that the greenhouse gas report of the reporting entity—
(A) has been accurately reported; and
(B) in the case of each additional voluntary report, represents—
(i) actual reductions in direct greenhouse gas emissions relative to historic emission levels and net of any related increases in direct emissions, or
(ii) actual increases in net sequestration.
(7) Enforcement of Verification.—A reporting entity may—
(A) obtain independent third-party verification; and
(B) present the results of the third-party verification to the Designated Agency or Agencies for consideration by the Designated Agency or Agencies in carrying out para-
graph (1).
(8) Data Quality.—The rule under subsection (c) shall establish procedures and pro-
tocols needed to—
(A) prevent the reporting of some or all of the same greenhouse gas emissions or emis-
sion reductions by more than one reporting entity;
(B) provide for corrections to errors in data submitted to the database;
(C) provide for adjustment to data by report-
ing entities that have had a significant organizational change (including mergers, acquisitions, and divestitures), in order to maintain comparability among data in the database over time;
(D) provide for adjustments to reflect new technologies or methods for measuring or calcu-
lating greenhouse gas emissions or sequestration on land; and
(E) account for changes in registration of ownership of emissions reductions resulting from a voluntary private transaction between reporting entities.
(9) Availability of Data.—The Designated Agency or Agencies shall ensure that infor-
mation in the database is published, access-

(continued on following page)
DIVISION E—ENHANCING RESEARCH, DEVELOPMENT, AND TRAINING

TITLE XII—ENERGY RESEARCH AND DEVELOPMENT PROGRAMS

SEC. 1201. SHORT TITLE.
This division may be cited as the “Energy Science and Technology Enhancement Act of 2002.”

SEC. 1202. FINDINGS.
The Congress finds the following:

(1) A coherent national energy strategy requires an energy research and development program that supports basic energy research and provides mechanisms to develop, demonstrate, and accelerate energy technologies in partnership with industry.

(2) An aggressive national energy research, development, demonstration, and technology deployment program is an integral part of a national climate change strategy, because it can reduce—

(A) United States energy intensity by 1.9 percent per year from 1999 to 2030;

(B) United States energy consumption in 2020 by 8 quadrillion Btu from otherwise expected levels; and

(C) United States carbon dioxide emissions from expected levels by 166 million metric tons in carbon equivalent in 2020.

(3) An aggressive national energy research, development, demonstration, and technology deployment program can help maintain domestic United States production of energy, increase United States hydrocarbon reserves by 14 percent, and lower natural gas prices by 20 percent, compared to estimates for 2020.

(4) An aggressive national energy research, development, demonstration, and technology deployment program is needed if United States suppliers and manufacturers are to compete in future markets for advanced energy technologies.

SEC. 1203. DEFINITIONS.
In this title:

(1) DEPARTMENT.—The term “Department” means the Department of Energy.

(2) DEPARTMENTAL MISSION.—The term “departmental mission” means any of the functions vested in the Secretary of Energy by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) or other law.

(3) INSTITUTION OF HIGHER EDUCATION.—The term “institution of higher education” has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(4) NATIONAL LABORATORY.—The term “National Laboratory” means any of the following multi-purpose laboratories owned by the Department of Energy:

(A) Argonne National Laboratory;

(B) Brookhaven National Laboratory;

(C) Idaho National Engineering and Environmental Laboratory;

(D) Lawrence Berkeley National Laboratory;

(E) Lawrence Livermore National Laboratory;

(F) Los Alamos National Laboratory;

(G) National Energy Technology Laboratory;

(H) Oak Ridge National Laboratory;

(I) Pacific Northwest National Laboratory;

(J) Sandia National Laboratory;

(K) Savannah River National Laboratory;

(L) Secretary.—The term “Secretary” means the Secretary of Energy.

(6) TECHNOLOGY DEPLOYMENT.—The term “technology deployment” means activities to promote acceptance and utilization of technologies in commercial application, including, but not limited to, demonstration, dissemination, or distribution pursuant to section 7 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) or section 6 of the Renewable Energy and Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 13201 et seq.), the Federal Nonnuclear Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), the Energy Research and Development Act of 1992 (42 U.S.C.12301 et seq.), or any other Act under which the Secretary is authorized to carry out such activities.

SUBTITLE A—ENERGY EFFICIENCY

SEC. 1211. ENHANCED ENERGY EFFICIENCY RESEARCH AND DEVELOPMENT.

(a) PROGRAM DIRECTION.—The Secretary shall conduct balanced energy research, development, demonstration, and technology deployment programs to enhance energy efficiency in buildings, industry, power technologies, and transportation.

(b) ENERGY-EFFICIENT HOUSING.—The goal of the energy-efficient housing program shall be to develop, in partnership with industry, technologies and design and construction methods that will, by 2010, enable energy-intensive industries such as the following industries to reduce their energy intensity by at least 25 percent:

(A) The wood product manufacturing industry;

(B) The paper manufacturing industry;

(C) The petroleum and coal products manufacturing industry;

(D) The mining industry;

(E) The metal manufacturing industry;

(F) The glass and glass product manufacturing industry;

(G) The iron and steel mills and ferroalloy manufacturing industry;

(H) The primary aluminum production industry;

(I) The foundries industry; and

(J) U.S. agriculture.

(c) TRANSPORTATION ENERGY EFFICIENCY.—The goal of the transportation energy efficiency program shall be to develop, in partnership with industry, technologies and design and construction methods, standards and codes that will, by 2010, enable energy-intensive industries such as the following industries to reduce their energy intensity by at least 25 percent:

(A) By 2010, passenger automobiles with a fuel economy of 80 miles per gallon;

(B) By 2010, light trucks (classes 1 and 2a) with a fuel economy of 60 miles per gallon;

(C) By 2010, medium trucks and buses (classes 2b through 8) that use distributed generation and combined heat and power by developing technologies by 2015 that achieve—
(A) electricity generating efficiencies greater than 40 percent for on-site generation technologies based on natural gas, including fuel cells, microturbines, reciprocating engines, and industrial gas turbines;
(B) combined heat and power total (electrical and thermal) efficiencies of more than 85 percent;
(C) fuel flexibility to include hydrogen, biofuels and natural gas;
(D) near zero emissions of pollutants that form smog and acid rain;
(E) reduction of carbon dioxide emissions by at least 40 percent;
(F) packaged system integration at end user facilities providing complete services in heating, cooling, electricity and air quality; and
(G) increased reliability for the consumer and greater stability for the national electricity grid.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out research, development, demonstration, and technology deployment activities under this subtitle—
(1) $700,000,000 for fiscal year 2003;
(2) $784,000,000 for fiscal year 2004;
(3) $876,000,000 for fiscal year 2005; and
(4) $983,000,000 for fiscal year 2006.

(d) LIMITATION ON USE OF FUNDS.—None of the funds authorized to be appropriated in subsection (c) may be used by the Secretary—
(1) for projects other than those projects described in subsection (a); or
(2) for activities other than activities described in subsection (b).

SEC. 1212. ENERGY EFFICIENCY SCIENCE INITIATIVE.

(a) ESTABLISHMENT AND AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 1212(c), there are authorized to be appropriated not more than $50,000,000 in any fiscal year, for an Energy Efficiency Science Initiative to be managed by the Assistant Secretary in the Department with responsibility for energy conservation under section 233a(b) of the Department of Energy Organization Act (42 U.S.C. 733a(b)), in consultation with the Director of the Office of Science, for grants to be competitively awarded and subject to peer review for research on energy efficiency.

(b) REPORT.—The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations of the United States Senate, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States House of Representatives, an annual report on the status of the Energy Efficiency Science Initiative, including a description of the process used to award the funds and an explanation of how the research relates to energy efficiency.

SEC. 1213. NEXT GENERATION LIGHTING INITIATIVE.

(a) ESTABLISHMENT.—There is established in the Department of Energy an Initiative to research, develop, and conduct demonstration activities on advanced solid-state lighting technologies based on solid-state lighting diodes.

(b) OBJECTIVES.—

(1) IN GENERAL.—The objectives of the Initiative shall be to develop, by 2011, advanced solid-state lighting technologies based on solid-state lighting diodes that, compared to incandescent and fluorescent lighting technologies, are—
(A) longer lasting;
(B) more energy-efficient; and
(C) cost-competitive.

(2) INORGANIC WHITE LIGHT EMITTING DIODES.—The term "inorganic white light emitting diodes" means—
(A) the diodes shall be to develop an inorganic white light emitting diode that has an efficiency of 160 lumens per watt and a 10-year lifetime.
(B) ORGANIC WHITE LIGHT EMITTING DIODE.—The term "organic white light emitting diode" means—

(1) FUNDAMENTAL RESEARCH.—The Secretary, through the consortium, shall make grants to conduct basic and manufacturing-related research on advanced solid-state lighting technologies based on white light emitting diode technologies.

(2) TECHNOLOGY DEVELOPMENT AND DEMONSTRATION.—The Secretary shall enter into grants, contracts, and cooperative agreements to conduct or promote technology research, development, and demonstration activities. In providing funding under this paragraph, the Secretary shall give preference to participants in the consortium.

(3) STATE ENERGY PROGRAM.—The term "state energy program" means—

(A) a State Energy Program; or
(B) the Secretary shall establish a State Energy Program for each State that is willing to participate in the program.

(4) TECHNICAL ASSISTANCE.—The National Laboratories shall conduct and provide technical assistance to persons carrying out projects under this initiative.

(5) AUDITS.—

(A) IN GENERAL.—The Secretary shall retain an independent, commercial auditor to determine the extent to which funds made available under this section have been expended in a manner that is consistent with the objectives under subsection (b) and, in the case of funds made available to the consortium, the annual program plan of the consortium, the annual report under section 1211(c), and the annual report under section 1212(c).

(B) REPORTS.—The auditor shall submit to the Congress, the Secretary, and the Comptroller General of the United States, an annual report containing the results of the audit.

(3) CONTINUING ASSESSMENT.—The consortium shall—
(A) enter into a consortium participation agreement that—
(1) is agreed to by all participants; and
(2) describes the responsibilities of participants, participation fees, and the scope of research activities; and
(B) develop an annual program plan.

(5) INTELLECTUAL PROPERTY.—Participants in consortium under subsection (c)(4) shall—
(A) enter into a consortium participation agreement that—
(1) is agreed to by all participants; and
(2) describes the responsibilities of participants, participation fees, and the scope of research activities; and
(B) develop an annual program plan.

(6) INORGANIC WHITE LIGHT EMITTING DIODES.—The term "inorganic white light emitting diode" means—

(A) the diodes shall be to develop an inorganic white light emitting diode that has an efficiency of 160 lumens per watt and a 10-year lifetime.

(7) ORGANIC WHITE LIGHT EMITTING DIODES.—The term "organic white light emitting diode" means—
(A) an inorganic white light emitting diode; or
(B) an organic white light emitting diode.

SEC. 1214. RAILROAD EFFICIENCY.

(a) PROGRAM DIRECTION.—The Secretary shall, in cooperation with the Secretaries of Transportation and Defense, and the Administrator of the Environmental Protection Agency, in partnership involving a variety of public and private sector partners, work to implement the initiatives identified above. These initiatives shall include implementing a comprehensive national strategy to improve the energy efficiency and environmental performance of railroads. The Secretary shall establish, as part of this strategy, a research, development, and deployment program to accelerate the development and deployment of advanced technologies and systems that, by 2007, will enable the energy efficiency and environmental performance of the nation’s railroads to meet levels comparable to those that are achievable in other advanced nations.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the requirements of this section $200,000,000 for fiscal year 2004.

Subtitle B—Renewable Energy

SEC. 1221. ENHANCED RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

(a) PROGRAM DIRECTION.—The Secretary shall conduct balanced energy research, development, demonstration, and technology deployment programs to enhance the use of renewable energy sources.

(b) PROGRAM GOALS.—

(1) WINDPOWER.—The Secretary shall support the development of advanced wind energy technologies, including systems with installed costs of $4000 per peak kilowatt by 2007.

(2) PHOTOVOLTAICS.—The Secretary shall support the development of advanced photovoltaic systems technology with the potential to double the efficiency of photovoltaic cells, reducing the cost of electricity from such systems by 2007.

(3) GEOHYDRO.—The Secretary shall support the development of advanced geothermal heat and power technologies, reducing the cost of electricity from such technologies by 2007.

(4) BIOMASS.—The Secretary shall support the development of advanced biomass systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(5) BIOFUELS.—The Secretary shall support the development of advanced biofuel systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(6) HYDROPOWER.—The Secretary shall support the development of advanced hydroelectric systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(7) HYDROGEN.—The Secretary shall support the development of advanced hydrogen systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(8) NUCLEAR.—The Secretary shall support the development of advanced nuclear systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) BIOPOWER ENERGY SYSTEMS.—From amounts authorized under section 1221(e), there are authorized to be appropriated to the Secretary for biopower energy systems—

(A) $60,300,000 for fiscal year 2003;

(B) $69,300,000 for fiscal year 2004;

(C) $77,600,000 for fiscal year 2005;

(D) $81,400,000 for fiscal year 2006.

(2) BIOFUELS SYSTEMS.—From amounts authorized under section 1221(e), there are authorized to be appropriated to the Secretary for biofuels energy systems—

(A) $57,500,000 for fiscal year 2003;

(B) $66,125,000 for fiscal year 2004;

(C) $76,000,000 for fiscal year 2005;

(D) $81,400,000 for fiscal year 2006.

(4) B IOMASS-BASED POWER SYSTEMS.—The Secretary shall support the development of advanced biomass systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(c) ENERGY STORAGE.

(1) INTEGRATED ENERGY STORAGE.—The Secretary shall support the development of advanced energy storage technologies, including systems with a minimum 10-year useful life.

(2) HYDROGEN.—The Secretary shall support the development of advanced hydrogen systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(d) F INANCIAL ASSISTANCE TO RURAL INDUSTRIES.—There are authorized to be appropriated to carry out the requirements of this section $60,000,000 for fiscal year 2003 and $70,000,000 for fiscal year 2004.

Subtitle C—Hydrogen Research and Development

SEC. 1222. BIOENERGY PROGRAMS.

(a) PROGRAM DIRECTION.—The Secretary shall carry out research, development, demonstration, and technology deployment activities that are consistent with the goals of the bioenergy research and development programs under paragraphs (4) and (6) of section 1221(b).

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) BIOPOWER ENERGY SYSTEMS.—From amounts authorized under section 1221(e), there are authorized to be appropriated to the Secretary for biopower energy systems—

(A) $60,300,000 for fiscal year 2003;

(B) $69,300,000 for fiscal year 2004;

(C) $77,600,000 for fiscal year 2005;

(D) $81,400,000 for fiscal year 2006.

(2) BIOFUELS SYSTEMS.—From amounts authorized under section 1221(e), there are authorized to be appropriated to the Secretary for biofuels energy systems—

(A) $57,500,000 for fiscal year 2003;

(B) $66,125,000 for fiscal year 2004;

(C) $76,000,000 for fiscal year 2005;

(D) $81,400,000 for fiscal year 2006.

(3) INTEGRATED BIOMASS ENERGY RESEARCH AND DEVELOPMENT.—The Secretary shall support the development of advanced biomass systems technology with the potential to double the efficiency of such systems, reducing the cost of electricity from such technologies by 2007.

(c) ENERGY STORAGE.

(1) INTEGRATED ENERGY STORAGE.—The Secretary shall support the development of advanced energy storage technologies, including systems with a minimum 10-year useful life.

(d) HYDROGEN RESEARCH AND DEVELOPMENT.

(1) PROGRAM DIRECTION.—The Secretary shall carry out research, demonstration and technology deployment activities, as authorized under paragraph (1) or (2) for programs, projects, activities or renewable energy systems and economic analysis.

SEC. 1223. HYDROGEN RESEARCH AND DEVELOPMENT

(a) SHORT TITLE.—This section may be cited as the “Hydrogen Future Act of 2002.”

(b) PURPOSES.—

(1) TO STIMULATE RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated to carry out the requirements of this section—

(A) $500,000,000 for fiscal year 2003;

(B) $595,000,000 for fiscal year 2004; and

(C) $79,600,000 for fiscal year 2005.

(2) TO ESTABLISH A HYDROGEN RESEARCH AND DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out the requirements of this section—

(A) $57,500,000 for fiscal year 2003;

(B) $66,125,000 for fiscal year 2004;

(C) $76,000,000 for fiscal year 2005; and

(D) $81,400,000 for fiscal year 2006.

(3) TO FOSTER THE USE OF HYDROGEN.—The Secretary shall carry out research, demonstration and technology deployment activities that are consistent with the goals of the bioenergy research and development programs under paragraphs (4) and (6) of section 1221(b).
(1) in subsection (b)(1), by striking “marketplace;” and inserting “marketplace, including foreign markets, particularly where an energy infrastructure is not well developed;”.

(2) in subsection (e), by striking “this chapter” and inserting “this Act;”.

(b) by striking subsection (g) and inserting the following:

“(g) Cost Sharing.—

(1) IN GENERAL.—The Secretary shall require a commitment from non-Federal sources of at least 25 percent of the cost of the project.

(2) REDUCTION OR ELIMINATION.—The Secretary shall require a commitment from non-Federal sources of at least 50 percent of the costs directly relating to a demonstration project under this section.

(3) COST SHARING.—

(1) IN GENERAL.—The Secretary shall require a commitment from non-Federal sources of at least 100 percent of the cost of the project have committed by a person from industry unless the Secretary shall not consider a proposal submitted by a person from industry unless the

(2) NON-FEDERAL SHARE.—

(1) IN GENERAL.—The Secretary shall require a commitment from non-Federal sources of at least 25 percent of the cost of the project.

(2) REDUCTION.—The Secretary may reduce or eliminate the cost-sharing requirement under subparagraph (A) for the proposed research and development project, including for technical analyses, economic analyses, and educational programs, if the Secretary determines that reduction or elimination is necessary to achieve the objectives of this Act.

(3) INTEGRATION OF FUEL CELLS WITH HYDROGEN SYSTEMS AND COMPONENTS FOR-

(a)(2) by striking “the technical panel whose term expires may be reappointed.”; and

(b) by redesignating paragraphs (1) and (2), by striking “projects proposed”; and

(c) by striking subsection (d) and inserting the following:

“(d) NON-FEDERAL SHARE.—

(1) IN GENERAL.—The Secretary shall require a commitment from non-Federal sources of at least 50 percent of the costs directly relating to a demonstration project under this section.

(2) REDUCTION.—The Secretary may reduce or eliminate the non-Federal requirement under paragraph (1) if the Secretary determines that the reduction or elimination is necessary to achieve the objectives of this Act.

(3) COST SHARING.—

(1) IN GENERAL.—The Secretary shall require a commitment from non-Federal sources of at least 100 percent of the costs directly relating to a demonstration project under this section.

(2) REDUCTION.—The Secretary may reduce or eliminate the non-Federal requirement under paragraph (1) if the Secretary determines that the reduction or elimination is necessary to achieve the objectives of this Act.
“(2) make the information available to all Federal and State agencies for dissemination to all interested persons; and

“(3) foster the exchange of generic, nonproprietary research and technology developed under this title among industry, academia, and Federal, State, and local governments, to help the United States economy attain the economic benefits of the information and technology.

**SEC. 205. AUTHORIZATION OF APPROPRIATIONS.**—

There are authorized to be appropriated, for activities under this title—

“(1) $25,000,000 for fiscal year 2003;

“(2) $30,000,000 for fiscal year 2004;

“(3) $35,000,000 for fiscal year 2005; and

“(4) $40,000,000 for fiscal year 2006.

**Subtitle C—Fossil Energy**

**SEC. 1231. ENHANCED FOSSIL ENERGY RESEARCH AND DEVELOPMENT.**—

(a) **PROGRAM DIRECTION.**—The Secretary shall conduct a balanced energy research, development, demonstration, and technology deployment program to enhance fossil energy.

(b) **PROGRAM GOALS.**—

(1) **CORE FOSSIL RESEARCH AND DEVELOPMENT.**—The goals of the core fossil research and development program shall be to reduce emissions from fossil fuel use by developing technologies, including precommercialization technologies, for activities under this title—

(A) advances in technology for exploration and production of domestic petroleum and natural gas resources program shall be to develop technologies to—

(B) develop natural gas and oil reserves in the ultra-deepwater of the Central and Western waters of the United States, and

(C) extract methane hydrates in coastal areas of the United States, and

(D) make the information available to all Federal and State agencies for dissemination to all interested persons; and

(e) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—There are authorized to be appropriated to the Secretary for carrying out research, development, demonstration, and technology deployment activities under this section—

(A) $485,000,000 for fiscal year 2003;

(B) $500,000,000 for fiscal year 2004;

(C) $550,000,000 for fiscal year 2005; and

(D) $556,000,000 for fiscal year 2006.

(2) **LIMITS ON USE OF FUNDS.**—

(A) None of the funds authorized in paragraph (1) may be used for—

(i) Fossil energy environmental restoration;

(ii) Import/export authorization;

(iii) Program direction; or

(iv) General plant projects.

(B) **COAL-BASED PLANTS.**—The coal-based plants projects funded under this section shall be consistent with the goals in subsection (b)(4). The program shall emphasize carbon capture and sequestration technologies and gasification and carbonization technologies, including gasification combined cycle, gasification fuel cells, gasification co-production, hybrid gasification/combustion, or other technology with the potential to address the goals in subparagraphs (D) or (E) of subsection (b)(1).

**SEC. 1232. POWER PLANT IMPROVEMENT INITIATIVE.**—

(a) **PROGRAM DIRECTION.**—The Secretary shall conduct a balanced energy research, development, demonstration, and technology deployment program to achieve near zero emissions.

(b) **TECHNICAL MILESTONES.**—

(1) **IN GENERAL.**—The Secretary shall set technical milestones specifying efficiency and emissions levels that projects shall be designed to achieve. The milestones shall become more restrictive over the life of the program.

(2) **2010 EFFICIENCY MILESTONES.**—The milestones shall be designed to achieve by 2010 interim thermal efficiency of—

(A) 45 percent for coal of more than 9,000 Btu; and

(B) 44 percent for coal of 7,000 to 9,000 Btu; and

(C) 42 percent for coal of less than 7,000 Btu.

(3) **2020 EFFICIENCY MILESTONES.**—The milestones shall be designed to achieve by 2020 thermal efficiency of—

(A) 60 percent for coal of more than 9,000 Btu;

(B) 59 percent for coal of 7,000 to 9,000 Btu; and

(C) 57 percent for coal of less than 7,000 Btu.

(4) **EMISSIONS MILESTONES.**—The milestones shall include near zero emissions of mercury and greenhouse gases and of emissions that form fine particles, smog, and acid rain.

(5) **REGIONAL DIFFERENCES.**—The Secretary may consider regional and quality differences in developing the efficiency milestones.

**Projekt MIRA.**—The demonstration activities proposed to be conducted at a new or existing coal-based electric generation unit having a nameplate rating of not less than 100 megawatts in a coal-fired power plant shall include at least one of the following—

(A) a means of recycling or reusing a significant portion of coal combustion wastes produced by coal-based generating units, excluding practices that are commercially available by the date of enactment of this subtitle; and

(B) a means of capture and sequestering, including greenhouse gases, in a manner that is more effective and substantially below the cost of technologies that are in operation or that have been demonstrated by the date of enactment of this subtitle; and

(C) a means of controlling nitrogen oxide and mercury in a manner that improves environmental performance beyond technologies that are in operation or that have been demonstrated by the date of enactment of this subtitle, and

(D) a process for using coal in a manner that is more effective and substantially below the cost of technologies that are in operation or that have been demonstrated by the date of enactment of this subtitle.

**SEC. 1294. COAL MINING TECHNOLOGIES.**—

(a) **ESTABLISHMENT.**—The Secretary of Energy shall establish a cooperative research partnership involving appropriate Federal agencies, coal producers, including associations, equipment manufacturers, universities with mining engineering departments, and other relevant entities.

(1) develop mining research priorities identified by the Mining Industry of the Future Program and in the recommendations from relevant reports of the Academy of Sciences on mining technologies;

(2) establish a process for conducting joint industry-government research and development; and

(3) expand mining research capabilities at institutions of higher education.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—There are authorized to be appropriated to carry out activities under this section $12,000,000 in fiscal year 2003 and $16,000,000 in fiscal year 2004.

(2) **LIMIT ON USE OF FUNDS.**—Not less than 20 percent of any funds appropriated in a
given fiscal year under this subsection shall be dedicated to research carried out at institutions of higher education.

SEC. 1234. ULTRA-DEEPWATER AND UNCONVENTIONAL EXPLORATION AND PRODUCTION TECHNOLOGIES.

(a) DEFINITIONS.—In this section:

(1) IN GENERAL.—The term "Advisory Committee" means the Ultra-Deepwater and Unconventional Resource Technology Advisory Committee established under subsection (c).

(2) AWARD.—The term "award" means a cooperative agreement, contract, award or other types of agreement as appropriate.

(3) ULTRA-DEEPWATER.—The term "ultra-deepwater" means a water depth that is greater than 200 but less than 1,500 meters.

(4) ELIGIBLE AWARD RECIPIENT.—The term "eligible award recipient" includes—

(A) A research institution;

(B) an institution of higher education;

(C) a corporation; and

(D) a managing consortium formed among entities described in subparagraphs (A) through (C).

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(6) MANAGING CONSORTIUM.—The term "managing consortium" means an entity that—

(A) exists as of the date of enactment of this section;

(B)(i) is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986; and

(ii) is exempt from taxation under section 501(a) of that Code;

(C) is experienced in planning and managing programs in natural gas or other petroleum resources located at ultra-deepwater depths.

(7) PROGRAM.—The term "program" means the program of research, development, and demonstration established under subsection (b).

(b)(A) ULTRA-DEEPWATER.—The term "ultra-deepwater" means a water depth that is equal to or greater than 1,500 meters.

(B) ULTRA-DEEPWATER ARCHITECTURE.—The term "ultra-deepwater architecture" means the integration of technologies to explore and produce ultra-deepwater energy products located at ultra-deepwater depths.

(C) ULTRA-DEEPWATER RESOURCE.—The term "ultra-deepwater resource" means natural gas or any other petroleum resource (including methane hydrate) located in an ultra-deepwater area.

(D) UNCONVENTIONAL RESOURCE.—The term "unconventional resource" means natural gas or any other petroleum resource located in a formation on physically or economically inaccessible land currently available for lease for purposes of natural gas or other petroleum exploration or production.

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a program of research into, and development and demonstration of, ultra-deepwater resource and unconventional resource exploration and production technologies.

(B) FUNDING.—The program under this subsection shall be carried out:

(i) in areas on the outer Continental Shelf that, as of the date of enactment of this section, are available for leasing; and

(ii) on unconventional resources.

(C) COMPONENTS.—The program shall include one or more programs for long-term research into:

(A) new ultra-deepwater ultra-deepwater resource and unconventional resource exploration and production technologies; or

(B) environmental mitigation technologies for production of ultra-deepwater resource and unconventional resource.

(2) ADVISORY COMMITTEE.—

(A) ESTABLISHMENT.—Not later than 30 days after the date of enactment of this section, the Secretary shall establish an advisory committee to be known as the "Ultra-Deepwater and Unconventional Resource Technology Advisory Committee".

(B) MEMBERSHIP.—

(1) ADVISORY COMMITTEE.—Subject to subparagraph (B), the advisory committee shall be composed of 7 members appointed by the Secretary that—

(i) have extensive operational knowledge of and experience in the natural gas and other petroleum exploration and production industry; and

(ii) are not Federal employees or employees of contractors to a federal agency.

(2) ELIGIBILITY.—Of the members of the advisory committee appointed under subparagraph (A) —

(i) at least 4 members shall have extensive knowledge of ultra-deepwater resource exploration and production technologies; and

(ii) at least 2 shall have extensive knowledge of unconventional resource exploration and production technologies.

(3) DUTIES.—The advisory committee shall advise the Secretary in the implementation of this section.

(C) COST SHARING.—Subject to subparagraph (B), the advisory committee shall be composed of 7 members appointed by the Secretary that—

(i) have extensive operational knowledge of and experience in the natural gas and other petroleum exploration and production industry; and

(ii) are not Federal employees or employees of contractors to a federal agency.

(3) DUTIES.—The advisory committee shall advise the Secretary in the implementation of this section.

(4) COMPENSATION.—A member of the advisory committee appointed under subpart (A) —

(i) shall receive compensation but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(D) AWARD.—The term "award" means a cooperative agreement, contract, award or other types of agreement as appropriate.

(4) TYPES OF AWARDS.—The awards may include awards for—

(A) ULTRA-DEEPWATER RESOURCES.—

(1) IN GENERAL.—The Secretary shall make awards for research into, and development and demonstration of, ultra-deepwater resource exploration and production technologies—

(i) to maximize the value of the ultra-deepwater resources of the United States; and

(ii) to increase the supply of ultra-deepwater resources by lowering the cost and improving the efficiency of exploration and production of ultra-deepwater resources; and

(iii) to improve safety and minimize negative environmental impacts of that exploration and production.

(B) ULTRA-DEEPWATER ARCHITECTURE.—In furtherance of the purposes described in clause (i), the Secretary shall, where appropriate, solicit proposals from a managing consortium to develop and demonstrate next-generation architecture for ultra-deepwater resource production.

(C) UNCONVENTIONAL RESOURCES.—The Secretary shall make awards—

(1) to carry out research into, and development and demonstration of, technologies to maximize the value of unconventional resources; and

(2) to develop technologies to simultaneously—

(i) increase the supply of unconventional resources by lowering the cost and improving the efficiency of exploration and production of unconventional resources; and

(ii) improve safety and minimize negative environmental impacts of that exploration and production.

(D) AUDITING.—A member of the advisory committee appointed under subpart (A) —

(i) at least 4 members shall have extensive knowledge of ultra-deepwater resource exploration and production technologies; and

(ii) at least 2 shall have extensive knowledge of unconventional resource exploration and production technologies.

(5) DUTIES.—The advisory committee shall advise the Secretary in the implementation of this section.

(6) COMPENSATION.—A member of the advisory committee appointed under subpart (A) —

(i) shall receive compensation but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(E) CERTIFICATION.—The Secretary shall certify to the Congress that—

(A) the award program is consistent with the purposes of this section.

(B) there is an adequate budget for the award program.

(C) the Secretary has considered the views and priorities of the Congress and the Department of Energy in formulating the award program.

(F) AUDITING.—The Secretary shall annually audit the award program.

(G) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section.

(H) TERMINATION OF AUTHORITY.—The authority provided by this section shall terminate on September 30, 2009.

(I) SAVINGS PROVISION.—Nothing in this section is intended to displace, duplicate or diminish any previously authorized research activities of the Department of Energy.

SEC. 1235. RESEARCH AND DEVELOPMENT FOR NEW NATURAL GAS TRANSPORTATION TECHNOLOGIES.

The Secretary of Energy shall conduct a comprehensive five-year program for research, development and demonstration to improve the reliability, efficiency, safety and integrity of the natural gas transportation and distribution infrastructure and for distributed energy resources (including microturbines, fuel cells, microturbines, fuel cells, reciprocating engines, hybrid power generator systems, and all ancillary equipment for dispatch, control and maintenance).

SEC. 1236. AUTHORIZATION OF APPROPRIATIONS FOR OFFICE OF ARCTIC ENERGY.

There are authorized to be appropriated to the Secretary for the Office of Arctic Energy under section 1317 of the Fiscal Year 2014 Department of Energy and Related Agencies Appropriations Act for:
infrastructure so that future research prioritization process, a balanced research missions; and
ensure a well trained cadre of nuclear medi-
production of radioactive mate-
sistant and high burn-up nuclear fuels, mini-
mization of generation of radioactive mate-
related fields (including health physics and
science; (4) maintain a national capability and in-
ment with the university.
training reactors with proliferation resistant
new reactor designs with higher efficiency, lower
cost, and improved safety, proliferation-resis-
tant and high burn-up nuclear fuels, mini-
mization of generation of radioactive mate-
mals, improved nuclear waste management technologies, and improved instrumentation science;
(3) attract new students and faculty to the
nuclear sciences and nuclear engineering and related fields (including health physics and nuclear and radiochemistry) through—
(A) university-based fundamental research for existing faculty and new junior faculty;
(B) developing field and training field at time at the areas of nuclear science and technology; and
(C) completing the conversion of existing training reactors to low-enrichment fuels that are low enriched and to adapt those reactors to new innovative uses;
(4) maintain a national capability and in-
frastructure to produce medical isotopes and
an ensure a well trained cadre of nuclear medi-
cine specialists in partnership with industry;
(5) improve safety and advocate a capa-
biology in the energy-related aspects of nano-
sciences, materials sciences, mathematics, and advanced scientific computing;
(2) maintain, upgrade and expand the sci-
cific user facilities maintained by the Of-
course and ensure that they are an integral part of the departmental mission for exploring the frontiers of fundamental science;
(3) maintain a leading-edge research ca-
piability in the energy-related aspects of nano-
sciences, materials sciences, physics, materials
sciences, biological and environmental geosciences, plasma sciences, mathematics, and advanced scientific computing;
(2) maintain, upgrade and expand the sci-
cific user facilities maintained by the Of-
course and ensure that they are an integral part of the departmental mission for exploring the frontiers of fundamental science;
(3) maintain a leading-edge research ca-
piability in the energy-related aspects of nano-
sciences, materials sciences, physics, materials
sciences, biological and environmental geosciences, plasma sciences, mathematics, and advanced scientific computing;
(2) maintain, upgrade and expand the sci-
cific user facilities maintained by the Of-
course and ensure that they are an integral part of the departmental mission for exploring the frontiers of fundamental science;
(3) maintain a leading-edge research ca-
piability in the energy-related aspects of nano-
sciences, materials sciences, physics, materials
sciences, biological and environmental geosciences, plasma sciences, mathematics, and advanced scientific computing;
(2) pursuant to subsection (c), develop, plan, construct, acquire, or operate special equipment or facilities for the use of investigators conducting research and development in nanoscience and nanotechnology; and 

(3) support technology transfer activities to benefit industry and other users of nanoscience and nanotechnology; and 

(4) research and development activities with industry and other federal agencies.

(c) INNOVATION AND ENGINEERING RESEARCH CENTERS AND MAJOR INSTRUMENTATION.—

(1) IN GENERAL.—From amounts authorized under section 1251(b), the following amounts are authorized for scanning probe facilities and related instrumentation, microlithography facilities, and other nanoscience and nanoengineering facilities under paragraph (5), to be available for projects to develop, plan, construct, acquire, or operate special equipment, instrumentation, or facilities for investigators conducting research and development in nanoscience and nanotechnology.

(2) PROJECTS.—Projects under paragraph (1) may include the measurement of properties at the scale of 1 to 100 nanometers, manipulation at such scales, and the integration of nanoscale measurements and equipment used in nanotechnology with other technologies.

(3) FACILITIES.—Facilities under paragraph (1) may include electronic characterization facilities, microstructure facilities, scanning probe facilities and related instrumentation, and other technologies.

(d) COORDINATION WITH THE DOE NATIONAL NUCLEAR SECURITY AGENCY ACCELERATED STRATEGIC COMPUTING INITIATIVE AND OTHER NATIONAL COMPUTING PROGRAMS.—The Secretary shall ensure that this program, to the extent practicable, is integrated and consistent with—

(1) the Accelerated Strategic Computing Initiative of the National Nuclear Security Agency; and 

(2) other national efforts related to advanced scientific computing for science and engineering.

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) TOTAL AUTHORIZATION.—From amounts authorized under section 1251(b), the following amounts are authorized for activities under this section—

(a) $370,000,000 for fiscal year 2003; 

(b) $320,000,000 for fiscal year 2004; 

(c) $290,000,000 for fiscal year 2005; 

(d) $270,000,000 for fiscal year 2006; 

SEC. 1253. ADVANCED SCIENTIFIC COMPUTING SEARCH CENTERS AND MAJOR INSTRUMENTATION.

(a) IN GENERAL.—The Secretary, through the Office of Science, shall support a major computing capabilities by developing software and computing platforms to support new generations of computing platforms.

(b) DUTIES OF THE OFFICE OF SCIENCE.—In carrying out the program under this section, the Office of Science shall—

(1) increase the understanding of physical and information system disruptions to the energy infrastructure that could result in cascading or widespread energy infrastructure failures, in partnership with industry, on critical energy infrastructure protection, consistent with the roles and missions outlined for the Secretary in Presidential Decision Directive 63, entitled “Critical Infrastructure Protection”.

(2) Develop energy infrastructure assurance “best practices” through vulnerability and risk assessments.

(3) In partnership with industry, develop and demonstrate the energy infrastructure to account for unconventional and terrorist threats;
(3) incident tracking and trend analysis tools to assess the severity of threats and reported incidents to the energy infrastructure; and

(4) integrated multi-sensor, warning and mitigation technologies to detect, integrate, and localize events affecting the energy infrastructure including real time control to permit the reconfiguration of energy delivery systems.

(c) Regional Coordination.—The program under this section shall cooperate with Departmental activities to promote regional coordination under section 102 of this Act, to ensure that the technologies and assessment methods developed by the program are transferred in a timely manner to State and local authorities, and to the energy industries.

(d) Coordination With Industry Research Organizations.—The Secretary may enter into grants, contracts, and cooperative agreements with industry research organizations to facilitate industry participation in research under this section and to fulfill applicable cost-sharing requirements.

(e) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary to carry out this section—

(1) $25,000,000 for fiscal year 2003;

(2) $26,000,000 for fiscal year 2004;

(3) $27,000,000 for fiscal year 2005; and

(4) $28,000,000 for fiscal year 2006.

SEC. 1263. RESEARCH AND DEMONSTRATION FOR PIPELINE INTEGRITY, SAFETY, AND RELIABILITY RESEARCH AND DEVELOPMENT

(a) In General.—The Secretary of Energy, in coordination with the Secretary of Transportation, shall carry out a five-year program to guide activities under this section.

(b) Authorization of Appropriations.—There are authorized to be appropriated $10,000,000 for each of fiscal years 2003 through 2006.

SEC. 1301. PROGRAM GOALS.

(a) In General.—The Secretary shall carry out a research, development, demonstration, and technology deployment program to improve methods for environmental monitoring of ground water contaminated by energy activities, including oil and gas production, surface and underground mining of coal, and in-situ extraction of energy resources.

(b) Authorization of Appropriations.—There are authorized to be appropriated $10,000,000 for each of fiscal years 2003 through 2006.

TITLE XIII—CLIMATE CHANGE-RELATED RESEARCH AND DEVELOPMENT

Subtitle A—Department of Energy Programs

SEC. 1301. PROGRAM GOALS.

(a) In General.—The Secretary shall carry out a research, development, demonstration, and technology deployment program to—

1. provide a sound scientific understanding of the human and natural forces that influence the Earth's climate system, particularly those forces related to energy production and use;

2. help mitigate climate change from human activities related to energy production and use;

3. reduce, avoid, or sequester emissions of greenhouse gases in furtherance of the goals of the United National Framework Convention on Climate Change that were adopted in the United Nations Framework Convention on Climate Change that was adopted at the Conference of Parties in Bonn, Germany in June 1995, and that again in Kyoto, Japan, on May 9, 1992, in a manner that does not result in serious harm to the U.S. economy.
transformation, and fate of energy-related
elements to simulate and predict the transport,
and methods of carbon sequestration;
(1) terrestrial ecosystems and the atmosphere; or
(2) reduce, avoid, or sequester greenhouse gas
change.

The relationship between energy and climate
and policy makers interested in assessing
climate change simulations to researchers
change; and

The Earth's radiation balance and incor-
porate—
tion and distribution technologies; and

Activities under this section—
appropriated to the Secretary for carrying out ac-
tivities—
(A) conduct observational and analytical
research to acquire and interpret the data
needed to describe the radiation balance
from the surface of the Earth to the top of
the atmosphere;
(B) determine the factors responsible for
the Earth's radiation balance and incor-
porate improved understanding of such fac-
tors in climate models;
(C) improve the treatment of aerosols and
clouds in climate models;
(D) reduce the uncertainty in decade-to-
century model-based projections of climate change;
and
(E) increase the availability and utility of
climate change simulations to researchers
and practitioners interested in assessing
relationships with other Federal agencies in devel-
oping data and carrying out research ad-
apted technologies.''

(2) CARBON CYCLE.—The Secretary shall:
(A) conduct observational and analytical
research activities—
(i) to understand and document the net ex-
change of carbon dioxide between major ter-
restrial ecosystems and the atmosphere;
and
(ii) to evaluate the potential of proposed
methods of carbon sequestration;
(B) develop and test carbon cycle models;
and
(C) acquire data and develop test mod-
els to simulate and predict the transport,
transformations from emissions streams; and

(i) renewable energy systems;
(ii) advanced fossil energy technology;
(iii) nuclear power plant design;
(iv) fuel cell technology for residential,
industrial, and transportation applications;
(v) carbon sequestration practices and
technologies, agricultural and forest
practices that store and sequester car-
bons;
(vi) efficient electrical generation, trans-
mission and distribution technologies; and
(vii) efficient end use energy tech-
ologies.''

Subtitle B—Department of Agriculture

Programs

SEC. 1311. CARBON SEQUESTRATION BASIC AND
APPLIED RESEARCH

(a) BASIC RESEARCH.—
(1) IN GENERAL.—The Secretary of Agri-
culture shall—
(A) the net sequestration of organic carbon
in soil; and
(B) net emissions of other greenhouse gases
from agriculture.

(2) AGRICULTURAL RESEARCH SERVICE.—The
Secretary of Agriculture, acting through the
Agricultural Research Service, shall develop tools for integrated analyses of the cli-
imate change system from emissions of
aerosols and greenhouse gases to the con-
sequences of these emissions on climate and the resulting effects of human-induced cli-
mate change on economic and social sys-
tems, with emphasis on critical gaps in inte-
grated assessment modeling, including mod-
celers of technology innovation and diffusion
and the development of metrics of economic
costs of climate change and policies for miti-
gating or adapting to climate change.

(c) LIMITATION OF APPROPRIATIONS.—
(1) From amounts authorized under section
1401(c), there are authorized to be appro-
priated to the Secretary for carrying out ac-
tivities—

$150,000,000 for fiscal year 2003;
$175,000,000 for fiscal year 2004;
$200,000,000 for fiscal year 2005; and
$230,000,000 for fiscal year 2006.

(d) LIMITATION ON FUNDS.—Funds author-
ized to be appropriated under this section shall
not be used for the development, demon-
stration, or deployment of technology to reduce,
avoid, or sequester greenhouse gas emis-
sions.

SEC. 1303. AMENDMENTS TO THE FEDERAL NON-
NUCLEAR RESEARCH AND DEVELOP-
MENT ACT OF 1974.

Section 6 of the Federal Nonnuclear En-
ergy Research and Development Act of 1974
(42 U.S.C. 5905) is amended—
(1) in subsection (a)—
(A) in paragraph (2), by striking and'' at
the end;
(B) in paragraph (3) by striking the period
at the end and inserting };''; and
(C) by adding the following:

''(d) solutions to the effective management
of greenhouse gas emissions in the long term
by the development of technologies and prac-
tices designed to—
(1) reduce or avoid anthropogenic emis-
sions of greenhouse gases;
(2) remove and sequester greenhouse
gases from emissions streams; and
(3) increase the availability and utility of
methods for establishing baseline
quantities of carbon and other greenhouse
gases sequestered; and
(iv) fuel cell technology for residential,
industrial, and transportation applications;
(v) carbon sequestration practices and
technologies, agricultural and for-
cultural practices that store and sequester car-
bons;
(vi) efficient electrical generation, trans-
mission and distribution technologies; and
(vii) renewable energy systems.

(B) increase the availability and utility of
methods for establishing baseline
quantities of carbon and other greenhouse
gases; and
(2) in subsection (b), by striking ''(a)(1)
through (3)'' and inserting

(1) the net sequestration of organic carbon
in soil; and
(2) net emissions of other greenhouse gases
from agriculture.

(2) AGRICULTURAL RESEARCH SERVICE.—The
Secretary of Agriculture, acting through the
Agricultural Research Service, shall establish a competitive grant
program to encourage research on the mat-
ters described in paragraph (1) by land grant universities and other Federal agencies.

 CONSULTATION ON RESEARCH TOPICS.—Before issuing a request for proposals for
applied research under paragraph (1), the Coop-
erative State Research, Education, and Ex-
tension Service shall consult with the Na-
tional Resources Conservation Service and
the Agricultural Research Service to ensure that
the proposed research areas are complemen-
tary with and do not duplicate research projects underway at the Agricultural Re-
search Service or other Federal agencies.

(c) RESEARCH CONSORTIA.—
(1) IN GENERAL.—The Secretary of Agri-
culture may designate not more than 2 re-
search consortia to carry out research projects under this section, with the require-
ment that the consortia propose to conduct
basic research under subsection (a) and
applied research research under subsection (b).

(2) SELECTION.—The consortia shall be
selected in a competitive manner by the Coop-
erative State Research, Education, and Ex-
tension Service.

(3) ELIGIBLE CONSORTIUM PARTICIPANTS.—
Entities eligible to participate in a consor-
tium include—
(A) land-grant colleges and universities;
(B) private research institutions;
and
(C) State geological surveys;
CONGRES SIONAL RECORD — SENATE  
February 15, 2002

SEC. 1312. CARBON SEQUESTRATION DEMONSTRATION PROJECTS AND OUTREACH.

(a) DEMONSTRATION PROJECTS.—
(1) DEVELOPMENT OF MONITORING PROGRAMS.—
(A) IN GENERAL.—The Secretary of Agriculture, acting through the Cooperative State Research, Education, and Extension Service, shall establish guidelines for the demonstration projects under subparagraph (A) that shall provide for monitoring the carbon sequestration of the demonstration projects. The guidelines shall include—
(i) methodology for monitoring the carbon sequestration.
(ii) the reporting of the results of the monitoring.
(iii) provisions to ensure the accuracy and verifiability of the data collected for the monitoring.
(B) INFORMATION.—The Secretary shall disseminate information about the demonstration projects.

(b) OUTREACH.—
(1) IN GENERAL.—The Cooperative State Research, Education, and Extension Service shall disseminate information about the demonstration projects to the public, the agricultural community, and other interested parties.

(c) AUTHORIZATION OF APPROPRIATIONS.—
(1) IN GENERAL.—There is authorized to be appropriated for the fiscal year 2003, $25,000,000 for the purpose of carrying out this section.

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(F) make recommendations to heads of appropriate Federal agencies on ways to streamline federal programs and policies improve each agency’s role in the international development, energy, and environmental policies and deployment of clean energy technology;

(G) make assessments and recommendations to Congress on the distinct technological, market, regional, and stakeholder challenges necessary to carry out the program; and

(H) recommend conditions and criteria that the Secretary of Energy shall establish to ensure that United States funds promote sound energy policies in participating countries while simultaneously opening their markets and exporting United States energy technology.

(c) FEDERAL SUPPORT FOR CLEAN ENERGY TECHNOLOGY TRANSFER.—Notwithstanding any other provision of law, each federal agency or government corporation carrying out an assistance program in support of the activities of United States persons in the energy technology sector shall support, to the maximum extent practicable, the transfer of United States energy technology as part of that program.

(d) ANNUAL REPORT.—Not later than April 1, 2002, and each year thereafter, the Interagency Working Group in the energy technology sector shall submit a report to Congress on its activities during the preceding calendar year.

(e) REPORT ON USE OF FUNDS.—Not later than October 1, 2002, and each year thereafter, the Secretary of State, in consultation with the Secretary of Energy, shall provide to Congress a report that describes each assistance project funded with United States funds appropriated for clean energy technology exports and other relevant federal programs and activities.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary or the agency or government corporation carrying out one or more of the programs authorized by this section the sums necessary to carry out such programs.

(g) STRATEGIC PLAN; REVISED IMPLEMENTATION PLAN.—(1) Not later than 60 days after receiving the report under subparagraph (E), the President shall submit to the Congress a report on the results of the pilot projects.

(2) A STRATEGIC PLAN for the pilot projects as reported by the Secretary of Energy shall include, but not be limited to, one or more of the following:

(A) DESCRIPTION OF PROGRAMS.—A brief description of the pilot projects and the results of the implementation plan.

(B) RECOMMENDATIONS.—Recommendations for permanent renewable energy technology deployment projects.

(C) REPORT TO CONGRESS.—The Secretary shall submit not later than 2 years after the date of enactment of this subsection, the report to Congress indicating how United States funds appropriated for clean energy technology deployment projects have been used.

(D) COORDINATION WITH OTHER PROGRAMS.—The Secretary shall submit to the President a report on the results of the pilot projects.

(E) CONTROLLED ENERGIES.—The President may not be eligible for a qualifying clean coal technology under section 415 of the Clean Air Act (42 U.S.C. 7651n).

(F) EXPANSION.—The United States shall support, to the maximum extent practicable, the transfer of clean energy technology, consistent with the subsidy codes of the World Trade Organization, as part of assistance programs in developing countries.

SEC. 1331. ANNUAL APPROPRIATIONS TO THE SECRETARY OF ENERGY FOR CLEAN ENERGY TECHNOLOGY DEPLOYMENT.

(1) In General.—The United States shall support, to the maximum extent practicable, the transfer of clean energy technology to developing countries, countries in transition, and other partner countries, including efforts pursuant to multi-lateral environmental agreements.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the departments, agencies, and entities of the United States described in subsection (b) such sums as may be necessary to support the transfer of clean energy technology consistent with the subsidy codes of the World Trade Organization, as part of assistance programs carried out by those departments, agencies, and entities in support of activities of United States persons in the energy sector of a developing country, country in transition, or other partner country, including efforts pursuant to multi-lateral environmental agreements.

(b) DESCRIPTION OF PROGRAMS.—(1) In General.—The United States shall support, to the maximum extent practicable, the transfer of clean energy technology to developing countries, countries in transition, and other partner countries, including efforts pursuant to multi-lateral environmental agreements.

(2) FEDERAL SUPPORT FOR CLEAN ENERGY TECHNOLOGY TRANSFER.—Notwithstanding any other provision of law, each federal agency or government corporation carrying out an assistance program in support of the activities of United States persons in the energy technology sector shall support, to the maximum extent practicable, the transfer of United States energy technology as part of that program.

(c) FEDERAL SUPPORT FOR CLEAN ENERGY TECHNOLOGY TRANSFER.—Notwithstanding any other provision of law, each federal agency or government corporation carrying out an assistance program in support of the activities of United States persons in the energy technology sector shall support, to the maximum extent practicable, the transfer of United States energy technology as part of that program.

(i) 10 percentage points or more, in the case of a unit placed in service before January 1, 2010;

(ii) 20 percentage points or more, in the case of a unit placed in service after December 31, 2009, and before January 1, 2010; or

(iii) 30 percentage points or more, in the case of a unit placed in service after December 31, 2010.

(ii) QUALIFYING INTERNATIONAL ENERGY DEPLOYMENT PROJECT.—The term “qualifying international energy deployment project” means an international energy deployment project that—

(A) is submitted by a United States firm to the Secretary; and

(B) meets the criteria of subsection (b).

(iii) meets the criteria of subsection (k);

(iv) is approved by the Secretary, with notice of the approval being published in the Federal Register; and

(iv) complies with such terms and conditions as the Secretary establishes by regulations.

(c) UNITED STATES.—For purposes of this paragraph, the term “United States”, when used in a geographical sense, means the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(d) PILOT PROGRAM FOR FINANCIAL ASSISTANCE.—

(i) In General.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall, by regulation, provide for a pilot program for financial assistance for qualifying international energy deployment projects.

(ii) SELECTION CRITERIA.—After consultation with the Secretary of Energy, the Secretary shall select projects for participation in the program based solely on the criteria under this title and without regard to the country in which the project is located.

(iii) FINANCIAL ASSISTANCE.—

(A) General.—A United States firm that undertakes an international energy deployment project and is selected to participate in the pilot program shall be eligible to receive a loan or a loan guarantee from the Secretary.

(B) RATE OF INTEREST.—The rate of interest of any loan made under clause (i) shall be equal to the rate for Treasury obligations then issued for periods of comparable maturities.

(C) AMOUNT.—The amount of a loan or loan guarantee under clause (i) shall not exceed 50 percent of the total cost of the qualified international energy deployment project.

(ii) DEVELOPED COUNTRIES.—Loans or loan guarantees made for projects to be located in a developed country, as listed in Annex I of the United Nations Framework Convention on Climate Change, shall require at least a 50 percent contribution towards the total cost of the loan or loan guarantee by the host country.

(iii) DEVELOPING COUNTRIES.—Loans or loan guarantees made for projects to be located in a developing country (those countries not listed in Annex I of the United Nations Framework Convention on Climate Change) shall require at least a 10 percent contribution towards the total cost of the loan or loan guarantee by the host country.

(iv) CAPACITY BUILDING.—Proposals submitted for projects to be located in a developing country may include a research component intended to build technological capacity within the host country. Such research may be related to the technologies being deployed and must involve both an institution in the host country and an institution in the United States.

(i) the deployment of which will result in a greenhouse gas reduction per unit of energy produced as compared to that technology that would otherwise be implemented;
year period beginning in 2002 and submit the plan to the Congress within 180 days after the date of enactment of the Global Climate Change Act of 2002. The Chairman, through the Committee, shall also submit a revised implementation plan under subsection (a)."

SEC. 1335. INTEGRATED PROGRAM OFFICE.
Section 105 (15 U.S.C. 2958) is amended—
(1) by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively; and
(2) inserting before subsection (b), as redesignated:
"(a) INTEGRATED PROGRAM OFFICE.—
"(1) ESTABLISHMENT.—There is established in the Office of Science and Technology Policy an integrated program office for the global change research program.
"(2) ORGANIZATION.—The integrated program office, or other establishment under paragraph (1) shall be headed by the associate director with responsibility for climate change science and technology and shall include a representative from each Federal agency participating in the global change research program.
"(3) FUNCTION.—The integrated program office shall—
"(A) manage, working in conjunction with the Committee, interagency coordination and planning of global change research activities and budget requests;
"(B) ensure that the activities and programs of each Federal agency or department participating in the program address the goals and objectives identified in the strategic research plan and interagency implementation plans;
"(C) ensure program and budget recommendations of the Committee are communicated to the President and are integrated into the climate change action strategy;
"(D) review, solicit, and identify, and allocate funds for, partnership projects that address critical research objectives or operational goals of the program, including projects that would fill research gaps identified by the program, and for which project resources are shared among at least 2 agencies participating in the program; and
"(E) review and provide recommendations on, in conjunction with the Committee, all annual appropriations requests from Federal agencies or departments participating in the program.
"(4) GRANT AUTHORITY.—The Integrated Program Office may authorize 1 or more of the departments participating in the program to enter into contracts and grants, using funds appropriated for use by the Office of Science and Technology Policy, for carrying out the responsibilities of that Office.
"(5) FUNDING.—For fiscal year 2003, and each fiscal year thereafter, not less than $15,000,000 shall be made available to the Integrated Program Office from amounts appropriated to or for the use of the Office of Science and Technology Policy.
"(6) COMMITTEE.—In paragraph (2) of subsection (c), as redesignated, and inserting "Committee and the Integrated Program Office" after "Committee" in paragraph (1) of subsection (d), as redesignated.

PART II—NATIONAL CLIMATE SERVICES AND MONITORING

SEC. 1341. AMENDMENT OF NATIONAL CLIMATE PROGRAM ACT.
Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the National Climate Program Act (15 U.S.C. 2901 et seq.).

SEC. 1342. CHANGES IN FINDINGS.
Section 2 (15 U.S.C. 2901) is amended—
(1) by striking "Weather and climate change affect" in paragraph (1) and inserting "Weather, climate, and climate variability affect public safety, environmental security, human health;"
(2) by striking "and climate variability affect" in paragraph (2) and inserting "climate, including seasonal and decadal fluctuations;"
(3) by striking "changes" in paragraph (5) and inserting "changes and providing free exchange of meteorological data;"
(4) by adding at the end following:
"(4) The present rate of advance in research and development and the new developments must be incorporated rapidly into services for the benefit of the public.
"(8) The United States lacks adequate infrastructure and research to meet national climate monitoring and prediction needs."

SEC. 1343. TOOLS FOR REGIONAL PLANNING.
Section 5(d) (15 U.S.C. 2904(d)) is amended—
(1) by redesignating paragraphs (4) through (9) as paragraphs (5) through (10), respectively;
(2) by inserting after paragraph (3) the following:
"(4) methods for improving modeling and predicting predictions, and developing assessment methods to guide national, regional, and local planning and decision-making on land use, water hazards, and related issues;
"(5) a plan to establish an "ecological collection," in paragraph (5), as redesignated;
"(6) by striking "experimental" each place it appears in paragraph (9), as redesignated;
"(7) by striking "preliminary" in paragraph (10), as redesignated;
"(8) by striking "this Act," the first place it appears in paragraph (18), as redesignated, and inserting "that Act."

SEC. 1344. AUTHORIZATION OF APPROPRIATIONS.
Section 9 (15 U.S.C. 2908) is amended—
(1) by striking "1979," and inserting "2002;"
(2) by striking "1980," and inserting "2003;"
(3) by striking "1981," and inserting "2004;" and
(4) by striking "$25,500,000" and inserting "$75,500,000."

SEC. 1345. NATIONAL CLIMATE SERVICE PLAN.
The Act (15 U.S.C. 2901 et seq.) is amended by inserting after section 5 the following:

SEC. 6. NATIONAL CLIMATE SERVICE PLAN.
"Within one year after the date of enactment of the Global Climate Change Act of 2002, the Secretary of Commerce shall submit to the President for transmittal to the Senate Committee on Commerce, Science, and Transportation and the House Committee a plan of action for a National Climate Service under the National Climate Program. The plan shall set forth recommendations and funding estimates for—
"(1) a national center for operational climate monitoring and predicting with the functional capacity to monitor and adjust operating systems as necessary to reduce bias;
"(2) the design, deployment, and operation of an adequate national climate observing system for system that builds upon existing environmental monitoring systems and closes gaps in coverage by existing systems;
"(3) the establishment of a national coordinated modeling strategy, including a national climate modeling center to provide a dedicated capability for climate modeling and a set of projections on a long and short term time schedule and at a range of spatial scales;
"(4) improvements in modeling and assessment capabilities needed to integrate information to predict regional and local climate changes and impacts;
"(5) in coordination with the private sector, improving the capacity to assess the impacts of predicted and projected climate changes and variations;
"(6) a program for long term stewardship, quality control, development of relevant climate products, and efficient access to all relevant climate data, products, and critical model simulations;
"(7) mechanisms to coordinate among Federal agencies, State, and local government and the academic community to ensure timely and full sharing and dissemination of climate information and services, both domestically and internationally."

SEC. 1346. INTERNATIONAL PACIFIC RESEARCH AND COOPERATION.
The Secretary of Commerce, in cooperation with the Administrator of the National Aeronautics and Space Administration, shall conduct international research in the Pacific region that will increase understanding of the nature and predictability of climate variability in the Asia-Pacific region and lead to regional aspects of global environmental change. Such research activities shall be conducted in cooperation with other nations of the Asia-Pacific region. Appropriations therefore shall be appropriated for purposes of this section $1,500,000 to the National Oceanic and Atmospheric Administration, $1,500,000 to the National Aeronautics and Space Administration, and $500,000 for the Pacific ENSO Application Center.

SEC. 1347. REPORTING ON TRENDS.
(a) ATMOSPHERIC MONITORING AND VERIFICATION PROGRAM.—The Secretary of Commerce, in coordination with relevant Federal agencies, shall, as part of the National Climate Service, establish an atmospheric monitoring and verification program utilizing utilizing aircraft, satellite, ground sensors, and modeling capabilities to monitor, measure, and verify atmospheric greenhouse gas emissions and concentrations. Wherever possible, the program shall measure emissions from identified sources participating in the reporting system for verification purposes. The program shall use methods and standards that are consistent with those utilized in the greenhouse gas measurement and reporting system established under subsection (b) and the registry established under section 1102.
(b) ANNUAL REPORTING.—The Secretary of Commerce shall issue an annual report that identifies greenhouse emissions and trends on a local, regional, and national level. The report shall also identify emissions or reductions attributable to individual or multiple sources covered by the greenhouse gas measurement and reporting system established under section 1102.

PART III—OCEAN AND COASTAL OBSERVING SYSTEM

SEC. 1351. OCEAN AND COASTAL OBSERVING SYSTEM.
(a) ESTABLISHMENT.—The President, through the National Ocean Research Leadership Council, established by section 7092(a) of title 10, United States Code, shall establish and maintain an integrated ocean and coastal observing system that provides for long-term, continuous, and real-time observations of the oceans and coasts for the purposes of—
"(1) enhancing understanding, assessing and responding to human-induced and natural processes of global change;"(2) improving weather forecasts and public warning systems; and
"strengthening national security and military preparedness;"
(4) enhancing the safety and efficiency of marine operations;
(5) supporting efforts to restore the health of and manage coastal and marine ecosystem services and resources;
(6) monitoring and evaluating the effectiveness of ocean and coastal environmental policies;
(7) reducing and mitigating ocean and coastal pollution; and
(8) providing information that contributes to public awareness of the state and importance of the oceans.

(b) COUNCIL FUNCTIONS.—In addition to its responsibilities under section 7902(a) of such title, the Council shall be responsible for planning and coordinating the observing system and in carrying out this responsibility shall—
(1) develop and submit to the Congress, within 6 months after the date of enactment of this Act, a plan for implementing a national ocean and coastal observing system that—
(A) uses an end-to-end engineering and development approach to develop a system design schedule for operational implementation;
(B) determines how current and planned observing activities can be integrated in a cost-effective manner;
(C) provides for regional and concept demonstration projects;
(D) describes the role and estimated budget of each Federal agency in implementing the plan;
(E) contributes, to the extent practicable, to the National Global Change Research Plan under section 104 of the Global Change Research Act of 1990 (15 U.S.C. 2934); and
(F) makes recommendations for coordination and ocean observing activities of the United States with those of other nations and international organizations;
(2) serve as the mechanism for coordinating Federal ocean observing requirements and activities;
(3) work with academic, State, industry and other actual and potential users of the observing system to make effective use of existing capabilities and incorporate new technologies;
(4) develop standards and protocols for the administration of the system, including—
(A) a common set of measurements to be collected and distributed routinely and by uniform methods;
(B) standards for quality control and assessment of data;
(C) design, testing and employment of forecast models in conditions;
(D) data management, including data transfer protocols and archiving; and
(E) designation of coastal ocean observing regions; and
(5) in consultation with the Secretary of State, provide representation at international meetings on ocean observing programs and coordinate relevant Federal activities with those of other nations.

(c) SYSTEM ELEMENTS.—The integrated ocean and coastal observing system shall include the following elements:
(1) A nationally coordinated network of regional coastal ocean observing systems that measure and disseminate a common set of ocean observations and related products in a uniform manner and according to sound scientific practice, but that are adapted to local and regional needs;
(2) Ocean sensors for climate observations, including the Arctic Ocean and sub-polar seas;
(3) Coastal, relocatable, and cable sea floor observatories;
(4) Broad bandwidth communications that are capable of transmitting high volumes of data from open ocean locations at low cost and in real time,
(5) Ocean data management and assimilation systems that ensure full use of new sources of data from space-borne and in situ sensors;
(6) Focused research programs.

(7) Technology development program to develop new observing technologies and techniques, including data management and dissemination;
(8) Public outreach and education.

SEC. 1352. AUTHORIZATION OF APPROPRIATIONS.

For development and implementation of an integrated ocean and coastal observation system under this title, including financial assistance to regional coastal ocean observing systems, there are authorized to be appropriated $325,000,000 in fiscal year 2000, $351,000,000 in fiscal year 2001, $390,000,000 in fiscal year 2002, $415,000,000 in fiscal year 2003, $445,000,000 in fiscal year 2004, $485,000,000 in fiscal year 2005, and $545,000,000 in fiscal year 2006.

Subtitle E—Climate Change Technology

SEC. 1361. NIST GREENHOUSE GAS FUNCTIONS.

(a) NIST GREENHOUSE GAS ACTIVITIES.—Section 12 of the National Institute of Standards and Technology Act (15 U.S.C. 272(c)) is amended—
(1) striking “and” after the semicolon in paragraph (21);
(2) redesigning paragraph (22) as paragraph (23); and
(3) by inserting after paragraph (21) the following:
"(22) perform research to develop enhanced measurements, calibrations, standards, and technologies which will enable the reduction of existing facilities of greenhouse gases associated with global warming, including carbon dioxide, methane, nitrous oxide, ozone, perfluorocarbons, hydrofluorocarbons, and sulphur hexafluoride; and"

(b) NIST GREENHOUSE GAS ACTIVITIES.—The National Institute of Standards and Technology Act (15 U.S.C. 272 et seq.) is amended—
(1) by redesigning sections 17 through 32 as sections 18 through 33, respectively; and
(2) by inserting after section 16 the following:
"SEC. 17. CLIMATE CHANGE STANDARDS AND PROCESSES.

(a) IN GENERAL.—The Director shall establish within the Institute a program to perform and support research on global climate change standards and processes, with the goal of providing scientific and technical knowledge applicable to the reduction of greenhouse gases (as defined in section 4 of the Global Climate Change Act of 2002).

(b) RESEARCH PROJECTS.—The specific contents and priorities of the research program shall be determined in consultation with appropriate Federal agencies, including the Environmental Protection Agency, the National Oceanic and Atmospheric Administration of the National Aeronautics and Space Administration. The program generally shall include basic and applied research—
(A) to develop and provide the enhanced measurements, calibrations, data, models, and reference material standards which will enable the monitoring of greenhouse gases; and
(B) to assist in establishing a baseline reference point for future trading in greenhouse gases and the measurement of progress in emissions reductions.

(c) THAT WILL BE EXCHANGED INTERNATIONALLY AS SCIENTIFIC OR TECHNICAL INFORMATION WHICH HAS THE STATED PURPOSE OF DEVELOPING MUTUALLY RECOGNIZED MEASUREMENTS, STANDARDS, AND PROCEDURES FOR REDUCING GREENHOUSE GASES; AND

(d) TO ASSIST IN DEVELOPING IMPROVED INDUSTRIAL PROCESSES DESIGNED TO REDUCE OR ELIMINATED GREENHOUSE GASES.

(c) NATIONAL MEASUREMENT LABORATORY ACT.

(1) IN GENERAL.—In carrying out this subsection, the Director shall utilize the collective skills of the National Measurement Laboratories of the National Institute of Standards and Technology to develop a capability of measurements that will permit better understanding and control of these industrial chemical processes and result in the reduction or elimination of greenhouse gas emissions from these industries.

(2) MATERIAL, PROCESS, AND BUILDING RESEARCH.—The National Measurement Laboratories shall conduct research under this subsection that includes—
(A) developing material and manufacturing processes which are designed for energy efficiency and reduced greenhouse gas emissions into the environment;
(B) developing environmentally-friendly, ‘green’ chemical processes to be used by industry; and
(C) enhancing building performance with a focus in developing standards or tools which will help incorporate low or no-emission technologies into building designs.

(3) STANDARDS AND TOOLS.—The National Measurement Laboratories shall develop standards and tools under this subsection that include software to assist designers in selecting alternate building materials, performance data on materials, artificial intelligence aided design procedures for building subsystems and ‘smart buildings’, and improved test methods and rating procedures for evaluating the energy performance of residential, commercial and industrial appliances and products.

(d) NATIONAL VOLUNTARY LABORATORY ACCREDITATION PROGRAM.—The Director shall utilize the National Voluntary Laboratory Accreditation Program under this section to establish a program to include specific calibration or test standards and related methods and protocols as necessary to fulfill the unique needs for accreditation in measuring the production of greenhouse gases. In carrying out this subsection the Director may cooperate with other departments and agencies of the Federal Government, State and local governments, and private organizations.

SEC. 1364. TECHNOLOGY DEVELOPMENT AND DIFFUSION.

(a) ADVANCED TECHNOLOGY PROGRAM COMPETITIONS.—The Director of the National Institute of Standards and Technology, through the Advanced Technology Program, may hold a portion of the Institute’s competitions in thematic areas, selected after consultation with industry, other Federal Agencies, designated to develop and commercialize enabling technologies to
address global climate change by significantly reducing greenhouse gas emissions and concentrations in the atmosphere.

(b) MANUFACTURING EXTENSION PARTNER­SHIP.—The Director of the National Institute of Standards and Technology, through the Manufacturing Extension Partnership Program, shall establish a program to develop and coordinate the implementation of new "green" manufacturing and other technologies and techniques by the more than 580,000 small manufacturers.

SEC. 1371. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Director to carry out functions pursuant to sections 1341, 1343, and 1341 through 1345, $10,000,000 for each of fiscal years 2002 through 2006.

PART II—FORECASTING AND PLANNING PILOT PROGRAMS

SEC. 1381. REMOTE SENSING PILOT PROJECTS.

(a) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration shall establish, through the National Oceanic and Atmospheric Administration’s Coastal Services Center, a program of grants for competitively awarded pilot projects to explore the integrated use of sources of remote sensing and other geospatial information to address coastal and local government efforts to reduce loss of life and property, adverse impacts on coastal resources, and reduce other impacts associated with climate change, sea level rise, and coastal flooding.

(b) PREFERRED PROJECTS.—In awarding grants under this section, the Administrator shall give preference to projects that—

(1) focus on areas that are most sensitive to the consequences of global climate change and climate variability;

(2) use diverse, innovative approaches that may serve as models for establishing a national assessment system.

Amendments to the Coastal Zone Management Act of 1972

SEC. 1372. COASTAL VULNERABILITY AND ADAPTATION.

(a) COASTAL VULNERABILITY.—Within 2 years after the date of enactment of this Act, the Secretary shall, in consultation with the appropriate Federal, State, and local governmental entities, conduct regional assessments of the vulnerability of coastal areas to hazards associated with climate change, climate variability, sea level rise, and coastal flooding.

(b) COASTAL ADAPTATION PILOT PROGRAM.—The Secretary shall establish, through the National Oceanic and Atmospheric Administration’s Coastal Services Center, a 4-year pilot program to study and disseminate coastal adaptation strategies and plans that will make up the national coastal adaptation or mitigation strategies and plans.

(c) TECHNICAL PLANNING ASSISTANCE.—The Secretary shall establish, through the National Oceanic and Atmospheric Administration’s Coastal Services Center, a program to provide technical assistance and planning services, and implementation assistance, for the development of coastal zone management plans for State and local governments.

Sec. 1373. REGIONAL CLIMATE ASSESSMENT AND ADAPTATION PROGRAM.

(a) IN GENERAL.—The President shall establish within the Department of Commerce a National Climate Change Vulnerability and Adaptation Program for regional impacts and consequences of greenhouse gases in the atmosphere and climate variability.

(b) COORDINATION.—In designing such program, the President shall consult with the Federal Emergency Management Agency, the Environmental Protection Agency, the Army Corps of Engineers, the Department of Transportation, other Federal agencies, the States, and community and regional government entities.

(c) VULNERABILITY ASSESSMENTS.—The program shall—

(1) evaluate, based on predictions developed under this Act and the National Climate Change Program Act (15 U.S.C. 2901 et seq.), regional vulnerability to phenomena associated with climate change and climate variability, including—

(A) increases in severe weather events;

(B) sea level rise and shifts in the hydrological cycle;

(C) natural hazards, including tsunami, drought, flood, and fire; and

(D) alteration of ecological communities, including at the ecosystem or watershed level;

(2) build upon predictions and other information presented in the National Assessments prepared under the Global Change Research Act of 1990 (15 U.S.C. 2901 et seq.), regional vulnerability to phenomena associated with climate change and climate variability, including—

(A) increases in severe weather events;

(B) sea level rise and shifts in the hydrological cycle;

(C) natural hazards, including tsunami, drought, flood, and fire; and

(D) alteration of ecological communities, including at the ecosystem or watershed level;

and

(3) integrate multiple sources of geospatial information, such as geographic information system data, satellite-provided positioning information, such as geographic information system data, spatially referenced data sets, and commercial data sets;

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 annually for regional assessments under subsection (a), and $3,000,000 annually for coastal adaptation grants under subsection (d).

PART II—FORECASTING AND PLANNING PILOT PROGRAMS

SEC. 1381. REMOTE SENSING PILOT PROJECTS.

(a) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration shall establish, through the National Oceanic and Atmospheric Administration’s Coastal Services Center, a program of grants for competitively awarded pilot projects to explore the integrated use of sources of remote sensing and other geospatial information to address coastal and local government efforts to reduce loss of life and property, adverse impacts on coastal resources, and reduce other impacts associated with climate change, sea level rise, and coastal flooding.

(b) PREFERRED PROJECTS.—In awarding grants under this section, the Center shall give preference to projects that—

(1) focus on areas that are most sensitive to the consequences of global climate change and climate variability;

(2) use diverse, innovative approaches that may serve as models for establishing a national assessment system.
The term "single-purpose research facility" means any of the following primarily single purpose entities owned by the Department of Energy:—

(A) Ames Laboratory;

(B) Oak Ridge National Laboratory;

(C) Environmental Measurement Laboratory;

(D) Fernald Environmental Management Project;

(E) Fermi National Accelerator Laboratory;

(F) Kansas City Plant;

(G) Nevada Test Site;

(H) New Brunswick Laboratory;

(I) Pantex Weapons Facility;

(J) Princetown University Physics Laboratory;

(K) Savannah River Technology Center;

(L) Stanford Linear Accelerator Center;

(M) Thomas Jefferson National Accelerator Facility;

(N) Y-12 facility at Oak Ridge National Laboratory;

(O) Waste Isolation Pilot Plant; or

(P) other similar organization of the Department designated by the Secretary that engages in technology transfer, partnering, or licensing activities.

SEC. 1402. AVAILABILITY OF FUNDS. Funds authorized to be appropriated to the Department of Energy under title XII, title XIII, and title XV shall remain available until expended.

SEC. 1403. COST SHARING. (a) RESEARCH AND DEVELOPMENT.—For research and development projects funded from appropriations authorized under subtitles A through D of title XII, the Secretary shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary shall transmit a report to the Center on the results of the pilot project and conduct at least one workshop for potential users to disseminate the lessons learned from the pilot project as widely as feasible.

(b) DEMONSTRATION AND DEPLOYMENT.—For demonstration and technology deployment activities funded from appropriations authorized under subtitles A through D of title XII, the Secretary shall require a commitment from non-Federal sources of at least 50 percent of the costs of the project directly attributable to any demonstration or technology deployment activity. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet one or more goals of this title.

(c) CALCULATION OF AMOUNT.—In calculating the amount of the non-Federal commitment under subsection (a) or (b), the Secretary shall—

(1) give due consideration to the scientific and technical merit of the proposals for such awards that have been made by the Department;

(2) take into account the other Federal, State, local, and tribal governments, or other entities, that are participating in the project;

(3) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(4) determine the extent to which the project is consistent with the national energy and technology policies and strategies;

(5) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(6) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(7) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(8) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(9) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(10) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(11) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(12) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(13) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(14) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(15) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(16) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(17) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(18) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(19) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

(20) give due consideration to the extent to which the project is consistent with the national energy and technology policies and strategies;

SEC. 1404. MERIT REVIEW OF PROPOSALS. Awards of funds authorized under title XII, title XIII, and title XV shall be made only after an independent review of the scientific and technical merit of the proposals for such awards has been made by the Department.

SEC. 1405. EXTERNAL TECHNICAL REVIEW OF DEPARTMENTAL PROGRAMS. (a) NATIONAL ENERGY RESEARCH AND DEVELOPMENT ADVISORY BOARDS.—(1) The Secretary shall establish an advisory board to oversee Department research and development programs in each of the following areas—

(A) energy efficiency;

(B) renewable energy;

(C) fossil energy;

(D) nuclear energy; and

(E) climate change technology, with emphasis on integration, collaboration, and other special features of the cross-cutting technologies supported by the Office of Climate Change Technology.

(2) The Secretary may designate an existing advisory board under the Department to serve as the advisory board under this subsection, or may enter into appropriate arrangements with the National Academy of Sciences to establish such an advisory board.

(b) UTILIZATION OF EXISTING COMMITTEES.—The Secretary of Energy shall continue to utilize the scientific and technical advisory committees chartered under the Federal Advisory Committee Act by the Office of Science to oversee research and development programs under this title.

(c) MEMBERSHIP.—Each advisory board under this section shall consist of experts drawn from industry, academia, federal laboratories, research institutions, state, local, or tribal governments, as appropriate.

(d) MEETINGS AND PURPOSES.—Each advisory board under this section shall meet at least semi-annually to review and advise on the progress made by the respective research, development, demonstration, and technology deployment programs. The advisory board shall also review the adequacy and relevance of the goals established for each program by Congress and the President, and may otherwise advise on promising future directions in research and development that should be considered by each program.

SEC. 1406. IMPROVED COORDINATION AND MANAGEMENT OF CIVILIAN SCIENCE AND TECHNOLOGY PROGRAMS. (a) EFFECTIVE TOP-LEVEL COORDINATION OF RESEARCH AND DEVELOPMENT PROGRAMS.—(1) Each advisory board established under section 202(b) of the Energy Reorganization Act (42 U.S.C. 7132(b)) is amended to read as follows:

"(b) There shall be in the Department an Under Secretary for Science, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary shall be responsible for the development of the National Science Policy Plan and shall monitor the Department’s research and development programs in order to advise the Secretary with respect to any undesirable duplication or gaps in such programs; advise the President with respect to the well-being and management of the multi-purpose laboratories under the jurisdiction of the Department; and advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department.

(b) The Under Secretary for Science and Technology shall—

(1) serve as the Science and Technology Advisor to the Secretary;

(2) monitor the Department’s research and development programs in order to advise the Secretary with respect to any undesirable duplication or gaps in such programs; advise the President with respect to the well-being and management of the multi-purpose laboratories under the jurisdiction of the Department; and advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department.

(c) advise the Secretary with respect to grants and other forms of financial assistance required for effective short- and long-term basic and applied research activities of the Department; and

(d) exercise authority and responsibility over Assistant Secretaries carrying out energy research and development and energy technology functions under sections 203 and 209, as well as other elements of the Department assigned by the Secretary.

(e) RECONFIGURATION OF POSITION OF DIRECTOR OF THE OFFICE OF SCIENCE.—Section 209 of the Department of Energy Organization Act (42 U.S.C. 7132) is amended to read as follows:

"(a) There shall be within the Department an Assistant Secretary for Science, to be appointed by the President, by and with the advice and consent of the Senate, and who

...
shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The Assistant Secretary of Science shall appoint the four Assistant Secretaries for the Department of Energy Organization Act (42 U.S.C. 7133(a)) is amended by striking ‘‘Except as provided in section 209, the Department shall not have more than six Assistant Secretaries’’ and inserting ‘‘Except as provided in section 209, there shall be in the Department seven Assistant Secretaries’’.

(2) It is the Sense of the Senate that the leadership for departmental missions in nuclear energy should be at the Assistant Secretary level.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 202 of the Department of Energy Organization Act (42 U.S.C. 7132) is further amended by adding the following at the end:

d) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall designate, consistent with this section. The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

e) There shall be in the Department a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall designate, consistent with this section. The General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(2) Section 5313 of title 5, United States Code, is amended by striking ‘‘Under Secretary of Energy (2)’’ and inserting ‘‘Under Secretaries of Energy (3)’’.

(3) Section 5316 of title 5, United States Code, is amended by striking—

(A) striking ‘‘Director, Office of Science, Department of Energy’’;

(B) striking ‘‘Assistant Secretaries of Energy (6)’’ and inserting ‘‘Assistant Secretaries of Energy (8)’’;

(C) the table of contents for the Department of Energy Organization Act (42 U.S.C. 7101 note) is amended—

(A) by striking ‘‘Section 209’’ and inserting ‘‘Sec. 209’’;

(B) by striking ‘‘213.’’ and inserting ‘‘Sec. 213’’;

(C) by striking ‘‘214.’’ and inserting ‘‘Sec. 214.’’;

(D) by striking ‘‘215.’’ and inserting ‘‘Sec. 215.’’;

(E) by striking ‘‘216.’’ and inserting ‘‘Sec. 216.’’.

SEC. 1407. IMPROVED COORDINATION OF TECHNOLOGY TRANSFER ACTIVITIES.

(a) TECHNOLOGY TRANSFER COORDINATOR.—

The Secretary shall appoint a Technology Transfer Coordinator to perform oversight of and management for technology transfer activities at the Department. The Technology Transfer Coordinator shall coordinate the activities of the Technology Partnership Working Group, and shall oversee the expenditure of funds allocated to the Technology Partnership Working Group.

(b) TECHNOLOGY PARTNERSHIP WORKING GROUP.—The Secretary shall establish a Technology Partnership Working Group, which shall consist of representatives of the National Laboratories and single-purpose research facilities, to—

(1) coordinate technology transfer activities occurring at National Laboratories and single-purpose research facilities; and

(2) exchange information about technology transfer practices; and

(3) develop and disseminate to the public and potential technology partners information about opportunities and procedures for technology transfer with the Department.

(c) ADDITIONAL ASSISTANT SECRETARY POSITION TO ENABLE IMPROVED MANAGEMENT OF NUCLEAR ENERGY ISSUES.—

(1) Section 205(a) of the Department of Energy Organization Act (42 U.S.C. 7133(a)) is amended by inserting ‘‘Department six Assistant Secretaries’’ and inserting ‘‘Department seven Assistant Secretaries’’.

(2) Except as provided in section 209, the Department shall not have more than six Assistant Secretaries.

NUCLEAR ENERGY ISSUES.—

(a) Establishment.—The Secretary shall establish a Technology Infrastructure Program in accordance with this section.

(b) Purpose.—The purpose of the Technology Infrastructure Program shall be to improve the ability of National Laboratories or single-purpose research facilities to support departmental missions by—

(1) stimulating the development of technology clusters that can support departmental missions at National Laboratories or single-purpose research facilities;

(2) improving the ability of National Laboratories or single-purpose research facilities to implement commercial research, technology, products, processes, and services; and

(3) encouraging the exchange of scientific and technological expertise between National Laboratories or single-purpose research facilities and—

(A) institutions of higher education;

(B) technology-related business concerns;

(C) nonprofit institutions, and

(D) agencies of State, tribal, or local governments, that can support departmental missions at the National Laboratories and single-purpose research facilities.

(c) Projects.—The Secretary shall authorize the Director of each National Laboratory or facility to implement the Technology Infrastructure Program at such National Laboratory or single-purpose research facility through projects that meet the requirements of subsections (d) and (e).

(d) PROGRAM REQUIREMENTS.—Each project funded under this section shall meet the following requirements:

(1) MINIMUM PARTICIPANTS.—Each project shall at a minimum include—

(A) a National Laboratory or single-purpose research facility;

(B) one of the following entities—

(i) a business,

(ii) an institution of higher education,

(iii) a nonprofit institution, or

(iv) an agency of a State, local, or tribal government.

(2) COST SHARING.—

(A) MINIMUM REQUIREMENT.—Not less than 50 percent of the costs of each project funded under this section shall be provided from non-Federal sources.

(B) QUALIFIED FUNDING AND RESOURCES.—

(i) the calculation of costs paid by the non-Federal sources to a project shall include cash, personnel, services, equipment, and other resources expended on the project;

(ii) independent research and development expenses of government contractors that qualify for reimbursement under section 210 of the Federal Acquisition Regulation shall be reimbursable;

(iii) excess facilities and equipment previously committed to another Federal project, if the excess are subject to the requirements of this section.

(iii) No funds or other resources expended either before the start of a project or outside the project’s scope of work shall be credited toward the costs paid by the Federal government.

(3) COMPETITIVE SELECTION.—All projects in which a party other than the Department, a National Laboratory, or a single-purpose research facility manages the project shall, to the extent practicable, be competitively selected by the Secretary.

(4) ACCOUNTING STANDARDS.—Any participant that receives funds under this section, other than a National Laboratory or single-purpose research facility, shall make and maintain non-Federally accepted accounting principles for maintaining accounts, books, and records relating to the project.

(5) LIMITATIONS.—No Federal funds shall be made available under this section for—

(A) construction;

(B) any project for more than five years;

(e) SELECTION CRITERIA.—

(1) THRESHOLD FUNDING CRITERIA.—The Secretary shall allocate funds under this section only if the Director of the National Laboratory or single-purpose research facility managing the project determines that the project is likely to improve the ability of the National Laboratory or single-purpose research facility to achieve technical success in meeting departmental missions.

(2) ADDITIONAL CRITERIA.—The Secretary shall require the Director of the National Laboratory or single-purpose research facility managing a project under this section to consider the following criteria in selecting a project to receive Federal funds:

(A) the potential of the project to succeed, based on its technical merit, team members, management approach, resources, and project plan;

(B) the potential of the project to promote the development of a commercially sustainable technology cluster, which will derive most of the demand for its products or services from the private sector, and which will support departmental missions at the participating National Laboratory or single-purpose research facility;

(C) the potential of the project to promote the use of commercial research, technology, products, processes, and services from the private sector, which will support departmental missions at the participating National Laboratory or single-purpose research facility;

(D) the commitment shown by non-Federal organizations to the project, based primarily on the nature and amount of the financial and other resources they will risk on the project;

(E) the extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-related business concerns; and

(F) the extent of participation in the project by agencies of State, tribal, or local government that have the capability to make substantive contributions to achieving the goals of the project.

(G) the extent to which the project focuses on promoting the development of technology-related business concerns that are small business concerns or involves such small business concerns substantively in the project.

(H) such other criteria as the Secretary determines to be appropriate.

February 15, 2002
Section 1409. Small Business Advocacy and Assistance.

(a) Small Business Advocate.—The Secretary shall require the Director of the National Laboratory, and may require the Director of a single-purpose research facility, to appoint a small business advocate to—

(1) increase the participation of small business concerns, including socially and economically disadvantaged small business concerns, in cooperative, collaborative research, technology licensing, and technology transfer activities conducted by the National Laboratory or single-purpose research facility;

(2) report to the Director of the National Laboratory or single-purpose research facility on the actual participation of small business concerns in procurement and collaborative research along with recommendations, if appropriate, on how to improve participation;

(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurement and collaborative research, including availability of relevant training and other resources; and

(4) increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small business concerns.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for activities under this section $10,000,000 for each of fiscal years 2003 and 2004.

SEC. 1409. SMALL BUSINESS ADVOCACY AND ASSISTANCE.

(a) Small Business Advocate.—The Secretary shall require the Director of each National Laboratory, and may require the Director of a single-purpose research facility, to appoint a small business advocate to—

(1) increase the participation of small business concerns, including socially and economically disadvantaged small business concerns, in cooperative, collaborative research, technology licensing, and technology transfer activities conducted by the National Laboratory or single-purpose research facility;

(2) report to the Director of the National Laboratory or single-purpose research facility on the actual participation of small business concerns in procurement and collaborative research along with recommendations, if appropriate, on how to improve participation;

(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurement and collaborative research, including availability of relevant training and other resources; and

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(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurement and collaborative research, including availability of relevant training and other resources; and

(4) increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small business concerns.

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(2) report to the Director of the National Laboratory or single-purpose research facility on the actual participation of small business concerns in procurement and collaborative research along with recommendations, if appropriate, on how to improve participation;

(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurement and collaborative research, including availability of relevant training and other resources; and

(4) increase the awareness inside the National Laboratory or single-purpose research facility of the capabilities and opportunities presented by small business concerns.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary for activities under this section $10,000,000 for each of fiscal years 2003 and 2004.
SEC. 1502. POSTDOCTORAL AND SENIOR RESEARCH FELLOWSHIPS IN ENERGY RESEARCH.

(a) Postdoctoral Fellowships.—The Secretary shall establish a program of fellowships to encourage outstanding young scientists and engineers to pursue postdoctoral research appointments in energy research and development at institutions of higher education of their choice. In establishing a program under this subsection, the Secretary shall appropriate amounts sufficient to be appropriated to the Secretary for activities under this section such sums as may be necessary for each fiscal year.

(b) Senior Research Fellowships.—The Secretary shall establish a program of fellowships to allow outstanding senior researchers in energy research and development and their research groups to explore research and development topics of their choosing for a fixed period of time. Awards under this program shall be made on the basis of past scientific or technical accomplishment and promise for continued accomplishment during the period of support, and shall not be less than 3 years.

(c) Authorization of Appropriations.—From amounts authorized under section 1524(c), there are authorized to be appropriated to the Secretary for activities under this section such sums as may be necessary for each fiscal year.

SEC. 1503. TRAINING GUIDELINES FOR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) Model Guidelines.—The Secretary shall, in cooperation with electric generation, transmission, and distribution industries and recognized representatives of employees of those entities, develop model employee training guidelines to support electric supply industry and institutional safety and awareness.

(b) Content of Guidelines.—The guidelines under this section shall include—

(1) requirements for worker training, competency evaluation, and certification, developed using criteria set forth by the Utility Industry Group recognized by the National Skill Standards Board; and

(2) consolidation of existing guidelines on the construction, operation, maintenance, and inspection of electric supply generation, transmission, and distribution facilities such as those established by the National Electric Safety Code and other industry consensus standards.

SEC. 1504. NATIONAL CENTER ON ENERGY MANAGEMENT AND BUILDING TECHNOLOGIES.

The Secretary shall establish a National Center on Energy Management and Building Technologies, to carry out research, education, and training activities to facilitate the integration and deployment of energy efficient indoor air quality in industrial, commercial and residential buildings. The National Center shall be established in cooperation with—

(1) manufacturers of heating, ventilation and air-conditioning systems and equipment;

(2) educational institutions that install and maintain heating, ventilation and air conditioning systems and equipment;

(3) representatives of the advanced building envelope industry, including design, windows, lighting, and insulation industries; and

(4) other entities as appropriate.

SEC. 1505. IMPROVED ACCESS TO ENERGY-RELATED SCIENTIFIC AND TECHNICAL CAREERS.

(a) Department of Energy Science Education Programs.—

(Sec. 3176. National Science and Technology Policy Act of 2002.) The Department of Energy Education Science Enhancement Act (42 U.S.C. 7381a) is amended by adding at the end the following:

SEC. 3176. PARTNERSHIPS WITH HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, HISPANIC-SERVING INSTITUTIONS, AND TRIBAL COLLEGES.

(a) Definitions.—In this section:

(1) Hispanic-serving institution.—The term "Hispanic-serving institution" has the meaning given the term in section 502(a) of the Higher Education Act of 1965 (20 U.S.C. 1003(a)).

(2) Historically black college or university.—The term "historically Black college or university" has the meaning given the term "part B institution" in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1011). The term 'National Laboratory. —The term 'National Laboratory' has the meaning given the term in section 1203 of the Energy Science and Technology Enhancement Act of 2002.

(4) Tribal college.—The term ‘tribal college’ has the meaning given the term ‘tribally controlled college or university’ in section 2(a) of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801(a)).

(b) Education Partnership.—(1) In general.—The Secretary shall direct the Director of each National Laboratory, and may direct the head of any science facility, to increase the participation of historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges in activities that increase the capacity of the historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges to transform scientific research.

(2) Activities.—An activity under paragraph (1) may include—

(A) collaborative research;

(B) a transfer of equipment;

(C) training of personnel at a National Laboratory;

(D) a mentoring activity by personnel at a National Laboratory or science facility;

(E) educational activities as may be necessary for the conduct of the work of the National Laboratory or science facility.

(Sec. 3192. Education Research and Development Act of 1965.) The Education Research and Development Act of 1965 (20 U.S.C. 8101 et seq.) is amended by adding after the last day the following:

SEC. 3192. RESEARCH AND DEVELOPMENT ACT OF 1965.

(a) Definitions.—In this section—

(1) educational agency.—The term 'educational agency' means—

(A) a State educational agency described in section 611(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711(b));

(B) an educational agency of a State, territory, or possession or any political subdivision thereof, or any public or private educational agency described in section 3101 of the Revised Statutes (41 U.S.C. 51); or

(C) the State educational agency as determined under section 3102 of the Revised Statutes (41 U.S.C. 52). Such agencies may use Federal funds as otherwise authorized by section 1504 of title 5, United States Code, for persons serving without compensation; and
SEC. 1705. STUDY OF SITING AN ELECTRIC TRANSMISSION SYSTEM ON AMTRAK RIGHT-OF-WAY.

(a) STUDY.—The Secretary of Energy shall conduct a study of the feasibility of building and operating a new electric transmission system on the Amtrak right-of-way in the Northeast Corridor.

(b) CONTENTS OF THE STUDY.—The study shall include:

(1) alternative geographic configuration of a new electrical transmission system on the Amtrak right-of-way;

(2) alternative technologies for the system;

(3) the estimated costs of building and operating each alternative;

(4) alternative means of financing the system;

(5) the environmental risks and benefits of building and operating each alternative as well as cost and economic benefits of building and operating the system on the Northeast Corridor rather than at other locations;

(6) any engineering and technological obstacles to building and operating each alternative; and

(7) the extent to which each alternative would enhance the reliability of the electric transmission grid and enhance competition in the sale of electric energy at wholesale within the Northeast Corridor.

(c) REPORT.—The Secretary shall submit the completed study to the Committee on Energy and Commerce not later than 270 days after the date of enactment of this section.

SEC. 1802. ROLE OF THE DEPARTMENT OF ENERGY.

Section 102 of the Department of Energy Organization Act (42 U.S.C. 7122) is amended by adding at the end the following:

“(20) To ensure the safety, reliability, and security of the nation's energy infrastructure, and to respond to any threat or disruption of such infrastructure, through activities including—

(A) research and development;

(B) financial assistance, technical assistance, and cooperative activities with States, industry, and other interested parties; and

(C) education and public outreach activities.”.
(b) REQUIREMENTS.—A program established under this section shall—
(1) be undertaken in consultation with the advisory committee established under section 1811 and the advice of the advisory committee under subsection (b).
(2) have available to it the scientific and technical resources of the Department, including resources at a National Laboratory; and
(3) be consistent with any overall Federal plan for national infrastructure security developed by the President or his designee.

SEC. 1804. ADVISORY COMMITTEE ON ENERGY INFRASTRUCTURE SECURITY.

(a) ESTABLISHMENT.—The Secretary shall establish an advisory committee, or utilize an existing advisory committee within the Department, to advise the Secretary on policies and programs related to the security of U.S. energy infrastructure.

(b) BALANCED MEMBERSHIP.—The Secretary shall ensure that the advisory committee established or utilized under subsection (a) has a membership with an appropriate balance among the various interests related to energy infrastructure security, including—
(1) scientific and technical experts;
(2) industrial managers;
(3) other representatives of the public, including resources at a National Laboratory;
(4) insurance companies or organizations;
(5) environmental organizations;
(6) representatives of State, local, and tribal governments; and
(7) such other interests as the Secretary may deem appropriate.

(c) ADMISSION TO COMMITTEE.—The Secretary shall accept as members of the advisory committee established or utilized under subsection (a) any individual who has demonstrated experience in energy infrastructure security or a related field and is qualified by reason of education, training, or experience to assist the committee in its work.

(d) CHARGES TO ADVISORY COMMITTEE.—The Secretary shall determine by the Secretary.

SEC. 1805. BEST PRACTICES AND STANDARDS FOR ENERGY INFRASTRUCTURE SECURITY.

The Secretary, in consultation with the advisory committee under section 1804, shall enter into appropriate arrangements with one or more standard-setting organizations, or similar organizations, to assist the development of industry best practices and standards for facilities used to protecting critical energy infrastructure.

Subtitle B—Department of the Interior Programs

SEC. 1811. OUTER CONTINENTAL SHELF ENERGY INFRASTRUCTURE SECURITY.

(a) DEFINITIONS.—In this section:

(1) APPROVED STATE PLAN.—The term ‘approved State plan’ means a State plan approved by the Secretary under subsection (c)(3).

(2) COASTLINE.—The term ‘coastline’ has the meaning given the term in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(3) CRITICAL OCS ENERGY INFRASTRUCTURE FACILITY.—The term ‘critical OCS energy infrastructure facility’ means—
(A) a facility located in an OCS Production State that is subject to a lease under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil or natural gas resources; and
(B) a related facility located in an OCS Production State or in the waters of such State that carries out a public service, transportation of oil or gas on the Outer Continental Shelf where a moratorium on new leasing is in effect, for a moratorium and was in production on January 1, 2001.

(4) DISTANCE.—The term ‘distance’ means the minimum great circle distance, measured in statute miles.

(5) LEASED TRACT.—
(A) IN GENERAL.—The term ‘leased tract’ means a tract that—
(i) is subject to a lease under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil or natural gas resources; and
(ii) consists of a block, a portion of a block, a combination of blocks or portions of blocks, or a combination of portions of blocks—
(I) specified in the lease; and
(II) depicted on an outer Continental Shelf official projection diagram.
(B) EXCLUSION.—The term ‘leased tract’ does not include an area described in subparagraph (A) that is located in a geographic area subject to a leasing moratorium on January 1, 2001, unless the lease was in production on that date.

(6) OCS POLITICAL SUBDIVISION.—The term ‘OCS political subdivision’ means a county, parish, borough, or equivalent subdivision of an OCS Production State.

(7) OCS PRODUCTION STATE.—The term ‘OCS Production State’ means the State of—
(A) Alaska;
(B) Alabama;
(C) California;
(D) Florida;
(E) Louisiana;
(F) Mississippi; or
(G) Texas.

(8) PRODUCTION.—The term ‘production’ has the meaning given the term in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(9) PROGRAM.—The term ‘program’ means the Outer Continental Shelf Energy Infrastructure Security Program established under subsection (b).

(b) QUALEDIFIED OUTER CONTINENTAL SHELF REVENUES.—The term ‘qualified Outer Continental Shelf revenues’ means all amounts received by the United States from each leased tract or portion of a leased tract lying seaward of the zone defined and governed by section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or lying within such zone but to which section 8(g) does not apply, the geographic center of which lies within a distance of 200 miles from any part of the coastline of any State, including bonus bids, rents, royalties (including payments for royalties taken in kind and sold), net profit share payments, and related late payment interest. Such term does not include any revenues from a leased tract or portion of a leased tract that is included within the outer Continental Shelf where a moratorium on new leasing was in effect as of January 1, 2001, unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 2001.

(c) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

(d) STATE PLAN.—The term ‘State plan’ means a State plan described in subsection (b).

(e) ESTABLISHMENT.—The Secretary shall establish a program, to be known as the ‘Outer Continental Shelf Energy Infrastructure Security Program,’ under which the Secretary shall—
(1) provide funds to OCS Production States to implement approved State plans to provide security against hostile and natural threats to critical energy infrastructure facilities in the OCS Production State and to support any of the necessary public service or transportation activities that are needed to ensure the operation of critical energy infrastructure facilities. Such plan shall include—
(A) the name of the State agency that will have the authority to represent and act for the State in dealing with the Secretary for purposes of this section;
(B) a program for the implementation of the plan, which describes how the amounts provided under this section will be used;
(C) a contact for each State political subdivision and description of how such political subdivisions will use amounts provided under this section, including a certification by the Governor that such uses are consistent with the requirements of this section; and
(D) Measures for taking into account other relevant Federal resources and programs.

(f) ANNUAL REPORT.—The Secretary shall submit to Congress an annual report for each year after the date of submission of the plan and annually thereafter, the Governor of an OCS Production State shall—
(A) review the approved State plan; and
(B) submit to the Secretary any revised State plan resulting from the review.

(g) APPROVAL OF PLAN.—

(A) IN GENERAL.—In consultation with appropriate Federal security officials and the Secretaries of Commerce and Energy, the Secretary shall—
(i) approve each State plan; or
(ii) recommend changes to the State plan.

(B) REVISION OF STATE PLANS.—If the Secretary recommends changes to a State plan under paragraph (a)(ii), the Governor of the OCS Production State may resubmit a revised State plan to the Secretary for approval.

(h) AVAILABILITY OF PLANS.—The Secretary shall provide to Congress a copy of each approved State plan.

(i) CONSULTATION AND PUBLIC COMMENT.—

(A) CONSULTATION.—The Governor of an OCS Production State shall develop the State plan in consultation with Federal, State, and local law enforcement and public safety officials, industry, Indian tribes, the scientific community, and other persons as appropriate.

(B) PUBLIC COMMENT.—The Governor of an OCS Production State may solicit public comments on the State plan to the extent the Governor determines to be appropriate.

(j) ALLOCATION OF AMOUNTS.—The Governor of an OCS Production State may allocate amounts made available for the purposes of this section among OCS Production States as follows:

(1) 25 percent of the amounts shall be divided equally among OCS Production States; and
(2) 75 percent of the amounts shall be divided among OCS Production States on the basis of the proximity of each OCS Production State to offshore locations at which oil and gas are being produced.

(k) EXPENSES.—Members of the advisory committee established or utilized under subsection (c) shall be paid expenses under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the committee.

(l) DETERMINATION.—The term ‘determination’ means a tract that—
(A) is subject to a lease under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil or natural gas resources; and
(B) a related facility located in an OCS Production State or in the waters of such State that carries out a public service, transportation of oil or gas on the Outer Continental Shelf where a moratorium on new leasing is in effect, for a moratorium and was in production on January 1, 2001.

(m) DETERMINATION.—The term ‘determination’ means a tract that—
(A) is subject to a lease under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil or natural gas resources; and
(B) a related facility located in an OCS Production State or in the waters of such State that carries out a public service, transportation of oil or gas on the Outer Continental Shelf where a moratorium on new leasing is in effect, for a moratorium and was in production on January 1, 2001.

(n) DETERMINATION.—The term ‘determination’ means a tract that—
(A) is subject to a lease under section 6 or 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1335, 1337) for the purpose of drilling for, developing, and producing oil or natural gas resources; and
(B) a related facility located in an OCS Production State or in the waters of such State that carries out a public service, transportation of oil or gas on the Outer Continental Shelf where a moratorium on new leasing is in effect, for a moratorium and was in production on January 1, 2001.
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qualified OCS revenues generated off the coastline of the OCS Production State to the qualified OCS revenues generated off the coastlines of all OCS Production States for the same period. Wherein more than one OCS Production State within 200 miles of a leased tract, the amount of each State’s share pursuant to paragraph (b)(2) for such leased tract shall be inversely proportional to the distance between the nearest point on the coastline of such State and the geographic center of such leased tract or portion of the leased tract (to the nearest whole mile) that is within 200 miles of that coastline, as determined by the Secretary. Such mathematical proportionality of the leased tract or portion located in a geographic area where a moratorium on new leasing was in effect on January 1, 2001, unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 2001.

(f) Payments to OCS Political Subdivisions.—Thirty-five percent of each OCS Production State’s allocable share as determined under subsection (e) shall be paid directly to the OCS political subdivisions by the Secretary based on the following formula:

1. (1) 25 percent shall be allocated based on the ratio of such OCS political subdivision’s population to the population of all OCS political subdivisions in the OCS Production State.

2. (2) 25 percent shall be allocated based on the ratio of such OCS political subdivision’s coastline miles to the coastline miles of all OCS political subdivisions in the OCS Production State. For purposes of this subsection, political subdivisions without coastlines shall be considered to have a coastline that is the average length of the coastlines of all political subdivisions in the state.

3. (3) 50 percent shall be allocated based on the relative distance of such OCS political subdivision from any leased tract used to calculate that OCS Production State’s allocable proportion that are inversely proportional to the distance between the point in the coastal political subdivision closest to the geographic center of each leased tract or portion, as determined by the Secretary. For purposes of the calculations under this subparagraph, a leased tract or portion shall be excluded if the leased tract or portion is located in a geographic area where a moratorium on new leasing was in effect on January 1, 2001, unless the lease was issued prior to the establishment of the moratorium and was in production on January 1, 2001.

(g) Failure to Have Plan Approved.—Any amount allocated to an OCS Production State or OCS political subdivision but not disbursed because of a failure to have an approved Plan under this section shall be allocated equally by the Secretary among all other OCS Production States in a manner consistent with this subsection except that the Secretary shall hold in escrow such amount until the final resolution of any appeal relating to the use of the funds.

(h) Compliance with Authorized Uses.—If the Secretary determines that any expenditure made by an OCS Production State or an OCS political subdivision is not consistent with the uses authorized in subsection (h), the Secretary shall not disburse any further amounts under this section to that OCS Production State or OCS political subdivision until the amounts used for the inconsistent expenditure have been repaid or obligated for authorized uses.

(i) Rulemaking.—The Secretary may promulgate such rules and regulations as may be necessary to carry out the purposes of this section, including rules and regulations setting forth an appropriate process for appeals.

(j) Authorization of Appropriations.—There are hereby authorized to be appropriated $50,000,000 for each of the years 2003 through 2008 to carry out the purposes of this section.

SA 2918. Mr. McCain, for himself, Mr. Hollings, Mrs. Murray, Mr. Bingaman, Mr. Breaux, Mr. Smith of Oregon, Mr. Domenici, Mrs. Hutchinson, and Mr. Wyden) submitted an amendment extending the OCS Production State and OCS political subdivision tax credits for seven years from 2001 to 2008 to carry out the purposes of this section.

(b) Amendment of Title 49, United States Code.—There are hereby authorized to be appropriated $50,000,000 for each of the years 2003 through 2008 to carry out the purposes of this section.

SEC. 32. NTSA SAFETY RECOMMENDATIONS.

(a) In General.—The Secretary shall submit a report to the Congress by January 1 of each year, describing the results of the Secretary’s efforts to implement safety recommendations made by the National Transportation Safety Board (hereafter referred to as the "Board").

(b) Public Availability.—The Secretary shall provide the public with a copy of the Board’s recommendation on pipeline safety and response, as described in sections 1135 (a) and (b) of title 49, United States Code, available to the public at reasonable cost.

(c) Report to Congress.—The Secretary shall submit to the Congress by January 1 of each year a report containing each recommendation on pipeline safety made by the Board during the prior year and a copy of the response to each such recommendation.

SEC. 33. QUALIFICATIONS OF PIPELINE PERSONNEL.

(a) Qualification Plan.—Each pipeline operator shall make available to the Secretary of Transportation, or, in the case of an intrastate pipeline facility operator, the appropriate State regulatory agency, a plan that is designed to ensure the qualifications of pipeline personnel and to reduce the likelihood of accidents and injuries. The plan shall be made available not more than 6 months after the date on which the operator is required to make the plan available under section 60102 of title 49, United States Code. The plan shall also provide for training and periodic reexamination of pipeline personnel qualifications and procedures for requalification as appropriate. The Secretary, or, in the case of an intrastate pipeline facility operator, the appropriate State regulatory agency, may review and certify the plans to determine if they are sufficient to provide a safe operating environment and shall periodically review the plans to ensure the continuation of a safe operation. The Secretary may establish minimum standards for pipeline personnel training and evaluation, which may include written examination, oral examination, work performance history review, observation during performance on the job, on-the-job training, simulations, or other forms of assessment.

(b) Requirements.—The enhanced qualification plan shall include, at a minimum, criteria to demonstrate the ability of an individual to safely and properly perform tasks identified under section 60102 of title 49, United States Code. The plan shall also provide for training and periodic reexamination of pipeline personnel qualifications and procedures for requalification as appropriate. The Secretary, or, in the case of an intrastate pipeline facility operator, the appropriate State regulatory agency, may review and certify the plans to determine if they are sufficient to provide a safe operating environment and shall periodically review the plans to ensure the continuation of a safe operation. The Secretary may establish minimum standards for pipeline personnel training and evaluation, which may include written examination, oral examination, work performance history review, observation during performance on the job, on-the-job training, simulations, or other forms of assessment.

(c) Report to Congress.—(1) In general.—The Secretary shall submit a report to the Congress evaluating the effectiveness of operator qualification and training efforts, including—

(A) actions taken by inspectors;

(B) recommendations to the Secretary for changes to operator qualification and training programs; and
(C) industry and employee qualification re-
sponses to those actions and recommenda-
tions.

(2) CRITERIA.—The Secretary may establish
criteria for use in evaluating and reporting
on operator qualification and training for
purposes of this subsection.

(3) REPORT.—The Secretary shall submit
the report required by paragraph (1) to the
Congress 3 years after the date of enactment
of this Act.

SEC. 34. PIPELINE INTEGRITY INSPECTION PRO-
GRAM

Section 60109 is amended by adding at the end the
following:

"(c) ENFORCEMENT.—The Secretary of Transportation
shall require the operator to perform the following:

"(1) GENERAL.—The Secretary shall require an operator's integ-
reality management program in a timely manner; and
"(2) CRITERIA.—In promul-
gating regulations under this section, the Secretary shall require an operator's integ-
reality management plan to be based on:
"(A) periodic assessment of the integrity of the pipeline facility through methods including internal inspection, pressure testing, direct assessment, or other methods. The
assessment period shall be no less than once every 5 years unless the Department of Transpor-
tation Inspector General, after consultation with the Secretary determines there is not a sufficient risk. It is deemed necessary because of more technically appropriate monitoring or creates undue interruption of necessary supply to fulfill the requirements under this paragraph.

"(B) clearly defined criteria for evaluating the results of the periodic assessment meth-
ods carried out under subparagraph (a) and procedures for identifying problems are corrected in a timely manner; and

"(C) measures, that prevent and respond to unintended releases, such as leak detection, integrity evaluation, restrictive-
flow devices, or other measures.

(3) CRITERIA FOR PROGRAM STANDARDS.—In deciding the
criteria for the integrity management methods carried out under paragraph (2)(A) must be conducted, an operator shall take into account the potential for new
effects developing or previously identified structural defects caused by construction or installation, the operational characteristics of the pipeline, and leak history. In addition, the Secretary may establish a minimum testing requirement for operations of pipeline facilities to conduct internal inspections.

"(4) STATE AUTHORITY.—A State authority that has an agreement in effect with the Sec-
retary under section 60106 is authorized to review and assess an operator's risk analyses and integrity management plans required under this section for interstate pipelines lo-
cated in that State. The reviewing State authority shall provide the Secretary with a written report on the plan, including recommenda-
tions, as appropriate, to address safety concerns not adequately addressed in the operator's plans, and submit documenta-
tion explaining the State-proposed plan revi-
sions. The Secretary shall carefully consider the State's proposals and work in consulta-
tion with the States and operators to address safety concerns.

"(5) MONITORING IMPLEMENTATION.—The Secretary of Transportation shall review the
risk analysis and program for integrity man-
gagement required under this section and pro-
vide for continued monitoring of such plans. Not later than 2 years after the implementa-
tion on the requirements under this section, the Secretary shall complete an assessment and evaluation of the effects on safety and the environment of extending all of the requirements described in paragraph (4) by the regula-
tions described in paragraph (1) to additional areas. The Secretary shall submit the assess-
ment and evaluation to Congress along with any recommendations to improve and expand the utilization of integrity management plans.

"(6) OPPORTUNITY FOR LOCAL INPUT ON IN-
TEGRITY MANAGEMENT.—Within 18 months after the date of enactment of the Pipeline Safety Improvement Act of 2002, the Sec-
retary shall, by regulation, establish a process
for public participation in the integrity management program. The process shall include—

"(A) a requirement that an operator of a hazardous liquid or natural gas transmission pipeline facility provide information about the risk analysis and integrity management plan to the local official in a State in which the facility is lo-
cated;

"(B) a description of the local officials required to be informed, the information that is to be provided to them and the manner, which may include traditional or electronic means, in which such information is provided;

"(C) the means for receiving input from the local officials that may include a public forum sponsored by the Secretary or by the
State, or the submission of written comments through traditional or electronic means;

"(D) the extent to which an operator of a pipeline facility shall provide a public forum sponsored by the Secretary or in an-
other means for receiving input from the local officials or in the evaluation of that input;

"(E) the manner in which the Secretary will notify the local officials about how their concerns are being addressed.

SEC. 35. ENFORCEMENT.

"(a) IN GENERAL.—Section 60112 is amend-
ed—

"(1) by striking subsection (a) and inserting the following:—

"(a) GENERAL.—After notice and an opportunity for a hearing, the Sec-
retary of Transportation may enter into a pipeline facility is hazardous if the Secretary de-
cides that—

"(1) operation of the facility is or would be hazardous to life, property, or the environ-
ment;

"(2) the facility is, or would be, constructed or operated, or a component of the facility is, or would be, constructed or oper-
ated with equal material, or a technique that the Secretary decides is haz-
ardous to life, property, or the environ-
ment;’’ and

"(2) by striking ‘‘is hazardous,’’ in sub-
section (d) and inserting ‘‘is, or would be, hazardous.’’

SEC. 36. PUBLIC EDUCATION, EMERGENCY PRE-
PAREDNESS, AND COMMUNITY RIGHT TO KNOW.

(a) Section 60116 is amended to read as fol-
"(a) PUBLIC EDUCATION PROGRAMS.—

"(1) Each owner or operator of a gas or haz-
ardous liquid pipeline facility shall carry out a

"(A) require the operator to carry out an emergency response plan, and

"(B) require the owner or operator of each gas transmission or haz-
ardous liquid pipeline facility shall provide

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to the governing body of each municipality in which the pipeline facility is located, a map identifying the location of such facility. The map may be provided in electronic form. The Secretary may provide technical assistance to the pipeline industry on developing public safety and public education program content and best practices for program delivery, and in the effectiveness of the programs. The Secretary may also provide technical assistance to State and local officials in applying practices developed in these programs to their activities to promote pipeline safety.

SEC. 37. PENALTIES.
(a) CIVIL PENALTIES.—Section 60122 is amended by—
(1) striking ''$25,000'' in subsection (a)(1) and inserting ''$500,000'';
(2) striking ''$500,000'' in subsection (a)(1) and inserting ''$1,000,000'';
(3) by adding at the end of subsection (a)(1) the following: ''The Secretary may not enter into an agreement under this subsection, unless the Secretary determines that—'';
(b) DETERMINATIONS REQUIRED.—The Secretary may enter into an agreement under this subsection, unless the Secretary determines that—
(1) the Secretary shall—
(A) make a determination that justice requires.
(b) EXCAVATOR DAMAGE.—Section 60123(d) is amended by—
(1) striking ''knowingly and willfully'';
(2) by striking ''knowingly and willfully'' before ''engages'' in paragraph (1); and
(3) striking paragraph (2)(B) and inserting the following:

SEC. 38. STATE OVERTSIGHT ROLE.
(a) STATE AGREEMENTS WITH CERTIFICATION.—Section 60106 is amended—
(1) by striking ''GENERAL AUTHORITY.—'' in subsection (a) and inserting ''AGREEMENTS WITHOUT CERTIFICATION.—'';
(2) by redesigning subsections (b), (c), and (d) as subsections (a), (b), and (c) and by redesigning subsection (a) and inserting the following:

SEC. 39. IMPROVED DATA AND DATA AVAILABILITY.
(a) IN GENERAL.—Within 12 months after the date of enactment of this Act, the Secretary shall develop and implement a comprehensive plan for the collection and use of gas and hazardous liquid pipeline data to revise the causal categories on the incident report forms to eliminate overlapping and confusing categories and include subcategories. The plan shall include components to provide capability for incident trend analysis and evaluations of pipeline operator performance using normalized accident data.

(b) REPORT OF RELEASES EXCEEDING 5 GALLONS.—Section 60117(b) is amended—
(1) by inserting ''(1)'' before ''to'' and inserting the following:

(2) redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); and
(3) inserting before the last sentence the following:

(2) A person owning or operating a hazardous liquid pipeline facility shall report to the Secretary each release to the environment greater than five gallons of the hazardous liquid or carbon dioxide transported. This section applies to releases from pipeline facilities regulated under this chapter. A report must include the location of the release, fatalities and personal injuries, type of product, amount of product released, cause or causes of the release, extent to damage to property and the environment, and the response undertaken to clean up the release.

(3) During the course of an incident investigation, a person owning or operating a hazardous liquid pipeline facility shall provide the information required under subsection (a) of this section or otherwise reasonably described records, reports, and information relating to the incidents available to the Secretary within the time limits prescribed in a written request."; and
(4) indenting the first word of the last sentence and inserting “(4)” before “The Secretary” in that sentence.

(c) Penalty Authorities.—(1) Section 60122(b)(2) is amended by striking “6011(c)” and inserting “6011(b)(3)”.

(2) Section 60123(a) is amended by striking “6011(c)” and inserting “6011(b)(3)”.

(d) By the Secretary of Transportation.—Section 6011 is amended by adding at the end the following:

“(1) General. The Secretary shall establish a national repository of data on events and conditions, including spill histories and corrective actions for specific incidents, to evaluate the risk of, and to prevent, pipeline failures and releases. The Secretary shall administer the program through the Bureau of Transportation Statistics, in cooperation with the Research and Special Programs Administration, and shall make such information available for use by State and local planning and emergency response authorities and the public.”

SEC. 40. RESEARCH AND DEVELOPMENT.

(a) Innovative Technology Development.

(1) In general.—As part of the Department of Transportation’s research and development program, the Secretary of Transportation shall give high research attention to the development of alternative technologies—

(A) to expand the capabilities of internal inspection devices to identify and accurately measure anomalies;

(B) to inspect pipelines that cannot accommodate internal inspection devices available on the date of enactment;

(C) to develop innovative techniques measuring the structural integrity of pipelines;

(D) to improve the capability, reliability, and practicality of external leak detection devices;

(E) to develop and improve alternative technologies to identify and monitor outside force damage to pipelines;

(2) Cooperative.—The Secretary may participate in additional technological development through cooperative agreements with trade associations, academic institutions, or other qualified organizations.

(b) Pipeline Safety and Reliability Research and Development.—

(1) Establishment.—The Secretary of Transportation, in coordination with the Secretary of Energy, shall develop and implement an accelerated cooperative program of research and development to enhance the integrity of natural gas and hazardous liquid pipelines. This research and development program—

(A) shall include materials inspection techniques, risk assessment methodology, and information systems suitability; and

(B) shall complement, and not replace, the research and development program of the Department of Energy addressing natural gas pipeline issues existing on the date of enactment of this Act.

(2) Purpose.—The purpose of the cooperative research program shall be to promote pipeline safety research and development to—

(A) ensure long-term safety, reliability and service life for existing pipelines;

(B) expand capabilities of internal inspection devices to identify and accurately measure defects and anomalies;

(C) develop inspection techniques for pipelines that cannot accommodate the internal inspection devices available on the date of enactment;

(D) develop innovative techniques to measure the structural integrity of pipelines to prevent leaks; and

(E) develop improved materials and coatings for use in pipelines;

(F) improve the capability, reliability, and practicality of external leak detection devices;

(G) identify underground environments that may lead to accelerated service life;

(H) enhance safety in pipeline siting and land use;

(I) minimize the environmental impact of pipeline gazes;

(J) demonstrate technologies that improve pipeline safety, reliability, and integrity;

(K) provide tools for optimizing risk mitigation strategies; and

(L) provide highly secure information systems for controlling the operation of pipelines.

(3) Areas.—In carrying out this subsection, the Secretary of Transportation, in coordination with the Secretary of Energy, shall focus on the following areas—

(A) early crack defect, and damage detection, including real-time data monitoring;

(B) automated internal pipeline inspection sensor systems;

(C) land use guidance and set back management along pipeline rights-of-way for communities;

(D) internal corrosion control;

(E) corrosion-resistant coatings;

(F) improved cathodic protection;

(G) inspection techniques where internal inspection is not feasible, including measurement of structural integrity of pipelines;

(H) external leak detection, including portable real-time video imaging technology, and the advancement of computerized center control leak detection systems utilizing real-time remote field data input;

(I) longer life, high strength, non-corrosive pipelines materials;

(J) assessing the remaining strength of existing pipelines;

(K) risk and reliability analysis models, to be used to identify safety improvements that could be realized in the near term resulting from analysis of data obtained from a pipeline performance tracking initiative;

(L) identification, monitoring, and prevention of outside force damage, including satellite surveillance; and

(M) any other areas necessary to ensuring the public safety and protecting the environment.

(4) Points of Contact.—

(A) General.—To coordinate and implement the research, demonstration, and development programs and activities authorized under this subsection—

(i) the Secretary of Transportation shall designate, as the point of contact for the Department of Transportation, an officer of the Department of Transportation who has been appointed by the President and confirmed by the Senate; and

(ii) the Secretary of Energy shall designate, as the point of contact for the Department of Energy who has been appointed by the President and confirmed by the Senate.

(B) Duties.—

(i) The point of contact for the Department of Transportation shall have the primary responsibility for coordinating and overseeing the implementation of the research, demonstration, and development program plan under paragraphs (5) and (6).

(ii) The points of contact shall jointly assist in arranging cooperative agreements for research and development involving their respective Departments, national laboratories, universities, and industry research organizations.

(c) Pipeline Research Program Plan.—Within 240 days after the date of enactment of this Act, the Secretary of Transportation, in coordination with the Secretary of Energy and the Pipeline Integrity Technical Advisory Committee, shall prepare and submit to the Congress a 5-year research, demonstration, and development program plan for each fiscal year from fiscal year 2005 through fiscal year 2009. The Secretary shall consult with appropriate representatives of the natural gas, crude oil, and hazardous liquid pipeline industries and other stakeholders to select and prioritize appropriate project proposals. The Secretary may also seek the advice of utilities, manufacturers, institutions of higher learning, the pipeline industry, the pipeline research institutions, and professional and technical societies.

(d) Reports to Congress.—The Secretary of Transportation shall report to the Congress annually as to the status and results to date of the implementation of the research and development program plan. The report shall include the activities of the Departments of Transportation and Energy, the national laboratories and other projects and other transactions, and any other form of agreement available to the Secretary consistent with the recommendations of the Advisory Committee.

(e) Implementation.—The Secretary of Transportation shall have primary responsibility for ensuring the 5-year plan provided for in paragraph (5) is implemented as intended. In carrying out the research, development, and demonstration activities under this paragraph, the Secretary of Transportation and the Secretary of Energy may use, to the extent authorized under applicable laws, provisions of law, contracts, cooperative agreements, cooperative research and development agreements, research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 2866 et seq.), interagency agreements, other transactions, and any other form of agreement available to the Secretary consistent with the recommendations of the Advisory Committee.

(f) Pipeline Integrity Technical Advisory Committee.

(a) Establishment.—The Secretary of Transportation shall enter into appropriate arrangements with the National Academy of Sciences to establish and manage the Pipeline Integrity Technical Advisory Committee for the purpose of advising the Secretary on the advancement of the research and development program on pipeline safety and reliability and other technical aspects of the Secretary of Energy on the development and implementation of the 5-year research, demonstration, and development program plan. The Committee shall have an ongoing role in evaluating the progress and results of the research, development, and demonstration carried out under that section.

(b) Membership.—The National Academy of Sciences shall appoint the members of the Pipeline Integrity Technical Advisory Committee after consultation with the Secretary of Transportation and the Secretary of Energy. Members appointed to the Advisory Committee should have the necessary qualifications to provide technical and other contributions to the purposes of the Advisory Committee.

(c) Authorization of Appropriations.

(1) Gas and Hazardous Liquids.—Section 6022(a) is amended to read as follows:

“(a) GAS AND HAZARDOUS LIQUID.—To carry out this chapter and other pipeline-related damage prevention activities of this title (except for section—40(b)(5)), there are authorized to be appropriated to the Department of Transportation—

(1) $30,000,000 for fiscal year 2003, of which $20,000,000 is to be derived from user fees for fiscal year 2003 collected under section 60301 of this title; and

(2) $20,000,000 for each of the fiscal years 2004 and 2005 of which $23,000,000 is to be derived from user fees for fiscal year 2004 and
fiscal year 2005 collection under section 60301 of this title.''.

(b) GRANTS TO STATES.—Section 60125(c) is amended to read as follows:

"(c) GRANTS TO STATES.—Not more than the following amounts may be appropriated to the Secretary to carry out section 60107—

"(1) $3,000,000 for the fiscal year 2005, of which $15,000,000 is to be derived from user fees for fiscal year 2003 collected under section 60301 of this title; and

"(2) $2,000,000 for the fiscal years 2004 and 2005 of which $18,000,000 is to be derived from user fees for fiscal year 2004 and fiscal year 2005 collected under section 60301 of this title.''.

"(c) OIL SPILLS.—Section 60125 is amended by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g) and inserting after subsection (d) the following:

"(d) OIL SPILL LIABILITY TRUST FUND.—Of the amounts available in the Oil Spill Liability Trust Fund, $8,000,000 shall be transferred to the Secretary of Transportation, as provided in appropriation Acts, to carry out programs authorized in this title for each of fiscal years 2003, 2004, and 2005.''.

PROTECTION OF EMPLOYEES PROVIDING PIPELINE SAFETY INFORMATION

SEC. 43. OPERATOR ASSISTANCE IN INVESTIGATION

(a) IN GENERAL.—If the Department of Transportation or the National Transportation Safety Board investigate an accident, the operator of the vessel or the representative of the Department or the Board all records and information that in any way pertain to the accident (including integrated data terminals and similar systems), and shall afford all reasonable assistance in the investigation of the accident.

(b) CORRECTIVE ACTION ORDERS.—Section 60121(d) is amended—

(1) by inserting "(1)" after "CORRECTIVE ACTION ORDERS.—"; and

(2) by adding at the end the following:

"(2) If, in the case of a corrective action order issued following an accident, the Secretary determines that the actions of an employer would have been conducted expeditiously. If a hearing is not requested, the Secretary shall issue a final order providing the relief prescribed by this paragraph or denying the complaint. At any time before issuance of a final order, a proceeding under this subsection may be terminated on the basis of a settlement agreement entered into by the Secretary of Labor, the complainant, and the person alleged to have committed the violation.

"(B) REMEDY.—If, in response to a complaint filed under paragraph (1), the Secretary of Labor determines that a violation of subsection (a) has occurred, the Secretary of Labor shall order the person who committed the violation to—

"(i) take affirmative action to abate the violation;

"(ii) reinstate the complainant to his or her former position together with the compensation (including back pay) and restore the terms, conditions, and privileges associated with his or her employment; and

"(iii) provide compensatory damages to the complainant.

If such an order is issued under this paragraph, the Secretary of Labor, at the request of the complainant, shall act against the person whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's and expert witness fees) reasonably incurred by the Secretary of Labor, by the complainant for, or in connection with, the bringing
the complaint upon which the order was issued.

“(C) FRAUDULENT COMPLAINTS.—If the Secretary of Labor finds that a complaint under paragraph (1) is frivolous or has been brought in bad faith, the Secretary of Labor may award to the prevailing employer a reasonable attorneys fee not exceeding $1,000.

“(4) REVIEW.—

“(A) APPEAL TO COURT OF APPEALS.—Any person adversely affected or aggrieved by an order issued under paragraph (3) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation occurred to which the order was issued, allegedly occurred or the circuit in which the complainant resided on the date of such violation. The petition for review must be filed not later than 60 days after the date of issuance of the final order of the Secretary of Labor. Review shall conform to chapter 7 of title 5, United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the order.

“(B) LIMITATION ON COLLATERAL ATTACK.—An order of the Secretary of Labor with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

“(5) ENFORCEMENT OF ORDER BY SECRETARY OF LABOR.—Any person has failed to comply with an order issued under paragraph (3), the Secretary of Labor may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief, including, but not to be limited to, injunctive relief and compensatory damages.

“(6) ENFORCEMENT OF ORDER BY PARTIES.—

“(A) COMMENCEMENT OF ACTION.—A person on whose behalf an order was issued under paragraph (3) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

“(B) ATTORNEY FEES.—The court, in issuing any order under this paragraph, shall award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award costs are appropriate.

“(C) MANDAMUS.—Any nondiscretionary duty imposed by this section shall be enforceable in mandamus proceedings brought in the United States district court for the district in which the violation occurred.

“(d) NONAPPLICABILITY TO DELIBERATE VIOLATIONS.—Subsection (a) shall not apply with respect to an employee of a pipeline, contractor or subcontractor who, acting without direction from the pipeline contractor or subcontractor (or such person’s agent), deliberately causes a violation of any requirement relating to pipeline safety under this chapter or any other law of the United States.

“(e) CONTRACTOR DEFINED.—In this section, the term ‘contractor’ means a company that performs regulatory functions by contract for a pipeline.”.

“§ 60129. Protection of employees providing pipeline safety information.”.

SEC. 45. STATE PIPELINE SAFETY ADVISORY COMMITTEES.

Within 90 days after receiving recommendations for improvements to pipeline safety from an advisory committee appointed by the Governor of any State, the Secretary of Transportation shall provide written notice of such recommendations to the Secretary of Transportation of the State in which the violations occurred.

SEC. 46. FINES AND PENALTIES.

The Inspector General of the Department of Transportation shall conduct an analysis of the Department’s assessment of fines and penalties on gas transmission and hazardous liquid pipelines including the cost of corrective actions required by the Department in lieu of fines, and, no later than 6 months after the date of enactment of this Act, shall take appropriate action for or not acting upon any of the recommendations.

SEC. 47. STUDY OF RIGHTS-OF-WAY.

The Secretary of Transportation is authorized to conduct a study on how best to preserve environmental resources in conjunction with maintaining pipeline rights-of-way. The study shall recognize pipeline operators’ regulatory obligations to maintain rights-of-way and to protect public safety.

SEC. 48. STUDY OF TRANSMISSION REQUIREMENTS FOR LIFTING NATURAL GAS RESERVE.

(a) FINDINGS.—Congress finds that:

“(1) In the last few months, natural gas prices across the United States have increased twenty-fold, from $3 per million British thermal units to nearly $80 per million British thermal units.

“(2) One of the major causes of these price increases is a lack of supply, including a lack of natural gas reserves.

“(3) The lack of a reserve was compounded by the rupture of an El Paso Natural Gas Company pipeline in Carlsbad, New Mexico on August 25, 2000.

“(4) Improving pipeline safety will help prevent similar accidents that interrupt the supply of natural gas and will help save lives.

“(6) It is also necessary to find solutions for the lack of natural gas reserves that could be used during periods of constrained supply.

“(b) STUDY BY THE NATIONAL ACADEMY OF SCIENCES.—The Secretary of Energy shall request the National Academy of Sciences to—

“(1) conduct a study to—

“(A) determine the causes of recent increase in the price of natural gas, including whether the price increases have been caused by problems with the supply of natural gas or by problems with the natural gas transmission system;

“(B) identify any Federal or State policies that may have contributed to the price increases; and

“(C) determine what Federal action would be necessary to maintain the reserve supply of natural gas for use in situations of natural gas shortages and price increases, including determining the feasibility and advisability of a Federal strategic natural gas reserve system; and

“(2) not later than 60 days after the date of enactment of this Act, submit to Congress a report on the results of the study conducted under subsection (a).

SEC. 49. STUDY AND REPORT ON NATURAL GAS PIPELINE AND STORAGE FACILITIES IN NEW ENGLAND.

(a) STUDY.—The Federal Energy Regulatory Commission, in consultation with the Department of Energy, shall conduct a study on the natural gas pipeline transmission network in New England and natural gas storage facilities associated with that network. Within 90 days after the date of enactment of this Act, the Federal Energy Regulatory Commission shall prepare and submit to the Senate Committee on Energy and Natural Resources and the appropriate committee of the House of Representatives a report containing the results of the study conducted under subsection (a), including recommendations for addressing potential natural gas transmission and storage capacity problems in New England.

Subtitle B—Pipeline Safety Secure Information Act

SEC. 51. MEETING COMMUNITY RIGHT TO KNOW WITHOUT SECURITY RISKS.

Section 60117 is amended by adding at the end the following:

“(1) WITHHOLDING CERTAIN INFORMATION.—

“(1) (A) IN GENERAL.—Notwithstanding any other provision of this chapter requiring the Secretary to provide information obtained by the Secretary or an officer, employee, or agent in carrying out this chapter to State or local government officials, the public, or any other person, the Secretary shall withhold such information if it is information that is described in section 552(b)(1)(A) of title 5, United States Code.

“(B) CONDITIONAL RELEASE.—Notwithstanding paragraph (1), upon the receipt of assurances satisfactory to the Secretary that the information will be handled appropriately, including recommendations for addressing terrorist actions or threats of such actions;

“(C) TO THE SECRETARY DETERMINES NEEDED TO PROTECT PUBLIC SAFETY OR SECURITY.—

“(A) To an owner or operator of the affected pipeline system;

“(B) To an officer, employee or agent of a Federal, State, Tribal, or local government, including a volunteer fire department, conceiving of the supply of natural gas to facilities associated with that network; and

“(C) In an administrative or judicial proceeding brought under this chapter or an administrative or judicial proceeding that addresses terrorist actions or threats of such actions;

“(D) To such other persons as the Secretary determines necessary to protect public safety or security.

“(2) REPORT TO CONGRESS.—The Secretary shall provide an annual report to the Congress, in appropriate form as determined by the Secretary, containing a summary of determinations made by the Secretary during the preceding year to withhold information from release under paragraph (1).”.

SEC. 52. TECHNICAL ASSISTANCE FOR SECURITY OF PIPELINE FACILITIES.

The Secretary of Transportation may provide technical assistance to an operator of a pipeline facility or to State, Tribal, or local government with respect to actions taken to prevent or respond to terrorist actions or threats of terrorism that may impact the pipeline facility, including—
(1) actions by the Secretary that support the use of National Guard or State or Federal personnel to provide additional security for a pipeline facility at risk of terrorist attack or for pipeline facilities in other areas.

(2) use of resources available to the Secretary to develop and implement security measures for a pipeline facility;

(3) identification of security issues with respect to the operation of a pipeline facility; and

(4) the provision of information and guidance on security practices that prevent damage to pipeline facilities from terrorist attacks.

SA 2919. Mr. REID (for Mr. HOLLINGS) proposed an amendment to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice would provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; as follows:

On page 10, strike lines 7 through 24, and insert the following:

(c) ADMINISTRATION BY THE OFFICE OF ELECTION ADMINISTRATION.—

(1) IN GENERAL.—Not later than January 1, 2004, the Director of the Office of Election Administration of the Federal Election Commission, in consultation with the Architectural and Transportation Barriers Compliance Board (as established under section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792)) and the Director of the National Institute of Standards and Technology, shall promulgate standards revising the voting systems standards issued and maintained by the Director of such Office so that such standards meet the requirements established under subsection (a).

(2) QUADRENNIAL REVIEW.—The Director of the Office of Election Administration of the Federal Election Commission, in consultation with the Director of the National Institute of Standards and Technology, shall review the voting systems standards revised under paragraph (1) no less frequently than once every 4 years.

SA 2920. Mr. REID (for Mr. COCHRAN) proposed an amendment to the bill S. Res. 44, designating March 2002 as “Arts Education Month”; as follows:

On page 2, lines 4 and 5, strike “each of March 2001, and March 2002,” and insert “March 2002”.

SA 2921. Mr. REID (for Mr. COCHRAN) proposed an amendment to the bill S. Res. 44, designating March 2002 as “Arts Education Month”; as follows:

Amend the title so as to read: “Designating March 2002 as ‘Arts Education Month’.”

COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the full committee of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, February 26, 2002, at 9:00 a.m. in room 415 of the Dirksen Senate Office Building. The purpose of the hearing is to receive testimony on the nomination of Raymond L. Orbach to be Director of the Office of Science, Department of Energy.

Those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, Attn: Majority Staff, 364 Dirksen Senate Office Building, United States Senate, Washington, D.C. 20510.

For further information, please contact Sam Fowler on 202–224–7571 or Amanda Goldman on 202–224–6836.

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, February 27, 2002, at 2 p.m. in room 106 of the Dirksen Senate Building to conduct an oversight hearing on the management of Indian trust funds.

Those wishing additional information may contact the Indian Affairs Committee at (202) 224–2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, February 28, 2002, at 10 a.m. in room 106 of the Dirksen Senate Building to conduct a hearing on the management of Indian trust funds.

Those wishing additional information may contact the Indian Affairs Committee at (202) 224–2251.

AMENDMENT NO. 2919 TO S. 565

Mr. REID. Madam President, I ask unanimous consent that it be in order to consider amendment No. 2919, that the amendment be agreed to and the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2920) was agreed to, as follows:

(Purpose: To designate March 2002 as “Arts Education Month”) On page 2, lines 4 and 5, strike “each of March 2001, and March 2002,” and insert “March 2002”.

The resolution (S. Res. 44), as amended, was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

WHEREAS the Congressional Recognition for Excellence in Arts Education Act (Public Law 106–533) was approved by the 106th Congress by unanimous consent;

WHEREAS arts literacy is a fundamental purpose of schooling for all students;

WHEREAS arts education stimulates, develops, and refines many cognitive and creative critical thinking processes such as: judgment, creativity and imagination, cooperative decision making, leadership, high-level literacy and communication, and the capacity for problem posing and problem-solving;

WHEREAS arts education contributes significantly to the creation of flexible, adaptable, and knowledgeable workers who will be needed in the 21st century economy;

WHEREAS arts education improves teaching and learning;

WHEREAS when parents and families, artists, arts organizations, businesses, local civic and cultural leaders, and institutions are actively engaged in instructional programs in arts education, the arts can be taught;

WHEREAS effective teachers of the arts should be encouraged to continue to learn