

NOVEMBER 18, 2015

RULES COMMITTEE PRINT 114-36
TEXT OF H.R. 8, NORTH AMERICAN ENERGY
SECURITY AND INFRASTRUCTURE ACT OF 2015

[Showing the text of H.R. 8, as ordered reported by the Committee on Energy and Commerce, and the texts of H.R. 2295 and H.R. 2358, as reported by the Committee on Natural Resources.]

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “North American Energy Security and Infrastructure Act
4 of 2015”.

5 (b) **TABLE OF CONTENTS.**—The table of contents for
6 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MODERNIZING AND PROTECTING INFRASTRUCTURE

Subtitle A—Energy Delivery, Reliability, and Security

- Sec. 1101. FERC process coordination.
- Sec. 1102. Resolving environmental and grid reliability conflicts.
- Sec. 1103. Emergency preparedness for energy supply disruptions.
- Sec. 1104. Critical electric infrastructure security.
- Sec. 1105. Strategic Transformer Reserve.
- Sec. 1106. Cyber Sense.
- Sec. 1107. State coverage and consideration of PURPA standards for electric utilities.
- Sec. 1108. Reliability analysis for certain rules that affect electric generating facilities.
- Sec. 1109. Carbon capture, utilization, and sequestration technologies.
- Sec. 1110. Reliability and performance assurance in Regional Transmission Organizations.

Subtitle B—Energy Security and Infrastructure Modernization

- Sec. 1201. Energy Security and Infrastructure Modernization Fund.

Subtitle C—Hydropower Regulatory Modernization

- Sec. 1301. Hydroelectric production and efficiency incentives.
- Sec. 1302. Protection of private property rights in hydropower licensing.
- Sec. 1303. Extension of time for FERC project involving W. Kerr Scott Dam.
- Sec. 1304. Hydropower licensing and process improvements.
- Sec. 1305. Judicial review of delayed Federal authorizations.
- Sec. 1306. Licensing study improvements.
- Sec. 1307. Closed-loop pumped storage projects.
- Sec. 1308. License amendment improvements.
- Sec. 1309. Promoting hydropower development at existing nonpowered dams.

TITLE II—21ST CENTURY WORKFORCE

- Sec. 2001. Energy and manufacturing workforce development.

TITLE III—ENERGY SECURITY AND DIPLOMACY

- Sec. 3001. Sense of Congress.
- Sec. 3002. Energy security valuation.
- Sec. 3003. North American energy security plan.
- Sec. 3004. Collective energy security.
- Sec. 3005. Strategic Petroleum Reserve mission readiness plan.
- Sec. 3006. Authorization to export natural gas.

TITLE IV—ENERGY EFFICIENCY AND ACCOUNTABILITY

Subtitle A—Energy Efficiency

CHAPTER 1—FEDERAL AGENCY ENERGY EFFICIENCY

- Sec. 4111. Energy-efficient and energy-saving information technologies.
- Sec. 4112. Energy efficient data centers.
- Sec. 4113. Report on energy and water savings potential from thermal insulation.
- Sec. 4114. Federal purchase requirement.
- Sec. 4115. Energy performance requirement for Federal buildings.
- Sec. 4116. Federal building energy efficiency performance standards; certification system and level for Federal buildings.
- Sec. 4117. Operation of battery recharging stations in parking areas used by Federal employees.

CHAPTER 2—ENERGY EFFICIENT TECHNOLOGY AND MANUFACTURING

- Sec. 4121. Inclusion of Smart Grid capability on Energy Guide labels.
- Sec. 4122. Voluntary verification programs for air conditioning, furnace, boiler, heat pump, and water heater products.
- Sec. 4123. Facilitating consensus furnace standards.
- Sec. 4124. Future of Industry program.
- Sec. 4125. No warranty for certain certified Energy Star products.
- Sec. 4126. Clarification to effective date for regional standards.
- Sec. 4127. Internet of Things report.

CHAPTER 3—ENERGY PERFORMANCE CONTRACTING

- Sec. 4131. Use of energy and water efficiency measures in Federal buildings.

CHAPTER 4—SCHOOL BUILDINGS

- Sec. 4141. Coordination of energy retrofitting assistance for schools.

CHAPTER 5—BUILDING ENERGY CODES

- Sec. 4151. Greater energy efficiency in building codes.
- Sec. 4152. Voluntary nature of building asset rating program.

CHAPTER 6—EPCA TECHNICAL CORRECTIONS AND CLARIFICATIONS

- Sec. 4161. Modifying product definitions.
- Sec. 4162. Clarifying rulemaking procedures.

CHAPTER 7—ENERGY AND WATER EFFICIENCY

- Sec. 4171. Smart energy and water efficiency pilot program.
- Sec. 4172. WaterSense.

Subtitle B—Accountability

CHAPTER 1—MARKET MANIPULATION, ENFORCEMENT, AND COMPLIANCE

- Sec. 4211. FERC Office of Compliance Assistance and Public Participation.

CHAPTER 2—MARKET REFORMS

- Sec. 4221. GAO study on wholesale electricity markets.
- Sec. 4222. Clarification of facility merger authorization.

CHAPTER 3—CODE MAINTENANCE

- Sec. 4231. Repeal of off-highway motor vehicles study.
- Sec. 4232. Repeal of methanol study.
- Sec. 4233. Repeal of residential energy efficiency standards study.
- Sec. 4234. Repeal of weatherization study.
- Sec. 4235. Repeal of report to Congress.
- Sec. 4236. Repeal of report by General Services Administration.
- Sec. 4237. Repeal of intergovernmental energy management planning and coordination workshops.
- Sec. 4238. Repeal of Inspector General audit survey and President's Council on Integrity and Efficiency report to Congress.
- Sec. 4239. Repeal of procurement and identification of energy efficient products program.
- Sec. 4240. Repeal of national action plan for demand response.
- Sec. 4241. Repeal of national coal policy study.
- Sec. 4242. Repeal of study on compliance problem of small electric utility systems.
- Sec. 4243. Repeal of study of socioeconomic impacts of increased coal production and other energy development.
- Sec. 4244. Repeal of study of the use of petroleum and natural gas in combustors.
- Sec. 4245. Repeal of submission of reports.
- Sec. 4246. Repeal of electric utility conservation plan.
- Sec. 4247. Technical amendment to Powerplant and Industrial Fuel Use Act of 1978.
- Sec. 4248. Emergency energy conservation repeals.
- Sec. 4249. Repeal of State utility regulatory assistance.
- Sec. 4250. Repeal of survey of energy saving potential.
- Sec. 4251. Repeal of photovoltaic energy program.
- Sec. 4252. Repeal of energy auditor training and certification.

CHAPTER 4—USE OF EXISTING FUNDS

Sec. 4261. Use of existing funds.

TITLE V—NATIONAL ENERGY SECURITY CORRIDORS

Sec. 5001. Short title.

Sec. 5002. Designation of National Energy Security Corridors on Federal lands.

Sec. 5003. Notification requirement.

TITLE VI—ELECTRICITY RELIABILITY AND FOREST PROTECTION

Sec. 6001. Short title.

Sec. 6002. Vegetation management, facility inspection, and operation and maintenance on Federal lands containing electric transmission and distribution facilities.

1 **TITLE I—MODERNIZING AND**
2 **PROTECTING INFRASTRUCTURE**
3 **Subtitle A—Energy Delivery,**
4 **Reliability, and Security**

5 **SEC. 1101. FERC PROCESS COORDINATION.**

6 Section 15 of the Natural Gas Act (15 U.S.C. 717n)
7 is amended—

8 (1) by amending subsection (b)(2) to read as
9 follows:

10 “(2) OTHER AGENCIES.—

11 “(A) IN GENERAL.—Each Federal and
12 State agency considering an aspect of an appli-
13 cation for Federal authorization shall cooperate
14 with the Commission and comply with the dead-
15 lines established by the Commission.

16 “(B) IDENTIFICATION.—The Commission
17 shall identify, as early as practicable after it is
18 notified by a prospective applicant of a potential

1 project requiring Commission authorization,
2 any Federal or State agency, local government,
3 or Indian tribe that may consider an aspect of
4 an application for that Federal authorization.

5 “(C) NOTIFICATION.—

6 “(i) IN GENERAL.—The Commission
7 shall notify any agency identified under
8 subparagraph (B) of the opportunity to co-
9 operate or participate in the review proc-
10 ess.

11 “(ii) DEADLINE.—A notification
12 issued under clause (i) shall establish a
13 deadline by which a response to the notifi-
14 cation shall be submitted, which may be
15 extended by the Commission for good
16 cause.”;

17 (2) in subsection (c)—

18 (A) in paragraph (1)—

19 (i) by striking “and” at the end of
20 subparagraph (A);

21 (ii) by redesignating subparagraph
22 (B) as subparagraph (C); and

23 (iii) by inserting after subparagraph
24 (A) the following new subparagraph:

1 “(B) set deadlines for all such Federal au-
2 thorizations; and”;

3 (B) by striking paragraph (2); and

4 (C) by adding at the end the following new
5 paragraphs:

6 “(2) DEADLINE FOR FEDERAL AUTHORIZA-
7 TIONS.—A final decision on a Federal authorization
8 is due no later than 90 days after the Commission
9 issues its final environmental document, unless a
10 schedule is otherwise established by Federal law.

11 “(3) CONCURRENT REVIEWS.—Each Federal
12 and State agency considering an aspect of an appli-
13 cation for a Federal authorization shall—

14 “(A) carry out the obligations of that
15 agency under applicable law concurrently, and
16 in conjunction, with the review required by the
17 National Environmental Policy Act of 1969 (42
18 U.S.C. 4321 et seq.), unless doing so would im-
19 pair the ability of the agency to conduct needed
20 analysis or otherwise carry out those obliga-
21 tions;

22 “(B) formulate and implement administra-
23 tive, policy, and procedural mechanisms to en-
24 able the agency to ensure completion of re-
25 quired Federal authorizations no later than 90

1 days after the Commission issues its final envi-
2 ronmental document; and

3 “(C) transmit to the Commission a state-
4 ment—

5 “(i) acknowledging receipt of the
6 schedule established under paragraph (1);
7 and

8 “(ii) setting forth the plan formulated
9 under subparagraph (B) of this paragraph.

10 “(4) ISSUE IDENTIFICATION AND RESOLU-
11 TION.—

12 “(A) IDENTIFICATION.—Federal and State
13 agencies that may consider an aspect of an ap-
14 plication for Federal authorization shall iden-
15 tify, as early as possible, any issues of concern
16 that may delay or prevent an agency from
17 working with the Commission to resolve such
18 issues and granting such authorization.

19 “(B) ISSUE RESOLUTION.—The Commis-
20 sion may forward any issue of concern identi-
21 fied under subparagraph (A) to the heads of
22 the relevant agencies (including, in the case of
23 a failure by the State agency, the Federal agen-
24 cy overseeing the delegated authority) for reso-
25 lution.

1 “(5) FAILURE TO MEET SCHEDULE.—If a Fed-
2 eral or State agency does not complete a proceeding
3 for an approval that is required for a Federal au-
4 thorization in accordance with the schedule estab-
5 lished by the Commission under paragraph (1)—

6 “(A) the applicant may pursue remedies
7 under section 19(d); and

8 “(B) the head of the relevant Federal
9 agency (including, in the case of a failure by a
10 State agency, the Federal agency overseeing the
11 delegated authority) shall notify Congress and
12 the Commission of such failure and set forth a
13 recommended implementation plan to ensure
14 completion of the proceeding for an approval.”;

15 (3) by redesignating subsections (d) through (f)
16 as subsections (g) through (i), respectively; and

17 (4) by inserting after subsection (c) the fol-
18 lowing new subsections:

19 “(d) REMOTE SURVEYS.—If a Federal or State agen-
20 cy considering an aspect of an application for Federal au-
21 thorization requires the applicant to submit environmental
22 data, the agency shall consider any such data gathered
23 by aerial or other remote means that the applicant sub-
24 mits. The agency may grant a conditional approval for

1 Federal authorization, conditioned on the verification of
2 such data by subsequent onsite inspection.

3 “(e) APPLICATION PROCESSING.—The Commission,
4 and Federal and State agencies, may allow an applicant
5 seeking Federal authorization to fund a third-party con-
6 tractor to assist in reviewing the application.

7 “(f) ACCOUNTABILITY, TRANSPARENCY, EFFI-
8 CIENCY.—For applications requiring multiple Federal au-
9 thorizations, the Commission, with input from any Federal
10 or State agency considering an aspect of an application,
11 shall track and make available to the public on the Com-
12 mission’s website information related to the actions re-
13 quired to complete permitting, reviews, and other actions
14 required. Such information shall include the following:

15 “(1) The schedule established by the Commis-
16 sion under subsection (c)(1).

17 “(2) A list of all the actions required by each
18 applicable agency to complete permitting, reviews,
19 and other actions necessary to obtain a final decision
20 on the Federal authorization.

21 “(3) The expected completion date for each
22 such action.

23 “(4) A point of contact at the agency account-
24 able for each such action.

1 “(5) In the event that an action is still pending
2 as of the expected date of completion, a brief expla-
3 nation of the reasons for the delay.”.

4 **SEC. 1102. RESOLVING ENVIRONMENTAL AND GRID RELI-**
5 **ABILITY CONFLICTS.**

6 (a) COMPLIANCE WITH OR VIOLATION OF ENVIRON-
7 MENTAL LAWS WHILE UNDER EMERGENCY ORDER.—
8 Section 202(c) of the Federal Power Act (16 U.S.C.
9 824a(c)) is amended—

10 (1) by inserting “(1)” after “(c)”; and

11 (2) by adding at the end the following:

12 “(2) With respect to an order issued under this sub-
13 section that may result in a conflict with a requirement
14 of any Federal, State, or local environmental law or regu-
15 lation, the Commission shall ensure that such order re-
16 quires generation, delivery, interchange, or transmission
17 of electric energy only during hours necessary to meet the
18 emergency and serve the public interest, and, to the max-
19 imum extent practicable, is consistent with any applicable
20 Federal, State, or local environmental law or regulation
21 and minimizes any adverse environmental impacts.

22 “(3) To the extent any omission or action taken by
23 a party, that is necessary to comply with an order issued
24 under this subsection, including any omission or action
25 taken to voluntarily comply with such order, results in

1 noncompliance with, or causes such party to not comply
2 with, any Federal, State, or local environmental law or
3 regulation, such omission or action shall not be considered
4 a violation of such environmental law or regulation, or
5 subject such party to any requirement, civil or criminal
6 liability, or a citizen suit under such environmental law
7 or regulation.

8 “(4)(A) An order issued under this subsection that
9 may result in a conflict with a requirement of any Federal,
10 State, or local environmental law or regulation shall expire
11 not later than 90 days after it is issued. The Commission
12 may renew or reissue such order pursuant to paragraphs
13 (1) and (2) for subsequent periods, not to exceed 90 days
14 for each period, as the Commission determines necessary
15 to meet the emergency and serve the public interest.

16 “(B) In renewing or reissuing an order under sub-
17 paragraph (A), the Commission shall consult with the pri-
18 mary Federal agency with expertise in the environmental
19 interest protected by such law or regulation, and shall in-
20 clude in any such renewed or reissued order such condi-
21 tions as such Federal agency determines necessary to min-
22 imize any adverse environmental impacts to the extent
23 practicable. The conditions, if any, submitted by such Fed-
24 eral agency shall be made available to the public. The
25 Commission may exclude such a condition from the re-

1 newed or reissued order if it determines that such condi-
2 tion would prevent the order from adequately addressing
3 the emergency necessitating such order and provides in
4 the order, or otherwise makes publicly available, an expla-
5 nation of such determination.

6 “(5) If an order issued under this subsection is subse-
7 quently stayed, modified, or set aside by a court pursuant
8 to section 313 or any other provision of law, any omission
9 or action previously taken by a party that was necessary
10 to comply with the order while the order was in effect,
11 including any omission or action taken to voluntarily com-
12 ply with the order, shall remain subject to paragraph
13 (3).”.

14 (b) TEMPORARY CONNECTION OR CONSTRUCTION BY
15 MUNICIPALITIES.—Section 202(d) of the Federal Power
16 Act (16 U.S.C. 824a(d)) is amended by inserting “or mu-
17 nicipality” before “engaged in the transmission or sale of
18 electric energy”.

19 **SEC. 1103. EMERGENCY PREPAREDNESS FOR ENERGY SUP-**
20 **PLY DISRUPTIONS.**

21 (a) FINDING.—Congress finds that recent natural
22 disasters have underscored the importance of having resil-
23 ient oil and natural gas infrastructure and effective ways
24 for industry and government to communicate to address
25 energy supply disruptions.

1 (b) AUTHORIZATION FOR ACTIVITIES TO ENHANCE
2 EMERGENCY PREPAREDNESS FOR NATURAL DISAS-
3 TERS.—The Secretary of Energy shall develop and adopt
4 procedures to—

5 (1) improve communication and coordination
6 between the Department of Energy’s energy re-
7 sponse team, Federal partners, and industry;

8 (2) leverage the Energy Information Adminis-
9 tration’s subject matter expertise within the Depart-
10 ment’s energy response team to improve supply
11 chain situation assessments;

12 (3) establish company liaisons and direct com-
13 munication with the Department’s energy response
14 team to improve situation assessments;

15 (4) streamline and enhance processes for ob-
16 taining temporary regulatory relief to speed up
17 emergency response and recovery;

18 (5) facilitate and increase engagement among
19 States, the oil and natural gas industry, and the De-
20 partment in developing State and local energy assur-
21 ance plans;

22 (6) establish routine education and training
23 programs for key government emergency response
24 positions with the Department and States; and

1 (7) involve States and the oil and natural gas
2 industry in comprehensive drill and exercise pro-
3 grams.

4 (c) COOPERATION.—The activities carried out under
5 subsection (b) shall include collaborative efforts with State
6 and local government officials and the private sector.

7 (d) REPORT.—Not later than 180 days after the date
8 of enactment of this Act, the Secretary of Energy shall
9 submit to Congress a report describing the effectiveness
10 of the activities authorized under this section.

11 **SEC. 1104. CRITICAL ELECTRIC INFRASTRUCTURE SECUR-**
12 **RITY.**

13 (a) CRITICAL ELECTRIC INFRASTRUCTURE SECUR-
14 RITY.—Part II of the Federal Power Act (16 U.S.C. 824
15 et seq.) is amended by adding after section 215 the fol-
16 lowing new section:

17 **“SEC. 215A. CRITICAL ELECTRIC INFRASTRUCTURE SECUR-**
18 **RITY.**

19 “(a) DEFINITIONS.—For purposes of this section:

20 “(1) BULK-POWER SYSTEM; ELECTRIC RELI-
21 ABILITY ORGANIZATION; REGIONAL ENTITY.—The
22 terms ‘bulk-power system’, ‘Electric Reliability Or-
23 ganization’, and ‘regional entity’ have the meanings
24 given such terms in paragraphs (1), (2), and (7) of
25 section 215(a), respectively.

1 “(2) CRITICAL ELECTRIC INFRASTRUCTURE.—

2 The term ‘critical electric infrastructure’ means a
3 system or asset of the bulk-power system, whether
4 physical or virtual, the incapacity or destruction of
5 which would negatively affect national security, eco-
6 nomic security, public health or safety, or any com-
7 bination of such matters.

8 “(3) CRITICAL ELECTRIC INFRASTRUCTURE IN-

9 FORMATION.—The term ‘critical electric infrastruc-
10 ture information’ means information related to crit-
11 ical electric infrastructure, or proposed critical elec-
12 trical infrastructure, generated by or provided to the
13 Commission or other Federal agency, other than
14 classified national security information, that is des-
15 ignated as critical electric infrastructure information
16 by the Commission under subsection (d)(2). Such
17 term includes information that qualifies as critical
18 energy infrastructure information under the Com-
19 mission’s regulations.

20 “(4) DEFENSE CRITICAL ELECTRIC INFRA-

21 STRUCTURE.—The term ‘defense critical electric in-
22 frastructure’ means any electric infrastructure lo-
23 cated in the United States (including the territories)
24 that serves a facility designated by the Secretary

1 pursuant to subsection (c), but is not owned or oper-
2 ated by the owner or operator of such facility.

3 “(5) ELECTROMAGNETIC PULSE.—The term
4 ‘electromagnetic pulse’ means 1 or more pulses of
5 electromagnetic energy emitted by a device capable
6 of disabling or disrupting operation of, or destroy-
7 ing, electronic devices or communications networks,
8 including hardware, software, and data, by means of
9 such a pulse.

10 “(6) GEOMAGNETIC STORM.—The term ‘geo-
11 magnetic storm’ means a temporary disturbance of
12 the Earth’s magnetic field resulting from solar activ-
13 ity.

14 “(7) GRID SECURITY EMERGENCY.—The term
15 ‘grid security emergency’ means the occurrence or
16 imminent danger of—

17 “(A)(i) a malicious act using electronic
18 communication or an electromagnetic pulse, or
19 a geomagnetic storm event, that could disrupt
20 the operation of those electronic devices or com-
21 munications networks, including hardware, soft-
22 ware, and data, that are essential to the reli-
23 ability of critical electric infrastructure or of de-
24 fense critical electric infrastructure; and

1 “(ii) disruption of the operation of such
2 devices or networks, with significant adverse ef-
3 fects on the reliability of critical electric infra-
4 structure or of defense critical electric infra-
5 structure, as a result of such act or event; or

6 “(B)(i) a direct physical attack on critical
7 electric infrastructure or on defense critical
8 electric infrastructure; and

9 “(ii) significant adverse effects on the reli-
10 ability of critical electric infrastructure or of de-
11 fense critical electric infrastructure as a result
12 of such physical attack.

13 “(8) SECRETARY.—The term ‘Secretary’ means
14 the Secretary of Energy.

15 “(b) AUTHORITY TO ADDRESS GRID SECURITY
16 EMERGENCY.—

17 “(1) AUTHORITY.—Whenever the President
18 issues and provides to the Secretary a written direc-
19 tive or determination identifying a grid security
20 emergency, the Secretary may, with or without no-
21 tice, hearing, or report, issue such orders for emer-
22 gency measures as are necessary in the judgment of
23 the Secretary to protect or restore the reliability of
24 critical electric infrastructure or of defense critical
25 electric infrastructure during such emergency. As

1 soon as practicable but not later than 180 days after
2 the date of enactment of this section, the Secretary
3 shall, after notice and opportunity for comment, es-
4 tablish rules of procedure that ensure that such au-
5 thority can be exercised expeditiously.

6 “(2) NOTIFICATION OF CONGRESS.—Whenever
7 the President issues and provides to the Secretary a
8 written directive or determination under paragraph
9 (1), the President shall promptly notify congres-
10 sional committees of relevant jurisdiction, including
11 the Committee on Energy and Commerce of the
12 House of Representatives and the Committee on En-
13 ergy and Natural Resources of the Senate, of the
14 contents of, and justification for, such directive or
15 determination.

16 “(3) CONSULTATION.—Before issuing an order
17 for emergency measures under paragraph (1), the
18 Secretary shall, to the extent practicable in light of
19 the nature of the grid security emergency and the
20 urgency of the need for action, consult with appro-
21 priate governmental authorities in Canada and Mex-
22 ico, entities described in paragraph (4), the Elec-
23 tricity Sub-sector Coordinating Council, the Commis-
24 sion, and other appropriate Federal agencies regard-
25 ing implementation of such emergency measures.

1 “(4) APPLICATION.—An order for emergency
2 measures under this subsection may apply to—

3 “(A) the Electric Reliability Organization;

4 “(B) a regional entity; or

5 “(C) any owner, user, or operator of crit-
6 ical electric infrastructure or of defense critical
7 electric infrastructure within the United States.

8 “(5) EXPIRATION AND REISSUANCE.—

9 “(A) IN GENERAL.—Except as provided in
10 subparagraph (B), an order for emergency
11 measures issued under paragraph (1) shall ex-
12 pire no later than 15 days after its issuance.

13 “(B) EXTENSIONS.—The Secretary may
14 reissue an order for emergency measures issued
15 under paragraph (1) for subsequent periods,
16 not to exceed 15 days for each such period, pro-
17 vided that the President, for each such period,
18 issues and provides to the Secretary a written
19 directive or determination that the grid security
20 emergency identified under paragraph (1) con-
21 tinues to exist or that the emergency measure
22 continues to be required.

23 “(6) COST RECOVERY.—

24 “(A) CRITICAL ELECTRIC INFRASTRUC-
25 TURE.—If the Commission determines that

1 owners, operators, or users of critical electric
2 infrastructure have incurred substantial costs to
3 comply with an order for emergency measures
4 issued under this subsection and that such costs
5 were prudently incurred and cannot reasonably
6 be recovered through regulated rates or market
7 prices for the electric energy or services sold by
8 such owners, operators, or users, the Commis-
9 sion shall, consistent with the requirements of
10 section 205, after notice and an opportunity for
11 comment, establish a mechanism that permits
12 such owners, operators, or users to recover such
13 costs.

14 “(B) DEFENSE CRITICAL ELECTRIC INFRA-
15 STRUCTURE.—To the extent the owner or oper-
16 ator of defense critical electric infrastructure is
17 required to take emergency measures pursuant
18 to an order issued under this subsection, the
19 owners or operators of a critical defense facility
20 or facilities designated by the Secretary pursu-
21 ant to subsection (c) that rely upon such infra-
22 structure shall bear the full incremental costs of
23 the measures.

24 “(7) TEMPORARY ACCESS TO CLASSIFIED IN-
25 FORMATION.—The Secretary, and other appropriate

1 Federal agencies, shall, to the extent practicable and
2 consistent with their obligations to protect classified
3 information, provide temporary access to classified
4 information related to a grid security emergency for
5 which emergency measures are issued under para-
6 graph (1) to key personnel of any entity subject to
7 such emergency measures to enable optimum com-
8 munication between the entity and the Secretary and
9 other appropriate Federal agencies regarding the
10 grid security emergency.

11 “(c) DESIGNATION OF CRITICAL DEFENSE FACILI-
12 TIES.—Not later than 180 days after the date of enact-
13 ment of this section, the Secretary, in consultation with
14 other appropriate Federal agencies and appropriate own-
15 ers, users, or operators of infrastructure that may be de-
16 fense critical electric infrastructure, shall identify and des-
17 ignate facilities located in the United States (including the
18 territories) that are—

19 “(1) critical to the defense of the United States;
20 and

21 “(2) vulnerable to a disruption of the supply of
22 electric energy provided to such facility by an exter-
23 nal provider.

24 The Secretary may, in consultation with appropriate Fed-
25 eral agencies and appropriate owners, users, or operators

1 of defense critical electric infrastructure, periodically re-
2 vise the list of designated facilities as necessary.

3 “(d) PROTECTION AND SHARING OF CRITICAL ELEC-
4 TRIC INFRASTRUCTURE INFORMATION.—

5 “(1) PROTECTION OF CRITICAL ELECTRIC IN-
6 FRASTRUCTURE INFORMATION.—Critical electric in-
7 frastructure information—

8 “(A) shall be exempt from disclosure under
9 section 552(b)(3) of title 5, United States Code;
10 and

11 “(B) shall not be made available by any
12 Federal, State, political subdivision or tribal au-
13 thority pursuant to any Federal, State, political
14 subdivision or tribal law requiring public disclo-
15 sure of information or records.

16 “(2) DESIGNATION AND SHARING OF CRITICAL
17 ELECTRIC INFRASTRUCTURE INFORMATION.—Not
18 later than one year after the date of enactment of
19 this section, the Commission, in consultation with
20 the Secretary of Energy, shall promulgate such reg-
21 ulations and issue such orders as necessary to—

22 “(A) designate information as critical elec-
23 tric infrastructure information;

24 “(B) prohibit the unauthorized disclosure
25 of critical electric infrastructure information;

1 “(C) ensure there are appropriate sanc-
2 tions in place for Commissioners, officers, em-
3 ployees, or agents of the Commission who
4 knowingly and willfully disclose critical electric
5 infrastructure information in a manner that is
6 not authorized under this section; and

7 “(D) taking into account standards of the
8 Electric Reliability Organization, facilitate vol-
9 untary sharing of critical electric infrastructure
10 information with, between, and by—

11 “(i) Federal, State, political subdivi-
12 sion, and tribal authorities;

13 “(ii) the Electric Reliability Organiza-
14 tion;

15 “(iii) regional entities;

16 “(iv) information sharing and analysis
17 centers established pursuant to Presi-
18 dential Decision Directive 63;

19 “(v) owners, operators, and users of
20 critical electric infrastructure in the United
21 States; and

22 “(vi) other entities determined appro-
23 priate by the Commission.

24 “(3) CONSIDERATIONS.—In promulgating regu-
25 lations and issuing orders under paragraph (2), the

1 Commission shall take into consideration the role of
2 State commissions in reviewing the prudence and
3 cost of investments, determining the rates and terms
4 of conditions for electric services, and ensuring the
5 safety and reliability of the bulk-power system and
6 distribution facilities within their respective jurisdic-
7 tions.

8 “(4) PROTOCOLS.—The Commission shall, in
9 consultation with Canadian and Mexican authorities,
10 develop protocols for the voluntary sharing of critical
11 electric infrastructure information with Canadian
12 and Mexican authorities and owners, operators, and
13 users of the bulk-power system outside the United
14 States.

15 “(5) NO REQUIRED SHARING OF INFORMA-
16 TION.—Nothing in this section shall require a person
17 or entity in possession of critical electric infrastruc-
18 ture information to share such information with
19 Federal, State, political subdivision, or tribal au-
20 thorities, or any other person or entity.

21 “(6) SUBMISSION OF INFORMATION TO CON-
22 GRESS.—Nothing in this section shall permit or au-
23 thorize the withholding of information from Con-
24 gress, any committee or subcommittee thereof, or
25 the Comptroller General.

1 “(7) DISCLOSURE OF NONPROTECTED INFOR-
2 MATION.—In implementing this section, the Com-
3 mission shall protect from disclosure only the min-
4 imum amount of information necessary to protect
5 the security and reliability of the bulk-power system
6 and distribution facilities. The Commission shall seg-
7 regate critical electric infrastructure information
8 within documents and electronic communications,
9 wherever feasible, to facilitate disclosure of informa-
10 tion that is not designated as critical electric infra-
11 structure information.

12 “(8) DURATION OF DESIGNATION.—Informa-
13 tion may not be designated as critical electric infra-
14 structure information for longer than 5 years, unless
15 specifically re-designated by the Commission.

16 “(9) REMOVAL OF DESIGNATION.—The Com-
17 mission shall remove the designation of critical elec-
18 tric infrastructure information, in whole or in part,
19 from a document or electronic communication if the
20 Commission determines that the unauthorized disclo-
21 sure of such information could no longer be used to
22 impair the security or reliability of the bulk-power
23 system or distribution facilities.

24 “(10) JUDICIAL REVIEW OF DESIGNATIONS.—
25 Notwithstanding section 313(b), any determination

1 by the Commission concerning the designation of
2 critical electric infrastructure information under this
3 subsection shall be subject to review under chapter
4 7 of title 5, United States Code, except that such re-
5 view shall be brought in the district court of the
6 United States in the district in which the complain-
7 ant resides, or has his principal place of business, or
8 in the District of Columbia. In such a case the court
9 shall examine in camera the contents of documents
10 or electronic communications that are the subject of
11 the determination under review to determine wheth-
12 er such documents or any part thereof were improv-
13 erly designated or not designated as critical electric
14 infrastructure information.

15 “(e) SECURITY CLEARANCES.—The Secretary shall
16 facilitate and, to the extent practicable, expedite the acqui-
17 sition of adequate security clearances by key personnel of
18 any entity subject to the requirements of this section, to
19 enable optimum communication with Federal agencies re-
20 garding threats to the security of the critical electric infra-
21 structure. The Secretary, the Commission, and other ap-
22 propriate Federal agencies shall, to the extent practicable
23 and consistent with their obligations to protect classified
24 and critical electric infrastructure information, share time-
25 ly actionable information regarding grid security with ap-

1 appropriate key personnel of owners, operators, and users
2 of the critical electric infrastructure.

3 “(f) CLARIFICATIONS OF LIABILITY.—

4 “(1) COMPLIANCE WITH OR VIOLATION OF THIS
5 ACT.—Except as provided in paragraph (4), to the
6 extent any action or omission taken by an entity
7 that is necessary to comply with an order for emer-
8 gency measures issued under subsection (b)(1), in-
9 cluding any action or omission taken to voluntarily
10 comply with such order, results in noncompliance
11 with, or causes such entity not to comply with any
12 rule, order, regulation, or provision of this Act, in-
13 cluding any reliability standard approved by the
14 Commission pursuant to section 215, such action or
15 omission shall not be considered a violation of such
16 rule, order, regulation, or provision.

17 “(2) RELATION TO SECTION 202(c).—Except as
18 provided in paragraph (4), an action or omission
19 taken by an owner, operator, or user of critical elec-
20 tric infrastructure or of defense critical electric in-
21 frastructure to comply with an order for emergency
22 measures issued under subsection (b)(1) shall be
23 treated as an action or omission taken to comply
24 with an order issued under section 202(c) for pur-
25 poses of such section.

1 “(3) SHARING OR RECEIPT OF INFORMATION.—
2 No cause of action shall lie or be maintained in any
3 Federal or State court for the sharing or receipt of
4 information under, and that is conducted in accord-
5 ance with, subsection (d).

6 “(4) RULE OF CONSTRUCTION.—Nothing in
7 this subsection shall be construed to require dis-
8 missal of a cause of action against an entity that,
9 in the course of complying with an order for emer-
10 gency measures issued under subsection (b)(1) by
11 taking an action or omission for which they would
12 be liable but for paragraph (1) or (2), takes such ac-
13 tion or omission in a grossly negligent manner.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) JURISDICTION.—Section 201(b)(2) of the
16 Federal Power Act (16 U.S.C. 824(b)(2)) is amend-
17 ed by inserting “215A,” after “215,” each place it
18 appears.

19 (2) PUBLIC UTILITY.—Section 201(e) of the
20 Federal Power Act (16 U.S.C. 824(e)) is amended
21 by inserting “215A,” after “215,”.

22 **SEC. 1105. STRATEGIC TRANSFORMER RESERVE.**

23 (a) FINDING.—Congress finds that the storage of
24 strategically located spare large power transformers and
25 emergency mobile substations will reduce the vulnerability

1 of the United States to multiple risks facing electric grid
2 reliability, including physical attack, cyber attack, electro-
3 magnetic pulse, geomagnetic disturbances, severe weather,
4 and seismic events.

5 (b) DEFINITIONS.—In this section:

6 (1) BULK-POWER SYSTEM.—The term “bulk-
7 power system” has the meaning given such term in
8 section 215(a) of the Federal Power Act (16 U.S.C.
9 824o(a)).

10 (2) CRITICALLY DAMAGED LARGE POWER
11 TRANSFORMER.—The term “critically damaged large
12 power transformer” means a large power trans-
13 former that—

14 (A) has sustained extensive damage such
15 that—

16 (i) repair or refurbishment is not eco-
17 nomically viable; or

18 (ii) the extensive time to repair or re-
19 furbish the large power transformer would
20 create an extended period of instability in
21 the bulk-power system; and

22 (B) prior to sustaining such damage, was
23 part of the bulk-power system.

24 (3) CRITICAL ELECTRIC INFRASTRUCTURE.—
25 The term “critical electric infrastructure” has the

1 meaning given that term in section 215A of the Fed-
2 eral Power Act.

3 (4) ELECTRIC RELIABILITY ORGANIZATION.—
4 The term “Electric Reliability Organization” has the
5 meaning given such term in section 215(a) of the
6 Federal Power Act (16 U.S.C. 824o(a)).

7 (5) EMERGENCY MOBILE SUBSTATION.—The
8 term “emergency mobile substation” means a mobile
9 substation or mobile transformer that is—

10 (A) assembled and permanently mounted
11 on a trailer that is capable of highway travel
12 and meets relevant Department of Transpor-
13 tation regulations; and

14 (B) intended for express deployment and
15 capable of being rapidly placed into service.

16 (6) LARGE POWER TRANSFORMER.—The term
17 “large power transformer” means a power trans-
18 former with a maximum nameplate rating of 100
19 megavolt-amperes or higher, including related crit-
20 ical equipment, that is, or is intended to be, a part
21 of the bulk-power system.

22 (7) SECRETARY.—The term “Secretary” means
23 the Secretary of Energy.

24 (8) SPARE LARGE POWER TRANSFORMER.—The
25 term “spare large power transformer” means a large

1 power transformer that is stored within the Stra-
2 tegic Transformer Reserve to be available to tempo-
3 rarily replace a critically damaged large power trans-
4 former.

5 (c) STRATEGIC TRANSFORMER RESERVE PLAN.—

6 (1) PLAN.—Not later than one year after the
7 date of enactment of this Act, the Secretary, acting
8 through the Office of Electricity Delivery and En-
9 ergy Reliability, shall, in consultation with the Fed-
10 eral Energy Regulatory Commission, the Electricity
11 Sub-sector Coordinating Council, the Electric Reli-
12 ability Organization, and owners and operators of
13 critical electric infrastructure and defense and mili-
14 tary installations, prepare and submit to Congress a
15 plan to establish a Strategic Transformer Reserve
16 for the storage, in strategically located facilities, of
17 spare large power transformers and emergency mo-
18 bile substations in sufficient numbers to temporarily
19 replace critically damaged large power transformers
20 and substations that are critical electric infrastruc-
21 ture or serve defense and military installations.

22 (2) INCLUSIONS.—The Strategic Transformer
23 Reserve plan shall include a description of—

24 (A) the appropriate number and type of
25 spare large power transformers necessary to

1 provide or restore sufficient resiliency to the
2 bulk-power system, critical electric infrastruc-
3 ture, and defense and military installations to
4 mitigate significant impacts to the electric grid
5 resulting from—

- 6 (i) physical attack;
- 7 (ii) cyber attack;
- 8 (iii) electromagnetic pulse attack;
- 9 (iv) geomagnetic disturbances;
- 10 (v) severe weather; or
- 11 (vi) seismic events;

12 (B) other critical electric grid equipment
13 for which an inventory of spare equipment, in-
14 cluding emergency mobile substations, is nec-
15 essary to provide or restore sufficient resiliency
16 to the bulk-power system, critical electric infra-
17 structure, and defense and military installa-
18 tions;

19 (C) the degree to which utility sector ac-
20 tions or initiatives, including individual utility
21 ownership of spare equipment, joint ownership
22 of spare equipment inventory, sharing agree-
23 ments, or other spare equipment reserves or ar-
24 rangements, satisfy the needs identified under
25 subparagraphs (A) and (B);

1 (D) the potential locations for, and feasi-
2 bility and appropriate number of, strategic stor-
3 age locations for reserve equipment, including
4 consideration of—

5 (i) the physical security of such loca-
6 tions;

7 (ii) the protection of the confiden-
8 tiality of such locations; and

9 (iii) the proximity of such locations to
10 sites of potentially critically damaged large
11 power transformers and substations that
12 are critical electric infrastructure or serve
13 defense and military installations, so as to
14 enable efficient delivery of equipment to
15 such sites;

16 (E) the necessary degree of flexibility of
17 spare large power transformers to be included
18 in the Strategic Transformer Reserve to con-
19 form to different substation configurations, in-
20 cluding consideration of transformer—

21 (i) power and voltage rating for each
22 winding;

23 (ii) overload requirements;

24 (iii) impedance between windings;

25 (iv) configuration of windings; and

1 (v) tap requirements;

2 (F) an estimate of the direct cost of the
3 Strategic Transformer Reserve, as proposed, in-
4 cluding—

5 (i) the cost of storage facilities;

6 (ii) the cost of the equipment; and

7 (iii) management, maintenance, and
8 operation costs;

9 (G) the funding options available to estab-
10 lish, stock, manage, and maintain the Strategic
11 Transformer Reserve, including consideration of
12 fees on owners and operators of bulk-power sys-
13 tem facilities, critical electric infrastructure,
14 and defense and military installations relying on
15 the Strategic Transformer Reserve, use of Fed-
16 eral appropriations, and public-private cost-
17 sharing options;

18 (H) the ease and speed of transportation,
19 installation, and energization of spare large
20 power transformers to be included in the Stra-
21 tegic Transformer Reserve, including consider-
22 ation of factors such as—

23 (i) transformer transportation weight;

24 (ii) transformer size;

25 (iii) topology of critical substations;

1 (iv) availability of appropriate trans-
2 former mounting pads;

3 (v) flexibility of the spare large power
4 transformers as described in subparagraph
5 (E); and

6 (vi) ability to rapidly transition a
7 spare large power transformer from stor-
8 age to energization;

9 (I) eligibility criteria for withdrawal of
10 equipment from the Strategic Transformer Re-
11 serve;

12 (J) the process by which owners or opera-
13 tors of critically damaged large power trans-
14 formers or substations that are critical electric
15 infrastructure or serve defense and military in-
16 stallations may apply for a withdrawal from the
17 Strategic Transformer Reserve;

18 (K) the process by which equipment with-
19 drawn from the Strategic Transformer Reserve
20 is returned to the Strategic Transformer Re-
21 serve or is replaced;

22 (L) possible fees to be paid by users of
23 equipment withdrawn from the Strategic Trans-
24 former Reserve;

1 (M) possible fees to be paid by owners and
2 operators of large power transformers and sub-
3 stations that are critical electric infrastructure
4 or serve defense and military installations to
5 cover operating costs of the Strategic Trans-
6 former Reserve;

7 (N) the domestic and international large
8 power transformer supply chain;

9 (O) the potential reliability, cost, and oper-
10 ational benefits of including emergency mobile
11 substations in any Strategic Transformer Re-
12 serve established under this section; and

13 (P) other considerations for designing, con-
14 structing, stocking, funding, and managing the
15 Strategic Transformer Reserve.

16 (d) ESTABLISHMENT.—The Secretary may establish
17 a Strategic Transformer Reserve in accordance with the
18 plan prepared pursuant to subsection (c) after the date
19 that is 6 months after the date on which such plan is sub-
20 mitted to Congress.

21 (e) DISCLOSURE OF INFORMATION.—Any informa-
22 tion included in the Strategic Transformer Reserve plan,
23 or shared in the preparation and development of such
24 plan, the disclosure of which could cause harm to critical
25 electric infrastructure, shall be exempt from disclosure

1 under section 552(b)(3) of title 5, United States Code, and
2 any State, tribal, or local law requiring disclosure of infor-
3 mation or records.

4 **SEC. 1106. CYBER SENSE.**

5 (a) IN GENERAL.—The Secretary of Energy shall es-
6 tablish a voluntary Cyber Sense program to identify and
7 promote cyber-secure products intended for use in the
8 bulk-power system, as defined in section 215(a) of the
9 Federal Power Act (16 U.S.C. 824o(a)).

10 (b) PROGRAM REQUIREMENTS.—In carrying out sub-
11 section (a), the Secretary of Energy shall—

12 (1) establish a Cyber Sense testing process to
13 identify products and technologies intended for use
14 in the bulk-power system, including products relat-
15 ing to industrial control systems, such as supervisory
16 control and data acquisition systems;

17 (2) for products tested and identified under the
18 Cyber Sense program, establish and maintain cyber-
19 security vulnerability reporting processes and a re-
20 lated database;

21 (3) promulgate regulations regarding vulner-
22 ability reporting processes for products tested and
23 identified under the Cyber Sense program;

24 (4) provide technical assistance to utilities,
25 product manufacturers, and other electric sector

1 stakeholders to develop solutions to mitigate identi-
2 fied vulnerabilities in products tested and identified
3 under the Cyber Sense program;

4 (5) biennially review products tested and identi-
5 fied under the Cyber Sense program for
6 vulnerabilities and provide analysis with respect to
7 how such products respond to and mitigate cyber
8 threats;

9 (6) develop procurement guidance for utilities
10 for products tested and identified under the Cyber
11 Sense program;

12 (7) provide reasonable notice to the public, and
13 solicit comments from the public, prior to estab-
14 lishing or revising the Cyber Sense testing process;

15 (8) oversee Cyber Sense testing carried out by
16 third parties; and

17 (9) consider incentives to encourage the use in
18 the bulk-power system of products tested and identi-
19 fied under the Cyber Sense program.

20 (c) DISCLOSURE OF INFORMATION.—Any vulner-
21 ability reported pursuant to regulations promulgated
22 under subsection (b)(3), the disclosure of which could
23 cause harm to critical electric infrastructure (as defined
24 in section 215A of the Federal Power Act), shall be ex-
25 empt from disclosure under section 552(b)(3) of title 5,

1 United States Code, and any State, tribal, or local law
2 requiring disclosure of information or records.

3 (d) FEDERAL GOVERNMENT LIABILITY.—Consistent
4 with other voluntary Federal Government certification
5 programs, nothing in this section shall be construed to au-
6 thorize the commencement of an action against the United
7 States Government with respect to the testing and identi-
8 fication of a product under the Cyber Sense program.

9 **SEC. 1107. STATE COVERAGE AND CONSIDERATION OF**
10 **PURPA STANDARDS FOR ELECTRIC UTILI-**
11 **TIES.**

12 (a) STATE CONSIDERATION OF RESILIENCY AND AD-
13 VANCED ENERGY ANALYTICS TECHNOLOGIES AND RELI-
14 ABLE GENERATION.—

15 (1) CONSIDERATION.—Section 111(d) of the
16 Public Utility Regulatory Policies Act of 1978 (16
17 U.S.C. 2621(d)) is amended by adding the following
18 at the end:

19 “(20) IMPROVING THE RESILIENCE OF ELEC-
20 TRIC INFRASTRUCTURE.—

21 “(A) IN GENERAL.—Each electric utility
22 shall develop a plan to use resiliency-related
23 technologies, upgrades, measures, and other ap-
24 proaches designed to improve the resilience of
25 electric infrastructure, mitigate power outages,

1 continue delivery of vital services, and maintain
2 the flow of power to facilities critical to public
3 health, safety, and welfare, to the extent prac-
4 ticable using the most current data, metrics,
5 and frameworks related to current and future
6 threats, including physical and cyber attacks,
7 electromagnetic pulse attacks, geomagnetic dis-
8 turbances, seismic events, and severe weather
9 and other environmental stressors.

10 “(B) RESILIENCY-RELATED TECH-
11 NOLOGIES.—For purposes of this paragraph,
12 examples of resiliency-related technologies, up-
13 grades, measures, and other approaches in-
14 clude—

15 “(i) hardening, or other enhanced pro-
16 tection, of utility poles, wiring, cabling,
17 and other distribution components, facili-
18 ties, or structures;

19 “(ii) advanced grid technologies capa-
20 ble of isolating or repairing problems re-
21 motely, such as advanced metering infra-
22 structure, high-tech sensors, grid moni-
23 toring and control systems, and remote re-
24 configuration and redundancy systems;

1 “(iii) cybersecurity products and com-
2 ponents;

3 “(iv) distributed generation, including
4 back-up generation to power critical facili-
5 ties and essential services, and related inte-
6 gration components, such as advanced in-
7 verter technology;

8 “(v) microgrid systems, including hy-
9 brid microgrid systems for isolated commu-
10 nities;

11 “(vi) combined heat and power;

12 “(vii) waste heat resources;

13 “(viii) non-grid-scale energy storage
14 technologies;

15 “(ix) wiring, cabling, and other dis-
16 tribution components, including submers-
17 ible distribution components, and enclo-
18 sures;

19 “(x) electronically controlled reclosers
20 and similar technologies for power restora-
21 tion, including emergency mobile sub-
22 stations, as defined in section 1105 of the
23 North American Energy Security and In-
24 frastructure Act of 2015;

1 “(xi) advanced energy analytics tech-
2 nology, such as Internet-based and cloud-
3 based computing solutions and subscription
4 licensing models;

5 “(xii) measures that enhance resil-
6 ience through planning, preparation, re-
7 sponse, and recovery activities;

8 “(xiii) operational capabilities to en-
9 hance resilience through rapid response re-
10 covery; and

11 “(xiv) measures to ensure availability
12 of key critical components through con-
13 tracts, cooperative agreements, stockpiling
14 and prepositioning, or other measures.

15 “(C) RATE RECOVERY.—Each State regu-
16 latory authority (with respect to each electric
17 utility for which it has ratemaking authority)
18 shall consider authorizing each such electric
19 utility to recover any capital, operating expendi-
20 ture, or other costs of the electric utility related
21 to the procurement, deployment, or use of resil-
22 iency-related technologies, including a reason-
23 able rate of return on the capital expenditures
24 of the electric utility for the procurement, de-

1 ployment, or use of resiliency-related tech-
2 nologies.

3 “(21) PROMOTING INVESTMENTS IN ADVANCED
4 ENERGY ANALYTICS TECHNOLOGY.—

5 “(A) IN GENERAL.—Each electric utility
6 shall develop and implement a plan for deploy-
7 ing advanced energy analytics technology.

8 “(B) RATE RECOVERY.—Each State regu-
9 latory authority (with respect to each electric
10 utility for which it has ratemaking authority)
11 shall consider confirming and clarifying, if nec-
12 essary, that each such electric utility is author-
13 ized to recover the costs of the electric utility
14 relating to the procurement, deployment, or use
15 of advanced energy analytics technology, includ-
16 ing a reasonable rate of return on all such costs
17 incurred by the electric utility for the procure-
18 ment, deployment, or use of advanced energy
19 analytics technology, provided such technology
20 is used by the electric utility for purposes of re-
21 realizing operational efficiencies, cost savings, en-
22 hanced energy management and customer en-
23 gagement, improvements in system reliability,
24 safety, and cybersecurity, or other benefits to
25 ratepayers.

1 “(C) ADVANCED ENERGY ANALYTICS
2 TECHNOLOGY.—For purposes of this para-
3 graph, examples of advanced energy analytics
4 technology include Internet-based and cloud-
5 based computing solutions and subscription li-
6 censing models, including software as a service
7 that uses cyber-physical systems to allow the
8 correlation of data aggregated from appropriate
9 data sources and smart grid sensor networks,
10 employs analytics and machine learning, or em-
11 ploys other advanced computing solutions and
12 models.

13 “(22) ASSURING ELECTRIC RELIABILITY WITH
14 RELIABLE GENERATION.—

15 “(A) ASSURANCE OF ELECTRIC RELI-
16 ABILITY.—Each electric utility shall adopt or
17 modify policies to ensure that such electric util-
18 ity incorporates reliable generation into its inte-
19 grated resource plan to assure the availability
20 of electric energy over a 10-year planning pe-
21 riod.

22 “(B) RELIABLE GENERATION.—For pur-
23 poses of this paragraph, ‘reliable generation’
24 means electric generation facilities with reli-
25 ability attributes that include—

1 “(i)(I) possession of adequate fuel on-
2 site to enable operation for an extended pe-
3 riod of time;

4 “(II) the operational ability to gen-
5 erate electric energy from more than one
6 source; or

7 “(III) fuel certainty, through firm
8 contractual obligations, that ensures ade-
9 quate fuel supply to enable operation, for
10 an extended period of time, for the dura-
11 tion of an emergency or severe weather
12 conditions;

13 “(ii) operational characteristics that
14 enable the generation of electric energy for
15 the duration of an emergency or severe
16 weather conditions; and

17 “(iii) unless procured through other
18 procurement mechanisms, essential reli-
19 ability services, including frequency sup-
20 port and regulation services.

21 “(23) SUBSIDIZATION OF CUSTOMER-SIDE
22 TECHNOLOGY.—

23 “(A) CONSIDERATION.—To the extent that
24 a State regulatory authority may require or
25 allow rates charged by any electric utility for

1 which it has ratemaking authority to electric
2 consumers that do not use a customer-side
3 technology to include any cost, fee, or charge
4 that directly or indirectly cross-subsidizes the
5 deployment, construction, maintenance, or oper-
6 ation of that customer-side technology, such au-
7 thority shall evaluate whether subsidizing the
8 deployment, construction, maintenance, or oper-
9 ation of a customer-side technology would—

10 “(i) result in benefits predominately
11 enjoyed by only the users of that customer-
12 side technology;

13 “(ii) shift costs of a customer-side
14 technology to electricity consumers that do
15 not use that customer-side technology, par-
16 ticularly where disparate economic or re-
17 source conditions exist among the elec-
18 tricity consumers cross-subsidizing the cus-
19 tomer-side technology;

20 “(iii) negatively affect resource utiliza-
21 tion, fuel diversity, or grid security;

22 “(iv) provide any unfair competitive
23 advantage to market the customer-side
24 technology; and

1 “(v) be necessary to fulfill an obliga-
2 tion to serve electric consumers.

3 “(B) PUBLIC NOTICE.—Each State regu-
4 latory authority shall make available to the pub-
5 lic the evaluation completed under subpara-
6 graph (A) at least 90 days prior to any pro-
7 ceedings in which such authority considers the
8 cross-subsidization of a customer-side tech-
9 nology.

10 “(C) CUSTOMER-SIDE TECHNOLOGY.—For
11 purposes of this paragraph, the term ‘customer-
12 side technology’ means a device connected to
13 the electricity distribution system—

14 “(i) at, or on the customer side of, the
15 meter; or

16 “(ii) that, if owned or operated by or
17 on behalf of an electric utility, would other-
18 wise be at, or on the customer side of, the
19 meter.”.

20 (2) COMPLIANCE.—

21 (A) TIME LIMITATIONS.—Section 112(b)
22 of the Public Utility Regulatory Policies Act of
23 1978 (16 U.S.C. 2622(b)) is amended by add-
24 ing at the end the following:

1 “(7)(A) Not later than 1 year after the date of
2 enactment of this paragraph, each State regulatory
3 authority (with respect to each electric utility for
4 which it has ratemaking authority) and each non-
5 regulated electric utility, as applicable, shall com-
6 mence the consideration referred to in section 111,
7 or set a hearing date for consideration, with respect
8 to the standards established by paragraphs (20),
9 (22), and (23) of section 111(d).

10 “(B) Not later than 2 years after the date of
11 the enactment of this paragraph, each State regu-
12 latory authority (with respect to each electric utility
13 for which it has ratemaking authority) and each
14 nonregulated electric utility, as applicable, shall com-
15 plete the consideration, and shall make the deter-
16 mination, referred to in section 111 with respect to
17 each standard established by paragraphs (20), (22),
18 and (23) of section 111(d).

19 “(8)(A) Not later than 6 months after the date
20 of enactment of this paragraph, each State regu-
21 latory authority (with respect to each electric utility
22 for which it has ratemaking authority) and each
23 nonregulated electric utility shall commence the con-
24 sideration referred to in section 111, or set a hear-

1 ing date for consideration, with respect to the stand-
2 ard established by paragraph (21) of section 111(d).

3 “(B) Not later than 1 year after the date of en-
4 actment of this paragraph, each State regulatory au-
5 thority (with respect to each electric utility for which
6 it has ratemaking authority) and each nonregulated
7 electric utility shall complete the consideration, and
8 shall make the determination, referred to in section
9 111 with respect to the standard established by
10 paragraph (21) of section 111(d).”.

11 (B) FAILURE TO COMPLY.—Section 112(c)
12 of the Public Utility Regulatory Policies Act of
13 1978 (16 U.S.C. 2622(c)) is amended by add-
14 ing the following at the end: “In the case of the
15 standards established by paragraphs (20)
16 through (23) of section 111(d), the reference
17 contained in this subsection to the date of en-
18 actment of this Act shall be deemed to be a ref-
19 erence to the date of enactment of such para-
20 graphs.”.

21 (C) PRIOR STATE ACTIONS.—Section 112
22 of the Public Utility Regulatory Policies Act of
23 1978 (16 U.S.C. 2622) is amended by adding
24 at the end the following new subsection:

1 “(g) PRIOR STATE ACTIONS.—Subsections (b) and
2 (c) of this section shall not apply to a standard established
3 by paragraph (20), (21), (22), or (23) of section 111(d)
4 in the case of any electric utility in a State if—

5 “(1) before the date of enactment of this sub-
6 section, the State has implemented for such utility
7 the standard concerned (or a comparable standard);

8 “(2) the State regulatory authority for such
9 State or relevant nonregulated electric utility has
10 conducted a proceeding to consider implementation
11 of the standard concerned (or a comparable stand-
12 ard) for such utility during the 3-year period ending
13 on the date of enactment of this subsection; or

14 “(3) the State legislature has voted on the im-
15 plementation of the standard concerned (or a com-
16 parable standard) for such utility during the 3-year
17 period ending on the date of enactment of this sub-
18 section.”.

19 (b) COVERAGE FOR COMPETITIVE MARKETS.—Sec-
20 tion 102 of the Public Utility Regulatory Policies Act of
21 1978 (16 U.S.C. 2612) is amended by adding at the end
22 the following:

23 “(d) COVERAGE FOR COMPETITIVE MARKETS.—The
24 requirements of this title do not apply to the operations
25 of an electric utility, or to proceedings respecting such op-

1 erations, to the extent that such operations or proceedings,
2 or any portion thereof, relate to the competitive sale of
3 retail electric energy that is unbundled or separated from
4 the regulated provision or sale of distribution service.”.

5 **SEC. 1108. RELIABILITY ANALYSIS FOR CERTAIN RULES**
6 **THAT AFFECT ELECTRIC GENERATING FA-**
7 **CILITIES.**

8 (a) **APPLICABILITY.**—This section shall apply with
9 respect to any proposed or final covered rule issued by
10 a Federal agency for which compliance with the rule may
11 impact an electric utility generating unit or units, includ-
12 ing by resulting in closure or interruption to operations
13 of such a unit or units.

14 (b) **RELIABILITY ANALYSIS.**—

15 (1) **ANALYSIS OF RULES.**—The Federal Energy
16 Regulatory Commission, in consultation with the
17 Electric Reliability Organization, shall conduct an
18 independent reliability analysis of a proposed or final
19 covered rule under this section to evaluate the antici-
20 pated effects of implementation and enforcement of
21 the rule on—

22 (A) electric reliability and resource ade-
23 quacy;

24 (B) the electricity generation portfolio of
25 the United States;

1 (C) the operation of wholesale electricity
2 markets; and

3 (D) energy delivery and infrastructure, in-
4 cluding electric transmission facilities and nat-
5 ural gas pipelines.

6 (2) RELEVANT INFORMATION.—

7 (A) MATERIALS FROM FEDERAL AGEN-
8 CIES.—A Federal agency shall provide to the
9 Commission materials and information relevant
10 to the analysis required under paragraph (1)
11 for a rule, including relevant data, modeling,
12 and resource adequacy and reliability assess-
13 ments, prepared or relied upon by such agency
14 in developing the rule.

15 (B) ANALYSES FROM OTHER ENTITIES.—
16 The Electric Reliability Organization, regional
17 entities, regional transmission organizations,
18 independent system operators, and other reli-
19 ability coordinators and planning authorities
20 shall timely conduct analyses and provide such
21 information as may be reasonably requested by
22 the Commission.

23 (3) NOTICE.—A Federal agency shall provide to
24 the Commission notice of the issuance of any pro-

1 posed or final covered rule not later than 15 days
2 after the date of such issuance.

3 (c) PROPOSED RULES.—Not later than 150 days
4 after the date of publication in the Federal Register of
5 a proposed rule described in subsection (a), the Federal
6 Energy Regulatory Commission shall make available to
7 the public an analysis of the proposed rule conducted in
8 accordance with subsection (b), and any relevant special
9 assessment or seasonal or long-term reliability assessment
10 completed by the Electric Reliability Organization.

11 (d) FINAL RULES.—

12 (1) INCLUSION.—A final rule described in sub-
13 section (a) shall include, if available at the time of
14 issuance, a copy of the analysis conducted pursuant
15 to subsection (c) of the rule as proposed.

16 (2) ANALYSIS.—Not later than 120 days after
17 the date of publication in the Federal Register of a
18 final rule described in subsection (a), the Federal
19 Energy Regulatory Commission shall make available
20 to the public an analysis of the final rule conducted
21 in accordance with subsection (b), and any relevant
22 special assessment or seasonal or long-term reli-
23 ability assessment completed by the Electric Reli-
24 ability Organization.

25 (e) DEFINITIONS.—In this section:

1 (1) ELECTRIC RELIABILITY ORGANIZATION.—
2 The term “Electric Reliability Organization” has the
3 meaning given to such term in section 215(a) of the
4 Federal Power Act (16 U.S.C. 824o(a)).

5 (2) FEDERAL AGENCY.—The term “Federal
6 agency” means an agency, as that term is defined
7 in section 551 of title 5, United States Code.

8 (3) COVERED RULE.—The term “covered rule”
9 means a proposed or final rule that is estimated by
10 the Federal agency issuing the rule, or the Director
11 of the Office of Management and Budget, to result
12 in an annual effect on the economy of
13 \$1,000,000,000 or more.

14 **SEC. 1109. CARBON CAPTURE, UTILIZATION, AND SEQUES-**
15 **TRATION TECHNOLOGIES.**

16 (a) AMENDMENTS TO THE ENERGY POLICY ACT OF
17 2005.—

18 (1) FOSSIL ENERGY.—Section 961(a) of the
19 Energy Policy Act of 2005 (42 U.S.C. 16291(a)) is
20 amended by adding at the end the following:

21 “(8) Improving the conversion, use, and storage
22 of carbon dioxide produced from fossil fuels.”.

23 (2) COAL AND RELATED TECHNOLOGIES PRO-
24 GRAM.—Section 962(b)(1) of the Energy Policy Act
25 of 2005 (42 U.S.C. 16292(b)(1)) is amended—

1 (A) by striking “during each of calendar
2 years 2008, 2010, 2012, and 2016, and during
3 each fiscal year beginning after September 30,
4 2021,” and inserting “during each fiscal year
5 beginning after September 30, 2016,”;

6 (B) by inserting “allow for large-scale
7 demonstration and” after “technologies that
8 would”; and

9 (C) by inserting “commercial use,” after
10 “use of coal for”.

11 (b) INCREASED ACCOUNTABILITY WITH RESPECT TO
12 CARBON CAPTURE, UTILIZATION, AND SEQUESTRATION
13 PROJECTS.—

14 (1) DOE EVALUATION.—

15 (A) IN GENERAL.—The Secretary of En-
16 ergy (in this subsection referred to as the “Sec-
17 retary”) shall, in accordance with this sub-
18 section, annually conduct an evaluation, and
19 make recommendations, with respect to each
20 project conducted by the Secretary for research,
21 development, demonstration, or deployment of
22 carbon capture, utilization, and sequestration
23 technologies (also known as carbon capture and
24 storage and utilization technologies).

1 (B) SCOPE.—For purposes of this sub-
2 section, a project includes any contract, lease,
3 cooperative agreement, or other similar trans-
4 action with a public agency or private organiza-
5 tion or person, entered into or performed, or
6 any payment made, by the Secretary for re-
7 search, development, demonstration, or deploy-
8 ment of carbon capture, utilization, and seques-
9 tration technologies.

10 (2) REQUIREMENTS FOR EVALUATION.—In con-
11 ducting an evaluation of a project under this sub-
12 section, the Secretary shall—

13 (A) examine if the project has made ad-
14 vancements toward achieving any specific goal
15 of the project with respect to a carbon capture,
16 utilization, and sequestration technology; and

17 (B) evaluate and determine if the project
18 has made significant progress in advancing a
19 carbon capture, utilization, and sequestration
20 technology.

21 (3) RECOMMENDATIONS.—For each evaluation
22 of a project conducted under this subsection, if the
23 Secretary determines that—

24 (A) significant progress in advancing a
25 carbon capture, utilization, and sequestration

1 technology has been made, the Secretary shall
2 assess the funding of the project and make a
3 recommendation as to whether increased fund-
4 ing is necessary to advance the project; or

5 (B) significant progress in advancing a
6 carbon capture, utilization, and sequestration
7 technology has not been made, the Secretary
8 shall—

9 (i) assess the funding of the project
10 and make a recommendation as to whether
11 increased funding is necessary to advance
12 the project;

13 (ii) assess and determine if the project
14 has reached its full potential; and

15 (iii) make a recommendation as to
16 whether the project should continue.

17 (4) REPORTS.—

18 (A) REPORT ON EVALUATIONS AND REC-
19 COMMENDATIONS.—Not later than 2 years after
20 the date of enactment of this Act, and every 2
21 years thereafter, the Secretary shall—

22 (i) issue a report on the evaluations
23 conducted and recommendations made dur-
24 ing the previous year pursuant to this sub-
25 section; and

1 (ii) make each such report available
2 on the Internet website of the Department
3 of Energy.

4 (B) REPORT.—Not later than 2 years after
5 the date of enactment of this Act, and every 3
6 years thereafter, the Secretary shall submit to
7 the Subcommittee on Energy and Power of the
8 Committee on Energy and Commerce of the
9 House of Representatives and the Committee
10 on Energy and Natural Resources of the Senate
11 a report on—

12 (i) the evaluations conducted and rec-
13 ommendations made during the previous 3
14 years pursuant to this subsection; and

15 (ii) the progress of the Department of
16 Energy in advancing carbon capture, utili-
17 zation, and sequestration technologies, in-
18 cluding progress in achieving the Depart-
19 ment of Energy’s goal of having an array
20 of advanced carbon capture and sequestra-
21 tion technologies ready by 2020 for large-
22 scale demonstration.

1 **SEC. 1110. RELIABILITY AND PERFORMANCE ASSURANCE**
2 **IN REGIONAL TRANSMISSION ORGANIZA-**
3 **TIONS.**

4 Part II of the Federal Power Act (16 U.S.C. 824 et
5 seq.), as amended by section 1104, is further amended by
6 adding after section 215A the following new section:

7 **“SEC. 215B. RELIABILITY AND PERFORMANCE ASSURANCE**
8 **IN REGIONAL TRANSMISSION ORGANIZA-**
9 **TIONS.**

10 “(a) EXISTING CAPACITY MARKETS.—

11 “(1) ANALYSIS CONCERNING CAPACITY MARKET
12 DESIGN.—Not later than 180 days after the date of
13 enactment of this section, each Regional Trans-
14 mission Organization, and each Independent System
15 Operator, that operates a capacity market, or a com-
16 parable market intended to ensure the procurement
17 and availability of sufficient future electric energy
18 resources, that is subject to the jurisdiction of the
19 Commission, shall provide to the Commission an
20 analysis of how the structure of such market meets
21 the following criteria:

22 “(A) The structure of such market utilizes
23 competitive market forces to the extent prac-
24 ticable in procuring capacity resources.

25 “(B) Consistent with subparagraph (A),
26 the structure of such market includes resource-

1 neutral performance criteria that ensure the
2 procurement of sufficient capacity from physical
3 generation facilities that have reliability at-
4 tributes that include—

5 “(i)(I) possession of adequate fuel on-
6 site to enable operation for an extended pe-
7 riod of time;

8 “(II) the operational ability to gen-
9 erate electric energy from more than one
10 fuel source; or

11 “(III) fuel certainty, through firm
12 contractual obligations, that ensures ade-
13 quate fuel supply to enable operation, for
14 an extended period of time, for the dura-
15 tion of an emergency or severe weather
16 conditions;

17 “(ii) operational characteristics that
18 enable the generation of electric energy for
19 the duration of an emergency or severe
20 weather conditions; and

21 “(iii) unless procured through other
22 markets or procurement mechanisms, es-
23 sential reliability services, including fre-
24 quency support and regulation services.

1 “(2) COMMISSION EVALUATION AND REPORT.—
2 Not later than 1 year after the date of enactment
3 of this section, the Commission shall make publicly
4 available, and submit to the Committee on Energy
5 and Commerce in the House of Representatives and
6 the Committee on Energy and Natural Resources in
7 the Senate, a report containing—

8 “(A) evaluation of whether the structure of
9 each market addressed in an analysis submitted
10 pursuant to paragraph (1) meets the criteria
11 under such paragraph, based on the analysis;
12 and

13 “(B) to the extent a market so addressed
14 does not meet such criteria, any recommenda-
15 tions with respect to the procurement of suffi-
16 cient capacity, as described in paragraph
17 (1)(B).

18 “(b) COMMISSION EVALUATION AND REPORT FOR
19 NEW SCHEDULES.—

20 “(1) INCLUSION OF ANALYSIS IN FILING.—Ex-
21 cept as provided in subsection (a)(2), whenever a
22 Regional Transmission Organization or Independent
23 System Operator files a new schedule under section
24 205 to establish a market described in subsection
25 (a)(1), or that substantially modifies the capacity

1 market design of a market described in subsection
2 (a)(1), the Regional Transmission Organization or
3 Independent System Operator shall include in any
4 such filing the analysis required by subsection
5 (a)(1).

6 “(2) EVALUATION AND REPORT.—Not later
7 than 180 days of receiving an analysis under para-
8 graph (1), the Commission shall make publicly avail-
9 able, and submit to the Committee on Energy and
10 Commerce in the House of Representatives and the
11 Committee on Energy and Natural Resources in the
12 Senate, a report containing—

13 “(A) an evaluation of whether the struc-
14 ture of the market addressed in the analysis
15 meets the criteria under subsection (a)(1),
16 based on the analysis; and

17 “(B) to the extent the market does not
18 meet such criteria, any recommendations with
19 respect to the procurement of sufficient capac-
20 ity, as described in subsection (a)(1)(B).

21 “(c) EFFECT ON EXISTING APPROVALS.—Nothing in
22 this section shall be considered to—

23 “(1) require a modification of the Commission’s
24 approval of the capacity market design approved

1 pursuant to docket numbers ER15–623–000, EL15–
2 29–000, EL14–52–000, and ER14–2419–000; or

3 “(2) provide grounds for the Commission to
4 grant rehearing or otherwise modify orders issued in
5 those dockets.”.

6 **Subtitle B—Energy Security and**
7 **Infrastructure Modernization**

8 **SEC. 1201. ENERGY SECURITY AND INFRASTRUCTURE MOD-**
9 **ERNIZATION FUND.**

10 (a) ESTABLISHMENT.—There is hereby established in
11 the Treasury of the United States a fund to be known
12 as the Energy Security and Infrastructure Modernization
13 Fund (referred to in this section as the “Fund”), con-
14 sisting of—

15 (1) collections deposited in the Fund under sub-
16 section (c); and

17 (2) amounts otherwise appropriated to the
18 Fund.

19 (b) PURPOSE.—The purpose of the Fund is—

20 (1) to provide for the construction, mainte-
21 nance, repair, and replacement of Strategic Petro-
22 leum Reserve facilities; and

23 (2) for carrying out non-Strategic Petroleum
24 Reserve projects needed to enhance the energy secu-
25 rity of the United States by increasing the resilience,

1 reliability, safety, and security of energy supply,
2 transmission, storage, or distribution infrastructure.

3 (c) COLLECTION AND DEPOSIT OF SALE PROCEEDS
4 IN FUND.—

5 (1) DRAWDOWN AND SALE.—Notwithstanding
6 section 161 of the Energy Policy and Conservation
7 Act (42 U.S.C. 6241), to the extent provided in ad-
8 vance in appropriation Acts, the Secretary of Energy
9 shall draw down and sell crude oil from the Stra-
10 tegic Petroleum Reserve in amounts as authorized
11 under subsection (e), except as provided in para-
12 graphs (2) and (3). Amounts received for a sale
13 under this subsection shall be deposited into the
14 Fund during the fiscal year in which the sale occurs.
15 Such amounts shall remain available in the Fund
16 without fiscal year limitation.

17 (2) EMERGENCY PROTECTION.—The Secretary
18 shall not draw down and sell crude oil under this
19 subsection in amounts that would limit the authority
20 to sell petroleum products under section 161(h) of
21 the Energy Policy and Conservation Act (42 U.S.C.
22 6241(h)) in the full amount authorized by that sub-
23 section.

24 (3) INVESTMENT PROTECTION.—The Secretary
25 shall not draw down and sell crude oil under this

1 subsection at a price lower than the average price
2 paid for oil in the Strategic Petroleum Reserve.

3 (d) AUTHORIZED USES OF FUND.—

4 (1) IN GENERAL.—Amounts in the Fund may
5 be used for, or may be credited as offsetting collec-
6 tions for amounts used for, carrying out the pro-
7 grams described in paragraphs (2), (3), and (4), to
8 the extent provided in advance in appropriation
9 Acts.

10 (2) PROGRAM TO MODERNIZE THE STRATEGIC
11 PETROLEUM RESERVE.—

12 (A) FINDINGS.—Congress finds the fol-
13 lowing:

14 (i) The Strategic Petroleum Reserve
15 is one of the Nation’s most valuable energy
16 security assets.

17 (ii) The age and condition of the Stra-
18 tegic Petroleum Reserve have diminished
19 its value as a Federal energy security
20 asset.

21 (iii) Global oil markets and the loca-
22 tion and amount of United States oil pro-
23 duction and refining capacity have dra-
24 matically changed in the 40 years since the

1 establishment of the Strategic Petroleum
2 Reserve.

3 (iv) Maximizing the energy security
4 value of the Strategic Petroleum Reserve
5 requires a modernized infrastructure that
6 meets the drawdown and distribution needs
7 of changed domestic and international oil
8 and refining market conditions.

9 (B) REAFFIRMATION OF POLICY.—Con-
10 gress reaffirms the continuing strategic impor-
11 tance and need for the Strategic Petroleum Re-
12 serve as found and declared in section 151 of
13 the Energy Policy and Conservation Act (42
14 U.S.C. 6231).

15 (C) PROGRAM.—The Secretary of Energy
16 shall establish a Strategic Petroleum Reserve
17 modernization program to protect the United
18 States economy from the impacts of emergency
19 petroleum product supply disruptions. The pro-
20 gram shall include—

21 (i) operational improvements to ex-
22 tend the useful life of surface and sub-
23 surface infrastructure;

24 (ii) maintenance of cavern storage in-
25 tegrity; and

1 (iii) addition of infrastructure and fa-
2 cilities to maximize the drawdown and in-
3 cremental distribution capacity of the Stra-
4 tegic Petroleum Reserve.

5 (3) PROGRAM TO ENHANCE SAFETY, PERFORM-
6 ANCE, AND RESILIENCE OF NATURAL GAS DISTRIBUTION SYSTEMS.—
7

8 (A) PROGRAM.—The Secretary of Energy
9 shall establish a grant program to provide fi-
10 nancial assistance to States to offset the incre-
11 mental rate increases paid by eligible house-
12 holds resulting from the implementation of
13 State-approved infrastructure replacement, re-
14 pair, and maintenance programs designed to ac-
15 celerate the necessary replacement, repair, or
16 maintenance of natural gas distribution sys-
17 tems.

18 (B) DATE OF ELIGIBILITY.—Awards may
19 be provided under this paragraph to offset rate
20 increases described in subsection (a) occurring
21 on or after July 1, 2015.

22 (C) PRIORITIZATION.—The Secretary shall
23 collaborate with States to prioritize the dis-
24 tribution of grants made under this paragraph.
25 At a minimum, the Secretary shall consider

1 prioritizing the distribution of grants to States
2 which have—

3 (i) authorized or adopted enhanced in-
4 frastructure replacement programs or in-
5 novative rate recovery mechanisms, such as
6 infrastructure cost trackers and riders, in-
7 frastructure base rate surcharges, deferred
8 regulatory asset programs, and earnings
9 stability mechanisms; and

10 (ii) a viable means for delivering fi-
11 nancial assistance to eligible households.

12 (D) DEFINITION.—In this paragraph, the
13 term “eligible household” means a household
14 that is eligible to receive payments under sec-
15 tion 8624(b)(2) of title 42, United States Code.

16 (4) PROGRAM TO ENHANCE ELECTRIC INFRA-
17 STRUCTURE RESILIENCE, RELIABILITY, AND ENERGY
18 SECURITY.—

19 (A) PROGRAM.—The Secretary shall estab-
20 lish a competitive grant program to provide
21 grants to States, units of local government, and
22 Indian tribe economic development entities to
23 enhance energy security through measures for
24 electricity delivery infrastructure hardening and
25 enhanced resilience and reliability.

1 (B) PURPOSE OF GRANTS.—The Secretary
2 may make grants on a competitive basis to en-
3 able broader use of resiliency-related tech-
4 nologies, upgrades, and institutional measures
5 and practices designed to—

6 (i) improve the resilience, reliability,
7 and security of electricity delivery infra-
8 structure;

9 (ii) improve preparedness and restora-
10 tion time to mitigate power disturbances
11 resulting from physical and cyber attacks,
12 electromagnetic pulse attacks, geomagnetic
13 disturbances, seismic events, and severe
14 weather and other environmental stressors;

15 (iii) continue delivery of power to fa-
16 cilities critical to public health, safety, and
17 welfare, including hospitals, assisted living
18 facilities, and schools;

19 (iv) continue delivery of power to elec-
20 tricity-dependent essential services, includ-
21 ing fueling stations and pumps, wastewater
22 and sewage treatment facilities, gas pipe-
23 line infrastructure, communications sys-
24 tems, transportation services and systems,

1 and services provided by emergency first
2 responders; and

3 (v) enhance regional grid resilience
4 and the resilience of electricity-dependent
5 regional infrastructure.

6 (C) EXAMPLES.—Resiliency-related tech-
7 nologies, upgrades, and measures with respect
8 to which grants may be made under this para-
9 graph include—

10 (i) hardening, or other enhanced pro-
11 tection, of utility poles, wiring, cabling,
12 and other distribution components, facili-
13 ties, or structures;

14 (ii) advanced grid technologies capable
15 of isolating or repairing problems remotely,
16 such as advanced metering infrastructure,
17 high-tech sensors, grid monitoring and
18 control systems, and remote reconfigura-
19 tion and redundancy systems;

20 (iii) cybersecurity products and com-
21 ponents;

22 (iv) distributed generation, including
23 back-up generation to power critical facili-
24 ties and essential services, and related inte-

- 1 gration components, such as advanced in-
- 2 verter technology;
- 3 (v) microgrid systems, including hy-
- 4 brid microgrid systems for isolated commu-
- 5 nities;
- 6 (vi) combined heat and power;
- 7 (vii) waste heat resources;
- 8 (viii) non-grid-scale energy storage
- 9 technologies;
- 10 (ix) wiring, cabling, and other dis-
- 11 tribution components, including submers-
- 12 ible distribution components, and enclo-
- 13 sures;
- 14 (x) electronically controlled reclosers
- 15 and similar technologies for power restora-
- 16 tion, including emergency mobile sub-
- 17 stations, as defined in section 1105 of the
- 18 North American Energy Security and In-
- 19 frastructure Act of 2015;
- 20 (xi) advanced energy analytics tech-
- 21 nology, such as Internet-based and cloud-
- 22 based computing solutions and subscription
- 23 licensing models;

1 (xii) measures that enhance resilience
2 through planning, preparation, response,
3 and recovery activities;

4 (xiii) operational capabilities to en-
5 hance resilience through rapid response re-
6 covery; and

7 (xiv) measures to ensure availability
8 of key critical components through con-
9 tracts, cooperative agreements, stockpiling
10 and prepositioning, or other measures.

11 (D) IMPLEMENTATION.—Specific projects
12 or programs established, or to be established,
13 pursuant to awards provided under this para-
14 graph shall be implemented through the States
15 by public and publicly regulated entities on a
16 cost-shared basis.

17 (E) COOPERATION.—In carrying out
18 projects or programs established, or to be estab-
19 lished, pursuant to awards provided under this
20 paragraph, award recipients shall cooperate, as
21 applicable, with—

22 (i) State public utility commissions;

23 (ii) State energy offices;

24 (iii) electric infrastructure owners and
25 operators; and

1 (iv) other entities responsible for
2 maintaining electric reliability.

3 (F) DATA AND METRICS.—

4 (i) IN GENERAL.—To the extent prac-
5 ticable, award recipients shall utilize the
6 most current data, metrics, and frame-
7 works related to—

8 (I) electricity delivery infrastruc-
9 ture hardening and enhancing resil-
10 ience and reliability; and

11 (II) current and future threats,
12 including physical and cyber attacks,
13 electromagnetic pulse, geomagnetic
14 disturbances, seismic events, and se-
15 vere weather and other environmental
16 stressors.

17 (ii) METRICS.—Award recipients shall
18 demonstrate to the Secretary with measur-
19 able and verifiable data how the deploy-
20 ment of resiliency-related technologies, up-
21 grades, and technologies achieve improve-
22 ments in the resiliency and recovery of
23 electricity delivery infrastructure and re-
24 lated services, including a comparison of
25 data collected before and after deployment.

1 Metrics for demonstrating improvements in
2 resiliency and recovery may include—

3 (I) power quality during power
4 disturbances when delivered power
5 does not meet power quality require-
6 ments of the customer;

7 (II) duration of customer inter-
8 ruptions;

9 (III) number of customers im-
10 pacted;

11 (IV) cost impacts, including busi-
12 ness and other economic losses;

13 (V) impacts on electricity-depend-
14 ent essential services and critical fa-
15 cilities; and

16 (VI) societal impacts.

17 (iii) FURTHERING ENERGY ASSUR-
18 ANCE PLANS.—Award recipients shall dem-
19 onstrate to the Secretary how projects or
20 programs established, or to be established,
21 pursuant to awards provided under this
22 paragraph further applicable State and
23 local energy assurance plans.

24 (G) MATCHING CONTRIBUTIONS.—The
25 Secretary may not make a grant under this

1 paragraph unless the applicant agrees to make
2 available non-Federal contributions (which may
3 include in-kind contributions) in an amount not
4 less than 50 percent of the Federal contribu-
5 tion.

6 (e) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated (and drawdowns and
8 sales under subsection (c) in an equal amount are author-
9 ized)—

10 (1) for carrying out subsection (d)(2),
11 \$500,000,000 for the period encompassing fiscal
12 years 2017 through 2020;

13 (2) for carrying out subsection (d)(3),
14 \$100,000,000 for the period encompassing fiscal
15 years 2017 through 2020, of which not more than
16 5 percent may be used for administrative expenses;
17 and

18 (3) for carrying out subsection (d)(4),
19 \$250,000,000 for the period encompassing fiscal
20 years 2017 through 2020, of which not more than
21 5 percent may be used for administrative expenses.

22 (f) TRANSMISSION OF DEPARTMENT BUDGET RE-
23 QUESTS.—The Secretary of Energy shall prepare and sub-
24 mit in the Department’s annual budget request to Con-
25 gress—

1 (1) an itemization of the amounts of funds nec-
2 essary to carry out subsection (d); and

3 (2) a designation of any activities thereunder
4 for which a multiyear budget authority would be ap-
5 propriate.

6 (g) SUNSET.—The authority of the Secretary to
7 drawdown and sell crude oil from the Strategic Petroleum
8 Reserve under this section shall expire at the end of fiscal
9 year 2020.

10 **Subtitle C—Hydropower** 11 **Regulatory Modernization**

12 **SEC. 1301. HYDROELECTRIC PRODUCTION AND EFFI-** 13 **CIENCY INCENTIVES.**

14 (a) HYDROELECTRIC PRODUCTION INCENTIVES.—
15 Section 242 of the Energy Policy Act of 2005 (42
16 U.S.C.15881) is amended—

17 (1) in subsection (c), by striking “10” and in-
18 serting “20”;

19 (2) in subsection (f), by striking “20” and in-
20 serting “30”; and

21 (3) in subsection (g), by striking “each of the
22 fiscal years 2006 through 2015” and inserting “each
23 of fiscal years 2016 through 2025”.

24 (b) HYDROELECTRIC EFFICIENCY IMPROVEMENT.—
25 Section 243(c) of the Energy Policy Act of 2005 (42

1 U.S.C. 15882(c)) is amended by striking “each of the fis-
2 cal years 2006 through 2015” and inserting “each of fis-
3 cal years 2016 through 2025”.

4 **SEC. 1302. PROTECTION OF PRIVATE PROPERTY RIGHTS IN**
5 **HYDROPOWER LICENSING.**

6 (a) LICENCES.—Section 4(e) of the Federal Power
7 Act (16 U.S.C. 797(e)) is amended—

8 (1) by striking “and” after “recreational oppor-
9 tunities,”; and

10 (2) by inserting “, and minimizing infringement
11 on the useful exercise and enjoyment of property
12 rights held by nonlicensees” after “aspects of envi-
13 ronmental quality”.

14 (b) PRIVATE LANDOWNERSHIP.—Section 10 of the
15 Federal Power Act (16 U.S.C. 803) is amended—

16 (1) in subsection (a)(1), by inserting “, includ-
17 ing minimizing infringement on the useful exercise
18 and enjoyment of property rights held by non-
19 licensees” after “section 4(e)”; and

20 (2) by adding at the end the following:

21 “(k) PRIVATE LANDOWNERSHIP.—In developing any
22 recreational resource within the project boundary, the li-
23 censee shall consider private landownership as a means to
24 encourage and facilitate—

25 “(1) private investment; and

1 “(2) increased tourism and recreational use.”.

2 **SEC. 1303. EXTENSION OF TIME FOR FERC PROJECT IN-**
3 **VOLVING W. KERR SCOTT DAM.**

4 (a) **IN GENERAL.**—Notwithstanding the time period
5 specified in section 13 of the Federal Power Act (16
6 U.S.C. 806) that would otherwise apply to the Federal En-
7 ergy Regulatory Commission project numbered 12642, the
8 Commission may, at the request of the licensee for the
9 project, and after reasonable notice, in accordance with
10 the good faith, due diligence, and public interest require-
11 ments of that section and the Commission’s procedures
12 under that section, extend the time period during which
13 the licensee is required to commence the construction of
14 the project for up to 3 consecutive 2-year periods from
15 the date of the expiration of the extension originally issued
16 by the Commission.

17 (b) **REINSTATEMENT OF EXPIRED LICENSE.**—If the
18 period required for commencement of construction of the
19 project described in subsection (a) has expired prior to the
20 date of the enactment of this Act, the Commission may
21 reinstate the license effective as of the date of its expira-
22 tion and the first extension authorized under subsection
23 (a) shall take effect on the date of such expiration.

1 **SEC. 1304. HYDROPOWER LICENSING AND PROCESS IM-**
2 **PROVEMENTS.**

3 Part I of the Federal Power Act (16 U.S.C. 792 et
4 seq.) is amended by adding at the end the following:

5 **“SEC. 34. HYDROPOWER LICENSING AND PROCESS IM-**
6 **PROVEMENTS.**

7 “(a) DEFINITION.—In this section, the term ‘Federal
8 authorization’—

9 “(1) means any authorization required under
10 Federal law with respect to an application for a li-
11 cense, license amendment, or exemption under this
12 part; and

13 “(2) includes any permits, special use author-
14 izations, certifications, opinions, or other approvals
15 as may be required under Federal law to approve or
16 implement the license, license amendment, or exemp-
17 tion under this part.

18 “(b) DESIGNATION AS LEAD AGENCY.—

19 “(1) IN GENERAL.—The Commission shall act
20 as the lead agency for the purposes of coordinating
21 all applicable Federal authorizations and for the
22 purposes of complying with the National Environ-
23 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

24 “(2) OTHER AGENCIES AND INDIAN TRIBES.—

25 “(A) IN GENERAL.—Each Federal, State,
26 and local government agency and Indian tribe

1 considering an aspect of an application for Fed-
2 eral authorization shall coordinate with the
3 Commission and comply with the deadline es-
4 tablished in the schedule developed for the
5 project in accordance with the rule issued by
6 the Commission under subsection (c).

7 “(B) IDENTIFICATION.—The Commission
8 shall identify, as early as practicable after it is
9 notified by the applicant of a project or facility
10 requiring Commission action under this part,
11 any Federal or State agency, local government,
12 or Indian tribe that may consider an aspect of
13 an application for a Federal authorization.

14 “(C) NOTIFICATION.—

15 “(i) IN GENERAL.—The Commission
16 shall notify any agency and Indian tribe
17 identified under subparagraph (B) of the
18 opportunity to participate in the process of
19 reviewing an aspect of an application for a
20 Federal authorization.

21 “(ii) DEADLINE.—Each agency and
22 Indian tribe receiving a notice under clause
23 (i) shall submit a response acknowledging
24 receipt of the notice to the Commission

1 within 30 days of receipt of such notice
2 and request.

3 “(D) ISSUE IDENTIFICATION AND RESOLU-
4 TION.—

5 “(i) IDENTIFICATION OF ISSUES.—
6 Federal, State, and local government agen-
7 cies and Indian tribes that may consider
8 an aspect of an application for Federal au-
9 thorization shall identify, as early as pos-
10 sible, and share with the Commission and
11 the applicant, any issues of concern identi-
12 fied during the pendency of the Commis-
13 sion’s action under this part relating to
14 any Federal authorization that may delay
15 or prevent the granting of such authoriza-
16 tion, including any issues that may prevent
17 the agency or Indian tribe from meeting
18 the schedule established for the project in
19 accordance with the rule issued by the
20 Commission under subsection (c).

21 “(ii) ISSUE RESOLUTION.—The Com-
22 mission may forward any issue of concern
23 identified under clause (i) to the heads of
24 the relevant State and Federal agencies
25 (including, in the case of scheduling con-

1 cerns identified by a State or local govern-
2 ment agency or Indian tribe, the Federal
3 agency overseeing the delegated authority,
4 or the Secretary of the Interior with re-
5 gard to scheduling concerns identified by
6 an Indian tribe) for resolution. The Com-
7 mission and any relevant agency shall
8 enter into a memorandum of under-
9 standing to facilitate interagency coordina-
10 tion and resolution of such issues of con-
11 cern, as appropriate.

12 “(c) SCHEDULE.—

13 “(1) COMMISSION RULEMAKING TO ESTABLISH
14 PROCESS TO SET SCHEDULE.—Within 180 days of
15 the date of enactment of this section the Commis-
16 sion shall, in consultation with the appropriate Fed-
17 eral agencies, issue a rule, after providing for notice
18 and public comment, establishing a process for set-
19 ting a schedule following the filing of an application
20 under this part for the review and disposition of
21 each Federal authorization.

22 “(2) ELEMENTS OF SCHEDULING RULE.—In
23 issuing a rule under this subsection, the Commission
24 shall ensure that the schedule for each Federal au-
25 thorization—

1 “(A) includes deadlines for actions by—

2 “(i) any Federal or State agency, local
3 government, or Indian tribe that may con-
4 sider an aspect of an application for the
5 Federal authorization;

6 “(ii) the applicant;

7 “(iii) the Commission; and

8 “(iv) other participants in a pro-
9 ceeding;

10 “(B) is developed in consultation with the
11 applicant and any agency and Indian tribe that
12 submits a response under subsection
13 (b)(2)(C)(ii);

14 “(C) provides an opportunity for any Fed-
15 eral or State agency, local government, or In-
16 dian tribe that may consider an aspect of an
17 application for the applicable Federal authoriza-
18 tion to identify and resolve issues of concern, as
19 provided in subsection (b)(2)(D);

20 “(D) complies with applicable schedules es-
21 tablished under Federal and State law;

22 “(E) ensures expeditious completion of all
23 proceedings required under Federal and State
24 law, to the extent practicable; and

1 “(F) facilitates completion of Federal and
2 State agency studies, reviews, and any other
3 procedures required prior to, or concurrent
4 with, the preparation of the Commission’s envi-
5 ronmental document required under the Na-
6 tional Environmental Policy Act of 1969 (42
7 U.S.C. 4321 et seq.).

8 “(d) TRANSMISSION OF FINAL SCHEDULE.—

9 “(1) IN GENERAL.—For each application for a
10 license, license amendment, or exemption under this
11 part, the Commission shall establish a schedule in
12 accordance with the rule issued by the Commission
13 under subsection (c). The Commission shall publicly
14 notice and transmit the final schedule to the appli-
15 cant and each agency and Indian tribe identified
16 under subsection (b)(2)(B).

17 “(2) RESPONSE.—Each agency and Indian
18 tribe receiving a schedule under this subsection shall
19 acknowledge receipt of such schedule in writing to
20 the Commission within 30 days.

21 “(e) ADHERENCE TO SCHEDULE.—All applicants,
22 other licensing participants, and agencies and tribes con-
23 sidering an aspect of an application for a Federal author-
24 ization shall meet the deadlines set forth in the schedule
25 established pursuant to subsection (d)(1).

1 “(f) APPLICATION PROCESSING.—The Commission,
2 Federal, State, and local government agencies, and Indian
3 tribes may allow an applicant seeking a Federal authoriza-
4 tion to fund a third-party contractor selected by such
5 agency or tribe to assist in reviewing the application. All
6 costs of an agency or tribe incurred pursuant to direct
7 funding by the applicant, including all costs associated
8 with the third party contractor, shall not be considered
9 costs of the United States for the administration of this
10 part under section 10(e).

11 “(g) COMMISSION RECOMMENDATION ON SCOPE OF
12 ENVIRONMENTAL REVIEW.—For the purposes of coordi-
13 nating Federal authorizations for each project, the Com-
14 mission shall consult with and make a recommendation
15 to agencies and Indian tribes receiving a schedule under
16 subsection (d) on the scope of the environmental review
17 for all Federal authorizations for such project. Each Fed-
18 eral and State agency and Indian tribe shall give due con-
19 sideration and may give deference to the Commission’s
20 recommendations, to the extent appropriate under Federal
21 law.

22 “(h) FAILURE TO MEET SCHEDULE.—A Federal,
23 State, or local government agency or Indian tribe that an-
24 ticipates that it will be unable to complete its disposition
25 of a Federal authorization by the deadline set forth in the

1 schedule established under subsection (d)(1) may file for
2 an extension as provided under section 313(b)(2).

3 “(i) CONSOLIDATED RECORD.—The Commission
4 shall, with the cooperation of Federal, State, and local
5 government agencies and Indian tribes, maintain a com-
6 plete consolidated record of all decisions made or actions
7 taken by the Commission or by a Federal administrative
8 agency or officer (or State or local government agency or
9 officer or Indian tribe acting under delegated Federal au-
10 thority) with respect to any Federal authorization. Such
11 record shall constitute the record for judicial review under
12 section 313(b).”.

13 **SEC. 1305. JUDICIAL REVIEW OF DELAYED FEDERAL AU-**
14 **THORIZATIONS.**

15 Section 313(b) of the Federal Power Act (16 U.S.C.
16 825l(b)) is amended—

17 (1) by striking “(b) Any party” and inserting
18 the following:

19 “(b) JUDICIAL REVIEW.—

20 “(1) IN GENERAL.—Any party”; and

21 (2) by adding at the end the following:

22 “(2) DELAY OF A FEDERAL AUTHORIZATION.—
23 Any Federal, State, or local government agency or
24 Indian tribe that will not complete its disposition of
25 a Federal authorization by the deadline set forth in

1 the schedule by the Commission under section 34
2 may file for an extension in the United States court
3 of appeals for any circuit wherein the project or pro-
4 posed project is located, or in the United States
5 Court of Appeals for the District of Columbia. Such
6 petition shall be filed not later than 30 days prior
7 to such deadline. The court shall only grant an ex-
8 tension if the agency or tribe demonstrates, based on
9 the record maintained under section 34, that it oth-
10 erwise complied with the requirements of section 34
11 and that complying with the schedule set by the
12 Commission would have prevented the agency or
13 tribe from complying with applicable Federal or
14 State law. If the court grants the extension, the
15 court shall set a reasonable schedule and deadline,
16 not to exceed 90 days, for the agency to act on re-
17 mand. If the court denies the extension, or if an
18 agency or tribe does not file for an extension as pro-
19 vided in this subsection and does not complete its
20 disposition of a Federal authorization by the applica-
21 ble deadline, the Commission and applicant may
22 move forward with the proposed action.”.

1 **SEC. 1306. LICENSING STUDY IMPROVEMENTS.**

2 Part I of the Federal Power Act (16 U.S.C. 792 et
3 seq.), as amended by section 1304, is further amended by
4 adding at the end the following:

5 **“SEC. 35. LICENSING STUDY IMPROVEMENTS.**

6 “(a) IN GENERAL.—To facilitate the timely and effi-
7 cient completion of the license proceedings under this part,
8 the Commission shall, in consultation with applicable Fed-
9 eral and State agencies and interested members of the
10 public—

11 “(1) compile current and accepted best prac-
12 tices in performing studies required in such license
13 proceedings, including methodologies and the design
14 of studies to assess the full range of environmental
15 impacts of a project that reflect the most recent
16 peer-reviewed science;

17 “(2) compile a comprehensive collection of stud-
18 ies and data accessible to the public that could be
19 used to inform license proceedings under this part;
20 and

21 “(3) encourage license applicants, agencies, and
22 Indian tribes to develop and use, for the purpose of
23 fostering timely and efficient consideration of license
24 applications, a limited number of open-source meth-
25 odologies and tools applicable across a wide array of

1 projects, including water balance models and
2 streamflow analyses.

3 “(b) USE OF STUDIES.—To the extent practicable,
4 the Commission and other Federal, State, and local gov-
5 ernment agencies and Indian tribes considering an aspect
6 of an application for Federal authorization shall use cur-
7 rent, accepted science toward studies and data in support
8 of their actions. Any participant in a proceeding with re-
9 spect to a Federal authorization shall demonstrate a study
10 requested by the party is not duplicative of current, exist-
11 ing studies that are applicable to the project.

12 “(c) BASIN-WIDE OR REGIONAL REVIEW.—The
13 Commission shall establish a program to develop com-
14 prehensive plans, at the request of project applicants, on
15 a regional or basin-wide scale, in consultation with the ap-
16 plicants, appropriate Federal agencies, and affected
17 States, local governments, and Indian tribes, in basins or
18 regions with respect to which there are more than one
19 project or application for a project. Upon such a request,
20 the Commission, in consultation with the applicants, such
21 Federal agencies, and affected States, local governments,
22 and Indian tribes, may conduct or commission regional or
23 basin-wide environmental studies, with the participation of
24 at least 2 applicants. Any study conducted under this sub-

1 section shall apply only to a project with respect to which
2 the applicant participates.”.

3 **SEC. 1307. CLOSED-LOOP PUMPED STORAGE PROJECTS.**

4 Part I of the Federal Power Act (16 U.S.C. 792 et
5 seq.), as amended by section 1306, is further amended by
6 adding at the end the following:

7 **“SEC. 36. CLOSED-LOOP PUMPED STORAGE PROJECTS.**

8 “(a) DEFINITION.—For purposes of this section, a
9 closed-loop pumped storage project is a project—

10 “(1) in which the upper and lower reservoirs do
11 not impound or directly withdraw water from navi-
12 gable waters; or

13 “(2) that is not continuously connected to a
14 naturally flowing water feature.

15 “(b) IN GENERAL.—As provided in this section, the
16 Commission may issue and amend licenses and prelimi-
17 nary permits, as appropriate, for closed-loop pumped stor-
18 age projects.

19 “(c) DAM SAFETY.—Before issuing any license for a
20 closed-loop pumped storage project, the Commission shall
21 assess the safety of existing dams and other structures
22 related to the project (including possible consequences as-
23 sociated with failure of such structures).

24 “(d) LICENSE CONDITIONS.—With respect to a
25 closed-loop pumped storage project, the authority of the

1 Commission to impose conditions on a license under sec-
2 tions 4(e), 10(a), 10(g), and 10(j) shall not apply, and
3 any condition included in or applicable to a closed-loop
4 pumped storage project licensed under this section, includ-
5 ing any condition or other requirement of a Federal au-
6 thorization, shall be limited to those that are—

7 “(1) necessary to protect public safety; or

8 “(2) reasonable, economically feasible, and es-
9 sential to prevent loss of or damage to, or to miti-
10 gate adverse effects on, fish and wildlife resources
11 directly caused by the construction and operation of
12 the project, as compared to the environmental base-
13 line existing at the time the Commission completes
14 its environmental review.

15 “(e) TRANSFERS.—Notwithstanding section 5, and
16 regardless of whether the holder of a preliminary permit
17 for a closed-loop pumped storage project claimed munic-
18 ipal preference under section 7(a) when obtaining the per-
19 mit, the Commission may, to facilitate development of a
20 closed-loop pumped storage project—

21 “(1) add entities as joint permittees following
22 issuance of a preliminary permit; and

23 “(2) transfer a license in part to one or more
24 nonmunicipal entities as co-licensees with a munici-
25 pality.”.

1 **SEC. 1308. LICENSE AMENDMENT IMPROVEMENTS.**

2 Part I of the Federal Power Act (16 U.S.C. 792 et
3 seq.), as amended by section 1307, is further amended by
4 adding at the end the following:

5 **“SEC. 37. LICENSE AMENDMENT IMPROVEMENTS.**

6 “(a) **QUALIFYING PROJECT UPGRADES.—**

7 “(1) **IN GENERAL.—**As provided in this section,
8 the Commission may approve an application for an
9 amendment to a license issued under this part for a
10 qualifying project upgrade.

11 “(2) **APPLICATION.—**A licensee filing an appli-
12 cation for an amendment to a project license under
13 this section shall include in such application infor-
14 mation sufficient to demonstrate that the proposed
15 change to the project described in the application is
16 a qualifying project upgrade.

17 “(3) **INITIAL DETERMINATION.—**Not later than
18 15 days after receipt of an application under para-
19 graph (2), the Commission shall make an initial de-
20 termination as to whether the proposed change to
21 the project described in the application for a license
22 amendment is a qualifying project upgrade. The
23 Commission shall publish its initial determination
24 and issue notice of the application filed under para-
25 graph (2). Such notice shall solicit public comment
26 on the initial determination within 45 days.

1 “(4) PUBLIC COMMENT ON QUALIFYING CRI-
2 TERIA.—The Commission shall accept public com-
3 ment regarding whether a proposed license amend-
4 ment is for a qualifying project upgrade for a period
5 of 45 days beginning on the date of publication of
6 a public notice described in paragraph (3), and
7 shall—

8 “(A) if no entity contests whether the pro-
9 posed license amendment is for a qualifying
10 project upgrade during such comment period,
11 immediately publish a notice stating that the
12 initial determination has not been contested; or

13 “(B) if an entity contests whether the pro-
14 posed license amendment is for a qualifying
15 project upgrade during the comment period,
16 issue a written determination in accordance
17 with paragraph (5).

18 “(5) WRITTEN DETERMINATION.—If an entity
19 contests whether the proposed license amendment is
20 for a qualifying project upgrade during the comment
21 period under paragraph (4), the Commission shall,
22 not later than 30 days after the date of publication
23 of the public notice of the initial determination
24 under paragraph (3), issue a written determination

1 as to whether the proposed license amendment is for
2 a qualifying project upgrade.

3 “(6) PUBLIC COMMENT ON AMENDMENT APPLI-
4 CATION.—If no entity contests whether the proposed
5 license amendment is for a qualifying project up-
6 grade during the comment period under paragraph
7 (4) or the Commission issues a written determina-
8 tion under paragraph (5) that a proposed license
9 amendment is a qualifying project upgrade, the
10 Commission shall—

11 “(A) during the 60-day period beginning
12 on the date of publication of a notice under
13 paragraph (4)(A) or the date on which the
14 Commission issues the written determination
15 under paragraph (5), as applicable, solicit com-
16 ments from each Federal, State, and local gov-
17 ernment agency and Indian tribe considering an
18 aspect of an application for Federal authoriza-
19 tion (as defined in section 34) with respect to
20 the proposed license amendment, as well as
21 other interested agencies, Indian tribes, and
22 members of the public; and

23 “(B) during the 90-day period beginning
24 on the date of publication of a notice under
25 paragraph (4)(A) or the date on which the

1 Commission issues the written determination
2 under paragraph (5), as applicable, consult
3 with—

4 “(i) appropriate Federal agencies and
5 the State agency exercising administrative
6 control over the fish and wildlife resources,
7 and water quality and supply, of the State
8 in which the qualifying project upgrade is
9 located;

10 “(ii) any Federal department super-
11 vising any public lands or reservations oc-
12 cupied by the qualifying project upgrade;
13 and

14 “(iii) any Indian tribe affected by the
15 qualifying project upgrade.

16 “(7) FEDERAL AUTHORIZATIONS.—The sched-
17 ule established by the Commission under section 34
18 for any project upgrade under this subsection shall
19 require final disposition on all necessary Federal au-
20 thorizations (as defined in section 34), other than
21 final action by the Commission, by not later than
22 120 days after the date on which the Commission
23 issues a notice under paragraph (4)(A) or a written
24 determination under paragraph (5), as applicable.

1 “(8) COMMISSION ACTION.—Not later than 150
2 days after the date on which the Commission issues
3 a notice under paragraph (4)(A) or a written deter-
4 mination under paragraph (5), as applicable, the
5 Commission shall take final action on the license
6 amendment application.

7 “(9) LICENSE AMENDMENT CONDITIONS.—Any
8 condition included in or applicable to a license
9 amendment approved under this subsection, includ-
10 ing any condition or other requirement of a Federal
11 authorization, shall be limited to those that are—

12 “(A) necessary to protect public safety; or

13 “(B) reasonable, economically feasible, and
14 essential to prevent loss of or damage to, or to
15 mitigate adverse effects on, fish and wildlife re-
16 sources, water supply, and water quality that
17 are directly caused by the construction and op-
18 eration of the qualifying project upgrade, as
19 compared to the environmental baseline existing
20 at the time the Commission approves the appli-
21 cation for the license amendment.

22 “(10) PROPOSED LICENSE AMENDMENTS THAT
23 ARE NOT QUALIFYING PROJECT UPGRADES.—If the
24 Commission determines under paragraph (3) or (5)
25 that a proposed license amendment is not for a

1 qualifying project upgrade, the procedures under
2 paragraphs (6) through (9) shall not apply to the
3 application.

4 “(11) RULEMAKING.—Not later than 180 days
5 after the date of enactment of this section, the Com-
6 mission shall, after notice and opportunity for public
7 comment, issue a rule to implement this subsection.

8 “(12) DEFINITIONS.—For purposes of this sub-
9 section:

10 “(A) QUALIFYING PROJECT UPGRADE.—
11 The term ‘qualifying project upgrade’ means a
12 change to a project licensed under this part
13 that meets the qualifying criteria, as deter-
14 mined by the Commission.

15 “(B) QUALIFYING CRITERIA.—The term
16 ‘qualifying criteria’ means, with respect to a
17 project license under this part, a change to the
18 project that—

19 “(i) if carried out, would be unlikely
20 to adversely affect any species listed as
21 threatened or endangered under the En-
22 dangered Species Act of 1973 or result in
23 the destruction or adverse modification of
24 critical habitat, as determined in consulta-
25 tion with the Secretary of the Interior or

1 Secretary of Commerce, as appropriate, in
2 accordance with section 7 of the Endan-
3 gered Species Act of 1973;

4 “(ii) is consistent with any applicable
5 comprehensive plan under section 10(a)(2);

6 “(iii) includes only changes to project
7 lands, waters, or operations that, in the
8 judgment of the Commission, would result
9 in only insignificant or minimal cumulative
10 adverse environmental effects;

11 “(iv) would be unlikely to adversely
12 affect water quality and water supply; and

13 “(v) proposes to implement—

14 “(I) capacity increases, efficiency
15 improvements, or other enhancements
16 to hydropower generation at the li-
17 censed project;

18 “(II) environmental protection,
19 mitigation, or enhancement measures
20 to benefit fish and wildlife resources
21 or other natural and cultural re-
22 sources; or

23 “(III) improvements to public
24 recreation at the licensed project.

25 “(b) AMENDMENT APPROVAL PROCESSES.—

1 “(1) RULE.—Not later than 1 year after the
2 date of enactment of this section, the Commission
3 shall, after notice and opportunity for public com-
4 ment, issue a rule establishing new standards and
5 procedures for license amendment applications under
6 this part. In issuing such rule, the Commission shall
7 seek to develop the most efficient and expedient
8 process, consultation, and review requirements, com-
9 mensurate with the scope of different categories of
10 proposed license amendments. Such rule shall ac-
11 count for differences in environmental effects across
12 a wide range of categories of license amendment ap-
13 plications.

14 “(2) CAPACITY.—In issuing a rule under this
15 subsection, the Commission shall take into consider-
16 ation that a change in generating or hydraulic ca-
17 pacity may indicate the potential environmental ef-
18 fects of a proposed amendment but is not determina-
19 tive of such effects.

20 “(3) PROCESS OPTIONS.—In issuing a rule
21 under this subsection, the Commission shall take
22 into consideration the range of process options avail-
23 able under the Commission’s regulations for new
24 and original license applications and adapt such op-

1 tions to amendment applications, where appro-
2 priate.”.

3 **SEC. 1309. PROMOTING HYDROPOWER DEVELOPMENT AT**
4 **EXISTING NONPOWERED DAMS.**

5 Part I of the Federal Power Act (16 U.S.C. 792 et
6 seq.), as amended by section 1308, is further amended by
7 adding at the end the following:

8 **“SEC. 38. PROMOTING HYDROPOWER DEVELOPMENT AT**
9 **EXISTING NONPOWERED DAMS.**

10 **“(a) EXEMPTIONS FOR QUALIFYING FACILITIES.—**

11 **“(1) EXEMPTION QUALIFICATIONS.—**Subject to
12 the requirements of this subsection, the Commission
13 may grant an exemption in whole or in part from
14 the requirements of this part, including any license
15 requirements contained in this part, to any facility
16 the Commission determines is a qualifying facility.

17 **“(2) CONSULTATION WITH FEDERAL AND**
18 **STATE AGENCIES.—**In granting any exemption under
19 this subsection, the Commission shall consult with—

20 **“(A)** the United States Fish and Wildlife
21 Service, the National Marine Fisheries Service,
22 and the State agency exercising administrative
23 control over the fish and wildlife resources of
24 the State in which the facility will be located,

1 in the manner provided by the Fish and Wild-
2 life Coordination Act;

3 “(B) any Federal department supervising
4 any public lands or reservations occupied by the
5 project; and

6 “(C) any Indian tribe affected by the
7 project.

8 “(3) EXEMPTION CONDITIONS.—

9 “(A) IN GENERAL.—The Commission shall
10 include in any exemption granted under this
11 subsection only such terms and conditions that
12 the Commission determines are—

13 “(i) necessary to protect public safety;

14 or

15 “(ii) reasonable, economically feasible,
16 and essential to prevent loss of or damage
17 to, or to mitigate adverse effects on, fish
18 and wildlife resources directly caused by
19 the construction and operation of the
20 qualifying facility, as compared to the envi-
21 ronmental baseline existing at the time the
22 Commission grants the exemption.

23 “(B) NO CHANGES TO RELEASE RE-
24 GIME.—No Federal authorization required with
25 respect to a qualifying facility described in

1 paragraph (1), including an exemption granted
2 by the Commission under this subsection, may
3 include any condition or other requirement that
4 results in any material change to the storage,
5 control, withdrawal, diversion, release, or flow
6 operations of the associated qualifying nonpow-
7 ered dam.

8 “(4) ENVIRONMENTAL REVIEW.—The Commis-
9 sion’s environmental review under the National En-
10 vironmental Policy Act of 1969 of a proposed ex-
11 emption under this subsection shall consist only of
12 an environmental assessment, unless the Commis-
13 sion determines, by rule or order, that the Commis-
14 sion’s obligations under such Act for granting ex-
15 emptions under this subsection can be met through
16 a categorical exclusion.

17 “(5) VIOLATION OF TERMS OF EXEMPTION.—
18 Any violation of a term or condition of any exemp-
19 tion granted under this subsection shall be treated
20 as a violation of a rule or order of the Commission
21 under this Act.

22 “(6) ANNUAL CHARGES FOR ENHANCEMENT
23 ACTIVITIES.—Exemtees under this subsection for
24 any facility located at a non-Federal dam shall pay
25 to the United States reasonable annual charges in

1 an amount to be fixed by the Commission for the
2 purpose of funding environmental enhancement
3 projects in watersheds in which facilities exempted
4 under this subsection are located. Such annual
5 charges shall be equivalent to the annual charges for
6 use of a Government dam under section 10(e), un-
7 less the Commission determines, by rule, that a
8 lower charge is appropriate to protect exemptees' in-
9 vestment in the project or avoid increasing the price
10 to consumers of power due to such charges. The pro-
11 ceeds of charges made by the Commission under this
12 paragraph shall be paid into the Treasury of the
13 United States and credited to miscellaneous receipts.
14 Subject to annual appropriation Acts, such proceeds
15 shall be available to Federal and State fish and wild-
16 life agencies for purposes of carrying out specific en-
17 vironmental enhancement projects in watersheds in
18 which one or more facilities exempted under this
19 subsection are located. Not later than 180 days after
20 the date of enactment of this section, the Commis-
21 sion shall establish rules, after notice and oppor-
22 tunity for public comment, for the collection and ad-
23 ministration of annual charges under this para-
24 graph.

1 “(7) EFFECT OF JURISDICTION.—The jurisdic-
2 tion of the Commission over any qualifying facility
3 exempted under this subsection shall extend only to
4 the qualifying facility exempted and any associated
5 primary transmission line, and shall not extend to
6 any conduit, dam, impoundment, shoreline or other
7 land, or any other project work associated with the
8 qualifying facility exempted under this subsection.

9 “(b) DEFINITIONS.—For purposes of this section—

10 “(1) FEDERAL AUTHORIZATION.—The term
11 ‘Federal authorization’ has the same meaning as
12 provided in section 34.

13 “(2) QUALIFYING CRITERIA.—The term ‘quali-
14 fying criteria’ means, with respect to a facility—

15 “(A) as of the date of enactment of this
16 section, the facility is not licensed under, or ex-
17 empted from the license requirements contained
18 in, this part;

19 “(B) the facility will be associated with a
20 qualifying nonpowered dam;

21 “(C) the facility will be constructed, oper-
22 ated, and maintained for the generation of elec-
23 tric power;

24 “(D) the facility will use for such genera-
25 tion any withdrawals, diversions, releases, or

1 flows from the associated qualifying nonpow-
2 ered dam, including its associated impoundment
3 or other infrastructure; and

4 “(E) the operation of the facility will not
5 result in any material change to the storage,
6 control, withdrawal, diversion, release, or flow
7 operations of the associated qualifying nonpow-
8 ered dam.

9 “(3) QUALIFYING FACILITY.—The term ‘quali-
10 fying facility’ means a facility that is determined
11 under this section to meet the qualifying criteria.

12 “(4) QUALIFYING NONPOWERED DAM.—The
13 term ‘qualifying nonpowered dam’ means any dam,
14 dike, embankment, or other barrier—

15 “(A) the construction of which was com-
16 pleted on or before the date of enactment of
17 this section;

18 “(B) that is operated for the control, re-
19 lease, or distribution of water for agricultural,
20 municipal, navigational, industrial, commercial,
21 environmental, recreational, aesthetic, or flood
22 control purposes;

23 “(C) that, as of the date of enactment of
24 this section, is not equipped with hydropower
25 generating works that are licensed under, or ex-

1 empted from the license requirements contained
2 in, this part; and

3 “(D) that, in the case of a non-Federal
4 dam, has been certified by an independent con-
5 sultant approved by the Commission as com-
6 plying with the Commission’s dam safety re-
7 quirements.”.

8 **TITLE II—21ST CENTURY** 9 **WORKFORCE**

10 **SEC. 2001. ENERGY AND MANUFACTURING WORKFORCE DE-** 11 **VELOPMENT.**

12 (a) IN GENERAL.—The Secretary of Energy (in this
13 section referred to as the “Secretary”) shall establish and
14 carry out a comprehensive program to improve education
15 and training for energy and manufacturing-related jobs in
16 order to increase the number of skilled workers trained
17 to work in energy and manufacturing-related fields, in-
18 cluding by—

19 (1) encouraging underrepresented groups, in-
20 cluding religious and ethnic minorities, women, vet-
21 erans, individuals with disabilities, and
22 socioeconomically disadvantaged individuals to enter
23 into the science, technology, engineering, and mathe-
24 matics (in this section referred to as “STEM”)
25 fields;

1 (2) encouraging the Nation's education system
2 to equip students with the skills, mentorships, train-
3 ing, and technical expertise necessary to fill the em-
4 ployment opportunities vital to managing and oper-
5 ating the Nation's energy and manufacturing indus-
6 tries;

7 (3) providing students and other candidates for
8 employment with the necessary skills and certifi-
9 cations for skilled, semiskilled, and highly skilled en-
10 ergy and manufacturing-related jobs; and

11 (4) strengthening and more fully engaging De-
12 partment of Energy programs and labs in carrying
13 out the Department's Minorities in Energy Initia-
14 tive.

15 (b) PRIORITY.—The Secretary shall make educating
16 and training underrepresented groups for energy and
17 manufacturing-related jobs a national priority under the
18 program established under subsection (a).

19 (c) DIRECT ASSISTANCE.—In carrying out the pro-
20 gram established under subsection (a), the Secretary shall
21 provide direct assistance (including financial assistance
22 awards, technical expertise, wraparound services, career
23 coaching, mentorships, internships, and partnerships) to
24 schools, community colleges, workforce development orga-
25 nizations, nonprofit organizations, labor organizations, ap-

1 prenticeship programs, and minority serving institutions.
2 The Secretary shall distribute direct assistance in a man-
3 ner proportional to energy and manufacturing industry
4 needs and demand for jobs, consistent with information
5 obtained under subsections (e)(3) and (i).

6 (d) CLEARINGHOUSE.—In carrying out the program
7 established under subsection (a), the Secretary shall estab-
8 lish a clearinghouse to—

9 (1) maintain and update information and re-
10 sources on training and workforce development pro-
11 grams for energy and manufacturing-related jobs,
12 including job training and workforce development
13 programs available to assist displaced and unem-
14 ployed energy and manufacturing workers
15 transitioning to new employment; and

16 (2) act as a resource, and provide guidance, for
17 schools, community colleges, universities (including
18 minority serving institutions), workforce develop-
19 ment programs, labor-management organizations,
20 and industry organizations that would like to de-
21 velop and implement energy and manufacturing-re-
22 lated training programs.

23 (e) COLLABORATION.—In carrying out the program
24 established under subsection (a), the Secretary—

1 (1) shall collaborate with schools, community
2 colleges, universities (including minority serving in-
3 stitutions), workforce-training organizations, na-
4 tional laboratories, unions, State energy offices,
5 workforce investment boards, and the energy and
6 manufacturing industries;

7 (2) shall encourage and foster collaboration,
8 mentorships, and partnerships among organizations
9 (including unions, industry, schools, community col-
10 leges, workforce-development organizations, and col-
11 leges and universities) that currently provide effec-
12 tive job training programs in the energy and manu-
13 facturing fields and institutions (including schools,
14 community colleges, workforce development pro-
15 grams, and colleges and universities) that seek to es-
16 tablish these types of programs in order to share
17 best practices and approaches that best suit local,
18 State, and national needs; and

19 (3) shall collaborate with the Bureau of Labor
20 Statistics, the Department of Commerce, the Bureau
21 of the Census, and the energy and manufacturing
22 industries to develop a comprehensive and detailed
23 understanding of the energy and manufacturing
24 workforce needs and opportunities by State and by
25 region, and publish an annual report on energy and

1 manufacturing job creation by the sectors enumer-
2 ated in subsection (i).

3 (f) GUIDELINES FOR EDUCATIONAL INSTITU-
4 TIONS.—

5 (1) IN GENERAL.—In carrying out the program
6 established under subsection (a), the Secretary, in
7 collaboration with the Secretary of Education, the
8 Secretary of Commerce, the Secretary of Labor, the
9 National Science Foundation, and industry shall de-
10 velop voluntary guidelines and best practices for
11 educational institutions of all levels, including for el-
12 ementary and secondary schools and community col-
13 leges and for undergraduate, graduate, and post-
14 graduate university programs, to help provide grad-
15 uates with the skills necessary to work in energy and
16 manufacturing-related jobs.

17 (2) INPUT.—The Secretary shall solicit input
18 from the oil, gas, coal, renewable, nuclear, utility,
19 energy-intensive and advanced manufacturing, and
20 pipeline industries in developing guidelines under
21 paragraph (1).

22 (3) ENERGY AND MANUFACTURING EFFICIENCY
23 AND CONSERVATION INITIATIVES.—The guidelines
24 developed under paragraph (1) shall include grade-
25 specific guidelines for teaching energy and manufac-

1 turing efficiency and conservation initiatives to edu-
2 cate students and families.

3 (4) STEM EDUCATION.—The guidelines devel-
4 oped under paragraph (1) shall promote STEM edu-
5 cation as it relates to job opportunities in energy
6 and manufacturing-related fields of study in schools,
7 community colleges, and universities nationally.

8 (g) OUTREACH TO MINORITY SERVING INSTITU-
9 TIONS.—In carrying out the program established under
10 subsection (a), the Secretary shall—

11 (1) give special consideration to increasing out-
12 reach to minority serving institutions (including his-
13 torically black colleges and universities, predomi-
14 nantly black institutions, Hispanic serving institu-
15 tions, and tribal institutions);

16 (2) make resources available to minority serving
17 institutions with the objective of increasing the num-
18 ber of skilled minorities and women trained to go
19 into the energy and manufacturing sectors;

20 (3) encourage industry to improve the opportu-
21 nities for students of minority serving institutions to
22 participate in industry internships and cooperative
23 work/study programs; and

24 (4) partner with the Department of Energy lab-
25 oratories to increase underrepresented groups' par-

1 participation in internships, fellowships, traineeships,
2 and employment at all Department of Energy lab-
3 oratories.

4 (h) OUTREACH TO DISPLACED AND UNEMPLOYED
5 ENERGY AND MANUFACTURING WORKERS.—In carrying
6 out the program established under subsection (a), the Sec-
7 retary shall—

8 (1) give special consideration to increasing out-
9 reach to employers and job trainers preparing dis-
10 placed and unemployed energy and manufacturing
11 workers for emerging energy and manufacturing
12 jobs;

13 (2) make resources available to institutions
14 serving displaced and unemployed energy and manu-
15 facturing workers with the objective of training indi-
16 viduals to re-enter the energy and manufacturing
17 workforce;

18 (3) encourage the energy and manufacturing in-
19 dustries to improve opportunities for displaced and
20 unemployed energy and manufacturing workers to
21 participate in internships and cooperative work/study
22 programs; and

23 (4) work closely with the energy and manufac-
24 turing industries to identify energy and manufac-
25 turing operations, such as coal-fired power plants

1 and coal mines, scheduled for closure and to provide
2 early intervention assistance to workers employed at
3 such energy and manufacturing operations by—

4 (A) giving special consideration to employ-
5 ers and job trainers preparing such workers for
6 emerging energy and manufacturing jobs;

7 (B) making resources available to institu-
8 tions serving such workers with the objective of
9 training them to re-enter the energy and manu-
10 facturing workforce; and

11 (C) encouraging the energy and manufac-
12 turing industries to improve opportunities for
13 such workers to participate in internships and
14 cooperative work-study programs.

15 (i) GUIDELINES TO DEVELOP SKILLS FOR AN EN-
16 ERGY AND MANUFACTURING INDUSTRY WORKFORCE.—In
17 carrying out the program established under subsection (a),
18 the Secretary shall collaborate with representatives from
19 the energy and manufacturing industries (including the
20 oil, gas, coal, nuclear, utility, pipeline, renewable, petro-
21 chemical, manufacturing, and electrical construction sec-
22 tors) to identify the areas of highest need in each sector
23 and to develop guidelines for the skills necessary to de-
24 velop a workforce trained to go into the following sectors
25 of the energy and manufacturing sectors:

1 (1) Energy efficiency industry, including work
2 in energy efficiency, conservation, weatherization, or
3 retrofitting, or as inspectors or auditors.

4 (2) Pipeline industry, including work in pipeline
5 construction and maintenance or work as engineers
6 or technical advisors.

7 (3) Utility industry, including work in the gen-
8 eration, transmission, and distribution of electricity
9 and natural gas, such as utility technicians, opera-
10 tors, lineworkers, engineers, scientists, and informa-
11 tion technology specialists.

12 (4) Alternative fuels, including work in biofuel
13 development and production.

14 (5) Nuclear industry, including work as sci-
15 entists, engineers, technicians, mathematicians, or
16 security personnel.

17 (6) Oil and gas industry, including work as sci-
18 entists, engineers, technicians, mathematicians, pe-
19 trochemical engineers, or geologists.

20 (7) Renewable industry, including work in the
21 development, manufacturing, and production of re-
22 newable energy sources (such as solar, hydropower,
23 wind, or geothermal energy).

24 (8) Coal industry, including work as coal min-
25 ers, engineers, developers and manufacturers of

1 state-of-the-art coal facilities, technology vendors,
2 coal transportation workers and operators, or mining
3 equipment vendors.

4 (9) Manufacturing industry, including work as
5 operations technicians, operations and design in ad-
6 ditive manufacturing, 3-D printing, advanced com-
7 posites, and advanced aluminum and other metal al-
8 loys, industrial energy efficiency management sys-
9 tems, including power electronics, and other innova-
10 tive technologies.

11 (10) Chemical manufacturing industry, includ-
12 ing work in construction (such as welders, pipe-
13 fitters, and tool and die makers) or as instrument
14 and electrical technicians, machinists, chemical proc-
15 ess operators, chemical engineers, quality and safety
16 professionals, and reliability engineers.

17 (j) ENROLLMENT IN TRAINING AND APPRENTICE-
18 SHIP PROGRAMS.—In carrying out the program estab-
19 lished under subsection (a), the Secretary shall work with
20 industry, organized labor, and community-based workforce
21 organizations to help identify students and other can-
22 didates, including from underrepresented communities
23 such as minorities, women, and veterans, to enroll into
24 training and apprenticeship programs for energy and
25 manufacturing-related jobs.

1 **TITLE III—ENERGY SECURITY**
2 **AND DIPLOMACY**

3 **SEC. 3001. SENSE OF CONGRESS.**

4 Congress finds the following:

5 (1) North America’s energy revolution has sig-
6 nificantly enhanced energy security in the United
7 States, and fundamentally changed the Nation’s en-
8 ergy future from that of scarcity to abundance.

9 (2) North America’s energy abundance has in-
10 creased global energy supplies and reduced the price
11 of energy for consumers in the United States and
12 abroad.

13 (3) Allies and trading partners of the United
14 States, including in Europe and Asia, are seeking
15 stable and affordable energy supplies from North
16 America to enhance their energy security.

17 (4) The United States has an opportunity to
18 improve its energy security and promote greater sta-
19 bility and affordability of energy supplies for its al-
20 lies and trading partners through a more integrated,
21 secure, and competitive North American energy sys-
22 tem.

23 (5) The United States also has an opportunity
24 to promote such objectives by supporting the free
25 flow of energy commodities and more open, trans-

1 parent, and competitive global energy markets, and
2 through greater Federal agency coordination relating
3 to regulations or agency actions that significantly af-
4 fect the supply, distribution, or use of energy.

5 **SEC. 3002. ENERGY SECURITY VALUATION.**

6 (a) ESTABLISHMENT OF ENERGY SECURITY VALU-
7 ATION METHODS.—Not later than one year after the date
8 of enactment of this Act, the Secretary of Energy, in col-
9 laboration with the Secretary of State, shall develop and
10 transmit, after public notice and comment, to the Com-
11 mittee on Energy and Commerce and the Committee on
12 Foreign Affairs of the House of Representatives and the
13 Committee on Energy and Natural Resources and the
14 Committee on Foreign Relations of the Senate a report
15 that develops recommended United States energy security
16 valuation methods. In developing the report, the Secre-
17 taries may consider the recommendations of the Adminis-
18 tration’s Quadrennial Energy Review released on April 21,
19 2015. The report shall—

20 (1) evaluate and define United States energy
21 security to reflect modern domestic and global en-
22 ergy markets and the collective needs of the United
23 States and its allies and partners;

24 (2) identify transparent and uniform or coordi-
25 nated procedures and criteria to ensure that energy-

1 related actions that significantly affect the supply,
2 distribution, or use of energy are evaluated with re-
3 spect to their potential impact on energy security,
4 including their impact on—

5 (A) consumers and the economy;

6 (B) energy supply diversity and resiliency;

7 (C) well-functioning and competitive en-
8 ergy markets;

9 (D) United States trade balance; and

10 (E) national security objectives; and

11 (3) include a recommended implementation
12 strategy that identifies and aims to ensure that the
13 procedures and criteria referred to in paragraph (2)
14 are—

15 (A) evaluated consistently across the Fed-
16 eral Government; and

17 (B) weighed appropriately and balanced
18 with environmental considerations required by
19 Federal law.

20 (b) PARTICIPATION.—In developing the report re-
21 ferred to in subsection (a), the Secretaries may consult
22 with relevant Federal, State, private sector, and inter-
23 national participants, as appropriate and consistent with
24 applicable law.

1 **SEC. 3003. NORTH AMERICAN ENERGY SECURITY PLAN.**

2 (a) REQUIREMENT.—Not later than one year after
3 the date of enactment of this Act, the Secretary of Energy,
4 in collaboration with the Secretary of State, shall develop
5 and transmit to the Committee on Energy and Commerce
6 and the Committee on Foreign Affairs of the House of
7 Representatives and the Committee on Energy and Nat-
8 ural Resources and the Committee on Foreign Relations
9 of the Senate the plan described in subsection (b).

10 (b) PURPOSE.—The plan referred to in subsection (a)
11 shall include—

12 (1) a recommended framework and implementa-
13 tion strategy to—

14 (A) improve planning and coordination
15 with Canada and Mexico to enhance energy in-
16 tegration, strengthen North American energy
17 security, and promote efficiencies in the explo-
18 ration, production, storage, supply, distribution,
19 marketing, pricing, and regulation of North
20 American energy resources; and

21 (B) address—

22 (i) North American energy public
23 data, statistics, and mapping collaboration;

24 (ii) responsible and sustainable best
25 practices for the development of unconven-
26 tional oil and natural gas; and

1 (iii) modern, resilient energy infra-
2 structure for North America, including
3 physical infrastructure as well as institu-
4 tional infrastructure such as policies, regu-
5 lations, and practices relating to energy de-
6 velopment; and

7 (2) a recommended framework and implementa-
8 tion strategy to improve collaboration with Carib-
9 bean and Central American partners on energy secu-
10 rity, including actions to support—

11 (A) more open, transparent, and competi-
12 tive energy markets;

13 (B) regulatory capacity building;

14 (C) improvements to energy transmission
15 and storage; and

16 (D) improvements to the performance of
17 energy infrastructure and efficiency.

18 (c) PARTICIPATION.—In developing the plan referred
19 to in subsection (a), the Secretaries may consult with
20 other Federal, State, private sector, and international par-
21 ticipants, as appropriate and consistent with applicable
22 law.

23 **SEC. 3004. COLLECTIVE ENERGY SECURITY.**

24 (a) IN GENERAL.—The Secretary of Energy and the
25 Secretary of State shall collaborate to strengthen domestic

1 energy security and the energy security of the allies and
2 trading partners of the United States, including through
3 actions that support or facilitate—

4 (1) energy diplomacy;

5 (2) the delivery of United States assistance, in-
6 cluding energy resources and technologies, to pre-
7 vent or mitigate an energy security crisis;

8 (3) the development of environmentally and
9 commercially sustainable energy resources;

10 (4) open, transparent, and competitive energy
11 markets; and

12 (5) regulatory capacity building.

13 (b) ENERGY SECURITY FORUMS.—Not later than one
14 year after the date of enactment of this Act, the Secretary
15 of Energy, in collaboration with the Secretary of State,
16 shall convene not less than 2 forums to promote the collec-
17 tive energy security of the United States and its allies and
18 trading partners. The forums shall include participation
19 by the Secretary of Energy and the Secretary of State.
20 In addition, an invitation shall be extended to—

21 (1) appropriate representatives of foreign gov-
22 ernments that are allies or trading partners of the
23 United States; and

24 (2) independent experts and industry represent-
25 atives.

1 (c) REQUIREMENTS.—The forums shall—

2 (1) consist of at least one Trans-Atlantic and
3 one Trans-Pacific energy security forum;

4 (2) be designed to foster dialogue among gov-
5 ernment officials, independent experts, and industry
6 representatives regarding—

7 (A) the current state of global energy mar-
8 kets;

9 (B) trade and investment issues relevant to
10 energy; and

11 (C) barriers to more open, competitive, and
12 transparent energy markets; and

13 (3) be recorded and made publicly available on
14 the Department of Energy's website, including, not
15 later than 30 days after each forum, publication on
16 the website any significant outcomes.

17 (d) NOTIFICATION.—At least 30 days before each of
18 the forums referred to in subsection (b), the Secretary of
19 Energy shall send a notification regarding the forum to—

20 (1) the chair and the ranking minority member
21 of the Committee on Energy and Commerce and the
22 Committee on Foreign Affairs of the House of Rep-
23 resentatives; and

24 (2) the chair and ranking minority member of
25 the Committee on Energy and Natural Resources

1 and the Committee on Foreign Relations of the Sen-
2 ate.

3 **SEC. 3005. STRATEGIC PETROLEUM RESERVE MISSION**
4 **READINESS PLAN.**

5 Not later than 180 days after the date of enactment
6 of this Act, the Secretary of Energy shall conduct a long-
7 range strategic review of the Strategic Petroleum Reserve
8 and develop and transmit to Congress a plan that includes
9 an analysis and implementation schedule that—

10 (1) specifies near-term and long-term roles of
11 the Strategic Petroleum Reserve relative to United
12 States energy security and economic goals and objec-
13 tives;

14 (2) describes existing legal authorities gov-
15 erning the policies, configuration, and capabilities of
16 the Strategic Petroleum Reserve;

17 (3) identifies Strategic Petroleum Reserve con-
18 figuration and performance capabilities and rec-
19 ommends an action plan to achieve the optimal—

20 (A) capacity, location, and composition of
21 petroleum products in the Reserve; and

22 (B) storage and distributional capabilities;

23 and

24 (4) estimates the resources required to attain
25 and maintain the Strategic Petroleum Reserve's

1 long-term sustainability and operational effective-
2 ness.

3 **SEC. 3006. AUTHORIZATION TO EXPORT NATURAL GAS.**

4 (a) **DECISION DEADLINE.**—For proposals that must
5 also obtain authorization from the Federal Energy Regu-
6 latory Commission or the United States Maritime Admin-
7 istration to site, construct, expand, or operate LNG export
8 facilities, the Department of Energy shall issue a final de-
9 cision on any application for the authorization to export
10 natural gas under section 3 of the Natural Gas Act (15
11 U.S.C. 717b) not later than 30 days after the later of—

12 (1) the conclusion of the review to site, con-
13 struct, expand, or operate the LNG facilities re-
14 quired by the National Environmental Policy Act of
15 1969 (42 U.S.C. 4321 et seq.); or

16 (2) the date of enactment of this Act.

17 (b) **CONCLUSION OF REVIEW.**—For purposes of sub-
18 section (a), review required by the National Environ-
19 mental Policy Act of 1969 shall be considered concluded—

20 (1) for a project requiring an Environmental
21 Impact Statement, 30 days after publication of a
22 Final Environmental Impact Statement;

23 (2) for a project for which an Environmental
24 Assessment has been prepared, 30 days after publi-

1 cation by the Department of Energy of a Finding of
2 No Significant Impact; and

3 (3) upon a determination by the lead agency
4 that an application is eligible for a categorical exclu-
5 sion pursuant to National Environmental Policy Act
6 of 1969 implementing regulations.

7 (c) PUBLIC DISCLOSURE OF EXPORT DESTINA-
8 TIONS.—Section 3 of the Natural Gas Act (15 U.S.C.
9 717b) is amended by adding at the end the following:

10 “(g) PUBLIC DISCLOSURE OF LNG EXPORT DES-
11 TINATIONS.—As a condition for approval of any authoriza-
12 tion to export LNG, the Secretary of Energy shall require
13 the applicant to publicly disclose the specific destination
14 or destinations of any such authorized LNG exports.”.

15 **TITLE IV—ENERGY EFFICIENCY**
16 **AND ACCOUNTABILITY**

17 **Subtitle A—Energy Efficiency**

18 **CHAPTER 1—FEDERAL AGENCY ENERGY**

19 **EFFICIENCY**

20 **SEC. 4111. ENERGY-EFFICIENT AND ENERGY-SAVING IN-**
21 **FORMATION TECHNOLOGIES.**

22 (a) AMENDMENT.—Subtitle C of title V of the En-
23 ergy Independence and Security Act of 2007 (Public Law
24 110–140; 121 Stat. 1661) is amended by adding at the
25 end the following:

1 **“SEC. 530. ENERGY-EFFICIENT AND ENERGY-SAVING INFOR-**
2 **MATION TECHNOLOGIES.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) DIRECTOR.—The term ‘Director’ means
5 the Director of the Office of Management and Budg-
6 et.

7 “(2) INFORMATION TECHNOLOGY.—The term
8 ‘information technology’ has the meaning given that
9 term in section 11101 of title 40, United States
10 Code.

11 “(b) DEVELOPMENT OF IMPLEMENTATION STRAT-
12 EGY.—Not later than 1 year after the date of enactment
13 of this section, each Federal agency shall coordinate with
14 the Director, the Secretary, and the Administrator of the
15 Environmental Protection Agency to develop an implemen-
16 tation strategy (that includes best practices and measure-
17 ment and verification techniques) for the maintenance,
18 purchase, and use by the Federal agency of energy-effi-
19 cient and energy-saving information technologies, taking
20 into consideration the performance goals established under
21 subsection (d).

22 “(c) ADMINISTRATION.—In developing an implemen-
23 tation strategy under subsection (b), each Federal agency
24 shall consider—

25 “(1) advanced metering infrastructure;

1 “(2) energy-efficient data center strategies and
2 methods of increasing asset and infrastructure utili-
3 zation;

4 “(3) advanced power management tools;

5 “(4) building information modeling, including
6 building energy management;

7 “(5) secure telework and travel substitution
8 tools; and

9 “(6) mechanisms to ensure that the agency re-
10 realizes the energy cost savings brought about through
11 increased efficiency and utilization.

12 “(d) PERFORMANCE GOALS.—

13 “(1) IN GENERAL.—Not later than 180 days
14 after the date of enactment of this section, the Di-
15 rector, in consultation with the Secretary, shall es-
16 tablish performance goals for evaluating the efforts
17 of Federal agencies in improving the maintenance,
18 purchase, and use of energy-efficient and energy-sav-
19 ing information technology.

20 “(2) BEST PRACTICES.—The Chief Information
21 Officers Council established under section 3603 of
22 title 44, United States Code, shall recommend best
23 practices for the attainment of the performance
24 goals, which shall include Federal agency consider-

1 ation of, to the extent applicable by law, the use
2 of—

3 “(A) energy savings performance con-
4 tracting; and

5 “(B) utility energy services contracting.

6 “(e) REPORTS.—

7 “(1) AGENCY REPORTS.—Each Federal agency
8 shall include in the report of the agency under sec-
9 tion 527 a description of the efforts and results of
10 the agency under this section.

11 “(2) OMB GOVERNMENT EFFICIENCY REPORTS
12 AND SCORECARDS.—Effective beginning not later
13 than October 1, 2017, the Director shall include in
14 the annual report and scorecard of the Director re-
15 quired under section 528 a description of the efforts
16 and results of Federal agencies under this section.”.

17 (b) CONFORMING AMENDMENT.—The table of con-
18 tents for the Energy Independence and Security Act of
19 2007 is amended by adding after the item relating to sec-
20 tion 529 the following:

 “Sec. 530. Energy-efficient and energy-saving information technologies.”.

21 **SEC. 4112. ENERGY EFFICIENT DATA CENTERS.**

22 Section 453 of the Energy Independence and Security
23 Act of 2007 (42 U.S.C. 17112) is amended—

1 (1) in subsection (b)(2)(D)(iv), by striking “de-
2 termined by the organization” and inserting “pro-
3 posed by the stakeholders”;

4 (2) by striking subsection (b)(3); and

5 (3) by striking subsections (e) through (g) and
6 inserting the following:

7 “(c) **STAKEHOLDER INVOLVEMENT.**—The Secretary
8 and the Administrator shall carry out subsection (b) in
9 collaboration with the information technology industry and
10 other key stakeholders, with the goal of producing results
11 that accurately reflect the most relevant and useful infor-
12 mation available. In such collaboration, the Secretary and
13 the Administrator shall pay particular attention to organi-
14 zations that—

15 “(1) have members with expertise in energy ef-
16 ficiency and in the development, operation, and
17 functionality of data centers, information technology
18 equipment, and software, such as representatives of
19 hardware manufacturers, data center operators, and
20 facility managers;

21 “(2) obtain and address input from Department
22 of Energy National Laboratories or any college, uni-
23 versity, research institution, industry association,
24 company, or public interest group with applicable ex-
25 pertise;

1 “(3) follow—

2 “(A) commonly accepted procedures for
3 the development of specifications; and

4 “(B) accredited standards development
5 processes; and

6 “(4) have a mission to promote energy effi-
7 ciency for data centers and information technology.

8 “(d) MEASUREMENTS AND SPECIFICATIONS.—The
9 Secretary and the Administrator shall consider and assess
10 the adequacy of the specifications, measurements, best
11 practices, and benchmarks described in subsection (b) for
12 use by the Federal Energy Management Program, the En-
13 ergy Star Program, and other efficiency programs of the
14 Department of Energy or the Environmental Protection
15 Agency.

16 “(e) STUDY.—The Secretary, in collaboration with
17 the Administrator, shall, not later than 18 months after
18 the date of enactment of the North American Energy Se-
19 curity and Infrastructure Act of 2015, make available to
20 the public an update to the Report to Congress on Server
21 and Data Center Energy Efficiency published on August
22 2, 2007, under section 1 of Public Law 109–431 (120
23 Stat. 2920), that provides—

24 “(1) a comparison and gap analysis of the esti-
25 mates and projections contained in the original re-

1 port with new data regarding the period from 2008
2 through 2015;

3 “(2) an analysis considering the impact of in-
4 formation technologies, including virtualization and
5 cloud computing, in the public and private sectors;

6 “(3) an evaluation of the impact of the com-
7 bination of cloud platforms, mobile devices, social
8 media, and big data on data center energy usage;

9 “(4) an evaluation of water usage in data cen-
10 ters and recommendations for reductions in such
11 water usage; and

12 “(5) updated projections and recommendations
13 for best practices through fiscal year 2020.

14 “(f) DATA CENTER ENERGY PRACTITIONER PRO-
15 GRAM.—The Secretary, in collaboration with key stake-
16 holders and the Director of the Office of Management and
17 Budget, shall maintain a data center energy practitioner
18 program that leads to the certification of energy practi-
19 tioners qualified to evaluate the energy usage and effi-
20 ciency opportunities in Federal data centers. Each Federal
21 agency shall consider having the data centers of the agen-
22 cy evaluated every 4 years, in accordance with section
23 543(f) of the National Energy Conservation Policy Act (42
24 U.S.C. 8253), by energy practitioners certified pursuant
25 to such program.

1 “(g) OPEN DATA INITIATIVE.—The Secretary, in col-
2 laboration with key stakeholders and the Director of the
3 Office of Management and Budget, shall establish an open
4 data initiative for Federal data center energy usage data,
5 with the purpose of making such data available and acces-
6 sible in a manner that encourages further data center in-
7 novation, optimization, and consolidation. In establishing
8 the initiative, the Secretary shall consider the use of the
9 online Data Center Maturity Model.

10 “(h) INTERNATIONAL SPECIFICATIONS AND
11 METRICS.—The Secretary, in collaboration with key
12 stakeholders, shall actively participate in efforts to har-
13 monize global specifications and metrics for data center
14 energy and water efficiency.

15 “(i) DATA CENTER UTILIZATION METRIC.—The Sec-
16 retary, in collaboration with key stakeholders, shall facili-
17 tate the development of an efficiency metric that measures
18 the energy efficiency of a data center (including equipment
19 and facilities).

20 “(j) PROTECTION OF PROPRIETARY INFORMATION.—
21 The Secretary and the Administrator shall not disclose
22 any proprietary information or trade secrets provided by
23 any individual or company for the purposes of carrying
24 out this section or the programs and initiatives established
25 under this section.”.

1 **SEC. 4113. REPORT ON ENERGY AND WATER SAVINGS PO-**
2 **TENTIAL FROM THERMAL INSULATION.**

3 (a) REPORT.—Not later than 1 year after the date
4 of enactment of this Act, the Secretary of Energy, in con-
5 sultation with appropriate Federal agencies and relevant
6 stakeholders, shall submit to the Committee on Energy
7 and Natural Resources of the Senate and the Committee
8 on Energy and Commerce of the House of Representatives
9 a report on the impact of thermal insulation on both en-
10 ergy and water use systems for potable hot and chilled
11 water in Federal buildings, and the return on investment
12 of installing such insulation.

13 (b) CONTENTS.—The report shall include—

14 (1) an analysis based on the cost of municipal
15 or regional water for delivered water and the avoided
16 cost of new water; and

17 (2) a summary of energy and water savings, in-
18 cluding short-term and long-term (20 years) projec-
19 tions of such savings.

20 **SEC. 4114. FEDERAL PURCHASE REQUIREMENT.**

21 (a) DEFINITIONS.—Section 203(b) of the Energy
22 Policy Act of 2005 (42 U.S.C. 15852(b)) is amended by
23 striking paragraph (2) and inserting the following:

24 “(2) RENEWABLE ENERGY.—The term ‘renew-
25 able energy’ means electric energy, or thermal en-
26 ergy if resulting from a thermal energy project

1 placed in service after December 31, 2014, gen-
2 erated from, or avoided by, solar, wind, biomass,
3 landfill gas, ocean (including tidal, wave, current,
4 and thermal), geothermal, municipal solid waste (in
5 accordance with subsection (e)), qualified waste heat
6 resource, or new hydroelectric generation capacity
7 achieved from increased efficiency or additions of
8 new capacity at an existing hydroelectric project.

9 “(3) QUALIFIED WASTE HEAT RESOURCE.—The
10 term ‘qualified waste heat resource’ means—

11 “(A) exhaust heat or flared gas from any
12 industrial process;

13 “(B) waste gas or industrial tail gas that
14 would otherwise be flared, incinerated, or vent-
15 ed;

16 “(C) a pressure drop in any gas for an in-
17 dustrial or commercial process; or

18 “(D) such other forms of waste heat as the
19 Secretary determines appropriate.”.

20 (b) PAPER RECYCLING.—Section 203 of the Energy
21 Policy Act of 2005 (42 U.S.C. 15852) is amended by add-
22 ing at the end the following:

23 “(e) PAPER RECYCLING.—

24 “(1) SEPARATE COLLECTION.—For purposes of
25 this section, any Federal agency may consider elec-

1 tric energy generation purchased from a facility to
2 be renewable energy if the municipal solid waste
3 used by the facility to generate the electricity is—

4 “(A) separately collected (within the mean-
5 ing of section 246.101(z) of title 40, Code of
6 Federal Regulations, as in effect on the date of
7 enactment of the North American Energy Secu-
8 rity and Infrastructure Act of 2015) from
9 paper that is commonly recycled; and

10 “(B) processed in a way that keeps paper
11 that is commonly recycled segregated from non-
12 recyclable solid waste.

13 “(2) INCIDENTAL INCLUSION.—Municipal solid
14 waste used to generate electric energy that meets the
15 conditions described in paragraph (1) shall be con-
16 sidered renewable energy even if the municipal solid
17 waste contains incidental commonly recycled paper.

18 “(3) NO EFFECT ON EXISTING PROCESSES.—
19 Nothing in paragraph (1) shall be interpreted to re-
20 quire a State or political subdivision of a State, di-
21 rectly or indirectly, to change the systems, processes,
22 or equipment it uses to collect, treat, dispose of, or
23 otherwise use municipal solid waste, within the
24 meaning of the Solid Waste Disposal Act (42 U.S.C.
25 6901 et seq.), nor require a change to the regula-

1 tions that implement subtitle D of such Act (42
2 U.S.C. 6941 et seq.).”.

3 **SEC. 4115. ENERGY PERFORMANCE REQUIREMENT FOR**
4 **FEDERAL BUILDINGS.**

5 Section 543 of the National Energy Conservation
6 Policy Act (42 U.S.C. 8253) is amended—

7 (1) by striking subsection (a) and inserting the
8 following:

9 “(a) **ENERGY PERFORMANCE REQUIREMENT FOR**
10 **FEDERAL BUILDINGS.—**

11 “(1) **REQUIREMENT.—**Subject to paragraph
12 (2), each agency shall apply energy conservation
13 measures to, and shall improve the design for the
14 construction of, the Federal buildings of the agency
15 (including each industrial or laboratory facility) so
16 that the energy consumption per gross square foot
17 of the Federal buildings of the agency in fiscal years
18 2006 through 2017 is reduced, as compared with the
19 energy consumption per gross square foot of the
20 Federal buildings of the agency in fiscal year 2003,
21 by the percentage specified in the following table:

“Fiscal Year	Percentage Reduction
2006	2
2007	4
2008	9
2009	12
2010	15
2011	18
2012	21

“Fiscal Year	Percentage Reduction
2013	24
2014	27
2015	30
2016	33
2017	36.

1 “(2) EXCLUSION FOR BUILDINGS WITH ENERGY
2 INTENSIVE ACTIVITIES.—

3 “(A) IN GENERAL.—An agency may ex-
4 clude from the requirements of paragraph (1)
5 any building (including the associated energy
6 consumption and gross square footage) in which
7 energy intensive activities are carried out.

8 “(B) REPORTS.—Each agency shall iden-
9 tify and list in each report made under section
10 548(a) the buildings designated by the agency
11 for exclusion under subparagraph (A).

12 “(3) REVIEW.—Not later than December 31,
13 2017, the Secretary shall—

14 “(A) review the results of the implementa-
15 tion of the energy performance requirements es-
16 tablished under paragraph (1); and

17 “(B) based on the review conducted under
18 subparagraph (A), submit to Congress a report
19 that addresses the feasibility of requiring each
20 agency to apply energy conservation measures
21 to, and improve the design for the construction
22 of, the Federal buildings of the agency (includ-

1 ing each industrial or laboratory facility) so
2 that the energy consumption per gross square
3 foot of the Federal buildings of the agency in
4 each of fiscal years 2018 through 2030 is re-
5 duced, as compared with the energy consump-
6 tion per gross square foot of the Federal build-
7 ings of the agency in the prior fiscal year, by
8 3 percent.”; and

9 (2) in subsection (f)—

10 (A) in paragraph (1)—

11 (i) by redesignating subparagraphs
12 (E), (F), and (G) as subparagraphs (F),
13 (G), and (H), respectively; and

14 (ii) by inserting after subparagraph
15 (D) the following:

16 “(E) ONGOING COMMISSIONING.—The
17 term ‘ongoing commissioning’ means an ongo-
18 ing process of commissioning using monitored
19 data, the primary goal of which is to ensure
20 continuous optimum performance of a facility,
21 in accordance with design or operating needs,
22 over the useful life of the facility, while meeting
23 facility occupancy requirements.”;

24 (B) in paragraph (2), by adding at the end
25 the following:

1 “(C) ENERGY MANAGEMENT SYSTEM.—An
2 energy manager designated under subparagraph
3 (A) shall consider use of a system to manage
4 energy use at the facility and certification of
5 the facility in accordance with the International
6 Organization for Standardization standard
7 numbered 50001 and entitled ‘Energy Manage-
8 ment Systems.’”;

9 (C) by striking paragraphs (3) and (4) and
10 inserting the following:

11 “(3) ENERGY AND WATER EVALUATIONS AND
12 COMMISSIONING.—

13 “(A) EVALUATIONS.—Except as provided
14 in subparagraph (B), effective beginning on the
15 date that is 180 days after the date of enact-
16 ment of the North American Energy Security
17 and Infrastructure Act of 2015, and annually
18 thereafter, each energy manager shall complete,
19 for each calendar year, a comprehensive energy
20 and water evaluation and recommissioning or
21 retrocommissioning for approximately 25 per-
22 cent of the facilities of that energy manager’s
23 agency that meet the criteria under paragraph
24 (2)(B) in a manner that ensures that an eval-

1 uation of each facility is completed at least once
2 every 4 years.

3 “(B) EXCEPTIONS.—An evaluation and re-
4 commissioning or recommissioning shall not be
5 required under subparagraph (A) with respect
6 to a facility that—

7 “(i) has had a comprehensive energy
8 and water evaluation during the 8-year pe-
9 riod preceding the date of the evaluation;

10 “(ii)(I) has been commissioned, re-
11 commissioned, or retrocommissioned dur-
12 ing the 10-year period preceding the date
13 of the evaluation; or

14 “(II) is under ongoing commissioning,
15 recommissioning, or retrocommissioning;

16 “(iii) has not had a major change in
17 function or use since the previous evalua-
18 tion and commissioning, recommissioning,
19 or retrocommissioning;

20 “(iv) has been benchmarked with pub-
21 lic disclosure under paragraph (8) within
22 the year preceding the evaluation; and

23 “(v)(I) based on the benchmarking,
24 has achieved at a facility level the most re-
25 cent cumulative energy savings target

1 under subsection (a) compared to the ear-
2 lier of—

3 “(aa) the date of the most recent
4 evaluation; or

5 “(bb) the date—

6 “(AA) of the most recent
7 commissioning, recommissioning,
8 or retrocommissioning; or

9 “(BB) on which ongoing
10 commissioning, recommissioning,
11 or retrocommissioning began; or

12 “(II) has a long-term contract in
13 place guaranteeing energy savings at least
14 as great as the energy savings target under
15 subclause (I).

16 “(4) IMPLEMENTATION OF IDENTIFIED ENERGY
17 AND WATER EFFICIENCY MEASURES.—

18 “(A) IN GENERAL.—Not later than 2 years
19 after the date of completion of each evaluation
20 under paragraph (3), each energy manager
21 may—

22 “(i) implement any energy- or water-
23 saving measure that the Federal agency
24 identified in the evaluation conducted

1 under paragraph (3) that is life-cycle cost
2 effective; and

3 “(ii) bundle individual measures of
4 varying paybacks together into combined
5 projects.

6 “(B) MEASURES NOT IMPLEMENTED.—
7 Each energy manager, as part of the certifi-
8 cation system under paragraph (7) and using
9 guidelines developed by the Secretary, shall pro-
10 vide an explanation regarding any life-cycle
11 cost-effective measures described in subpara-
12 graph (A)(i) that have not been implemented.”;
13 and

14 (D) in paragraph (7)(C), by adding at the
15 end the following:

16 “(iii) SUMMARY REPORT.—The Sec-
17 retary shall make publicly available a re-
18 port that summarizes the information
19 tracked under subparagraph (B)(i) by each
20 agency and, as applicable, by each type of
21 measure.”.

1 **SEC. 4116. FEDERAL BUILDING ENERGY EFFICIENCY PER-**
2 **FORMANCE STANDARDS; CERTIFICATION**
3 **SYSTEM AND LEVEL FOR FEDERAL BUILD-**
4 **INGS.**

5 (a) DEFINITIONS.—Section 303 of the Energy Con-
6 servation and Production Act (42 U.S.C. 6832) is amend-
7 ed—

8 (1) in paragraph (6), by striking “to be con-
9 structed” and inserting “constructed or altered”;
10 and

11 (2) by adding at the end the following:

12 “(17) MAJOR RENOVATION.—The term ‘major
13 renovation’ means a modification of building energy
14 systems sufficiently extensive that the whole building
15 can meet energy standards for new buildings, based
16 on criteria to be established by the Secretary
17 through notice and comment rulemaking.”.

18 (b) FEDERAL BUILDING EFFICIENCY STANDARDS.—
19 Section 305 of the Energy Conservation and Production
20 Act (42 U.S.C. 6834) is amended—

21 (1) in subsection (a)(3)—

22 (A) by striking “(3)(A) Not later than”
23 and all that follows through the end of subpara-
24 graph (B) and inserting the following:

1 “(3) REVISED FEDERAL BUILDING ENERGY EF-
2 FICIENCY PERFORMANCE STANDARDS; CERTIFI-
3 CATION FOR GREEN BUILDINGS.—

4 “(A) REVISED FEDERAL BUILDING EN-
5 ERGY EFFICIENCY PERFORMANCE STAND-
6 ARDS.—

7 “(i) IN GENERAL.—Not later than 1
8 year after the date of enactment of the
9 North American Energy Security and In-
10 frastructure Act of 2015, the Secretary
11 shall establish, by rule, revised Federal
12 building energy efficiency performance
13 standards that require that—

14 “(I) new Federal buildings and
15 alterations and additions to existing
16 Federal buildings—

17 “(aa) meet or exceed the
18 most recent revision of the IECC
19 (in the case of residential build-
20 ings) or ASHRAE Standard 90.1
21 (in the case of commercial build-
22 ings) as of the date of enactment
23 of the North American Energy
24 Security and Infrastructure Act
25 of 2015; and

1 “(bb) meet or exceed the en-
2 ergy provisions of State and local
3 building codes applicable to the
4 building, if the codes are more
5 stringent than the IECC or
6 ASHRAE Standard 90.1, as ap-
7 plicable;

8 “(II) unless demonstrated not to
9 be life-cycle cost effective for new
10 Federal buildings and Federal build-
11 ings with major renovations—

12 “(aa) the buildings be de-
13 signed to achieve energy con-
14 sumption levels that are at least
15 30 percent below the levels estab-
16 lished in the version of the
17 ASHRAE Standard or the IECC,
18 as appropriate, that is applied
19 under subclause (I)(aa), includ-
20 ing updates under subparagraph
21 (B); and

22 “(bb) sustainable design
23 principles are applied to the loca-
24 tion, siting, design, and construc-
25 tion of all new Federal buildings

1 and replacement Federal build-
2 ings;

3 “(III) if water is used to achieve
4 energy efficiency, water conservation
5 technologies shall be applied to the ex-
6 tent that the technologies are life-
7 cycle cost effective; and

8 “(IV) if life-cycle cost effective,
9 as compared to other reasonably avail-
10 able technologies, not less than 30
11 percent of the hot water demand for
12 each new Federal building or Federal
13 building undergoing a major renova-
14 tion be met through the installation
15 and use of solar hot water heaters.

16 “(ii) LIMITATION.—Clause (i)(I) shall
17 not apply to unaltered portions of existing
18 Federal buildings and systems that have
19 been added to or altered.

20 “(B) UPDATES.—Not later than 1 year
21 after the date of approval of each subsequent
22 revision of ASHRAE Standard 90.1 or the
23 IECC, as appropriate, the Secretary shall deter-
24 mine whether the revised standards established
25 under subparagraph (A) should be updated to

1 reflect the revisions, based on the energy sav-
2 ings and life-cycle cost effectiveness of the revi-
3 sions.”;

4 (B) in subparagraph (C), by striking “(C)
5 In the budget request” and inserting the fol-
6 lowing:

7 “(C) BUDGET REQUEST.—In the budget
8 request”; and

9 (C) in subparagraph (D)—

10 (i) by striking “(D) Not later than”
11 and all that follows through the end of the
12 first sentence of clause (i)(III) and insert-
13 ing the following:

14 “(D) CERTIFICATION FOR GREEN BUILD-
15 INGS.—

16 “(i) IN GENERAL.—”;

17 (ii) by striking clause (ii);

18 (iii) in clause (iii), by striking “(iii) In
19 identifying” and inserting the following:

20 “(ii) CONSIDERATIONS.—In identi-
21 fying”;

22 (iv) in clause (iv)—

23 (I) by striking “(iv) At least
24 once” and inserting the following:

25 “(iii) STUDY.—At least once”; and

1 (II) by striking “clause (iii)” and
2 inserting “clause (ii)”;

3 (v) in clause (v)—

4 (I) by striking “(v) The Sec-
5 retary may” and inserting the fol-
6 lowing:

7 “(iv) INTERNAL CERTIFICATION PROC-
8 ESSES.—The Secretary may”; and

9 (II) by striking “clause (i)(III)”
10 each place it appears and inserting
11 “clause (i)”;

12 (vi) in clause (vi)—

13 (I) by striking “(vi) With re-
14 spect” and inserting the following:

15 “(v) PRIVATIZED MILITARY HOUS-
16 ING.—With respect”; and

17 (II) by striking “develop alter-
18 native criteria to those established by
19 subclauses (I) and (III) of clause (i)
20 that achieve an equivalent result in
21 terms of energy savings, sustainable
22 design, and” and inserting “develop
23 alternative certification systems and
24 levels than the systems and levels

1 identified under clause (i) that achieve
2 an equivalent result in terms of”; and
3 (vii) in clause (vii), by striking “(vii)

4 In addition to” and inserting the following:

5 “(vi) WATER CONSERVATION TECH-
6 NOLOGIES.—In addition to”; and

7 (2) by striking subsections (c) and (d) and in-
8 serting the following:

9 “(c) PERIODIC REVIEW.—The Secretary shall—

10 “(1) every 5 years, review the Federal building
11 energy standards established under this section; and

12 “(2) on completion of a review under paragraph
13 (1), if the Secretary determines that significant en-
14 ergy savings would result, upgrade the standards to
15 include all new energy efficiency and renewable en-
16 ergy measures that are technologically feasible and
17 economically justified.”.

18 **SEC. 4117. OPERATION OF BATTERY RECHARGING STA-**
19 **TIONS IN PARKING AREAS USED BY FEDERAL**
20 **EMPLOYEES.**

21 (a) AUTHORIZATION.—

22 (1) IN GENERAL.—The head of any office of
23 the Federal Government which owns or operates a
24 parking area for the use of its employees (either di-
25 rectly or indirectly through a contractor) may in-

1 stall, construct, operate, and maintain on a reim-
2 bursable basis a battery recharging station in such
3 area for the use of privately owned vehicles of em-
4 ployees of the office and others who are authorized
5 to park in such area.

6 (2) USE OF VENDORS.—The head of an office
7 may carry out paragraph (1) through a contract
8 with a vendor, under such terms and conditions (in-
9 cluding terms relating to the allocation between the
10 office and the vendor of the costs of carrying out the
11 contract) as the head of the office and the vendor
12 may agree to.

13 (b) IMPOSITION OF FEES TO COVER COSTS.—

14 (1) FEES.—The head of an office of the Fed-
15 eral Government which operates and maintains a
16 battery recharging station under this section shall
17 charge fees to the individuals who use the station in
18 such amount as is necessary to ensure that office re-
19 covers all of the costs it incurs in installing, con-
20 structing, operating, and maintaining the station.

21 (2) DEPOSIT AND AVAILABILITY OF FEES.—
22 Any fees collected by the head of an office under this
23 subsection shall be—

1 (A) deposited monthly in the Treasury to
2 the credit of the appropriations account for sal-
3 aries and expenses of the office; and

4 (B) available for obligation without further
5 appropriation during—

6 (i) the fiscal year collected; and

7 (ii) the fiscal year following the fiscal
8 year collected.

9 (c) NO EFFECT ON EXISTING PROGRAMS FOR
10 HOUSE AND SENATE.—Nothing in this section may be
11 construed to affect the installation, construction, oper-
12 ation, or maintenance of battery recharging stations by
13 the Architect of the Capitol—

14 (1) under Public Law 112–170 (2 U.S.C.
15 2171), relating to employees of the House of Rep-
16 resentatives and individuals authorized to park in
17 any parking area under the jurisdiction of the House
18 of Representatives on the Capitol Grounds; or

19 (2) under Public Law 112–167 (2 U.S.C.
20 2170), relating to employees of the Senate and indi-
21 viduals authorized to park in any parking area
22 under the jurisdiction of the Senate on the Capitol
23 Grounds.

24 (d) EFFECTIVE DATE.—This section shall apply with
25 respect to fiscal year 2016 and each succeeding fiscal year.

1 **CHAPTER 2—ENERGY EFFICIENT**
2 **TECHNOLOGY AND MANUFACTURING**

3 **SEC. 4121. INCLUSION OF SMART GRID CAPABILITY ON EN-**
4 **ERGY GUIDE LABELS.**

5 Section 324(a)(2) of the Energy Policy and Conserva-
6 tion Act (42 U.S.C. 6294(a)(2)) is amended by adding the
7 following at the end:

8 “(J) SMART GRID CAPABILITY ON ENERGY
9 GUIDE LABELS.—

10 “(i) RULE.—Not later than 1 year
11 after the date of enactment of this sub-
12 paragraph, the Commission shall initiate a
13 rulemaking to consider making a special
14 note in a prominent manner on any En-
15 ergy Guide label for any product that in-
16 cludes Smart Grid capability that—

17 “(I) Smart Grid capability is a
18 feature of that product;

19 “(II) the use and value of that
20 feature depend on the Smart Grid ca-
21 pability of the utility system in which
22 the product is installed and the active
23 utilization of that feature by the cus-
24 tomer; and

1 “(III) on a utility system with
2 Smart Grid capability, the use of the
3 product’s Smart Grid capability could
4 reduce the customer’s cost of the
5 product’s annual operation as a result
6 of the incremental energy and elec-
7 tricity cost savings that would result
8 from the customer taking full advan-
9 tage of such Smart Grid capability.

10 “(ii) DEADLINE.—Not later than 3
11 years after the date of enactment of this
12 subparagraph, the Commission shall com-
13 plete the rulemaking initiated under clause
14 (i).”.

15 **SEC. 4122. VOLUNTARY VERIFICATION PROGRAMS FOR AIR**
16 **CONDITIONING, FURNACE, BOILER, HEAT**
17 **PUMP, AND WATER HEATER PRODUCTS.**

18 Section 326(b) of the Energy Policy and Conserva-
19 tion Act (42 U.S.C. 6296(b)) is amended by adding at
20 the end the following:

21 “(6) VOLUNTARY VERIFICATION PROGRAMS FOR
22 AIR CONDITIONING, FURNACE, BOILER, HEAT PUMP,
23 AND WATER HEATER PRODUCTS.—

24 “(A) RELIANCE ON VOLUNTARY PRO-
25 GRAMS.—For the purpose of verifying compli-

1 ance with energy conservation standards estab-
2 lished under sections 325 and 342 for covered
3 products described in paragraphs (3), (4), (5),
4 (9), and (11) of section 322(a) and covered
5 equipment described in subparagraphs (B), (C),
6 (D), (F), (I), (J), and (K) of section 340(1),
7 the Secretary shall rely on testing conducted by
8 recognized voluntary verification programs that
9 are recognized by the Secretary in accordance
10 with subparagraph (B).

11 “(B) RECOGNITION OF VOLUNTARY
12 VERIFICATION PROGRAMS.—

13 “(i) IN GENERAL.—Not later than
14 180 days after the date of enactment of
15 this paragraph, the Secretary shall initiate
16 a negotiated rulemaking in accordance
17 with subchapter III of chapter 5 of title 5,
18 United States Code (commonly known as
19 the ‘Negotiated Rulemaking Act of 1990’)
20 to develop criteria that have consensus
21 support for achieving recognition by the
22 Secretary as an approved voluntary
23 verification program. Any subsequent
24 amendment to such criteria may be made
25 only pursuant to a subsequent negotiated

1 rulemaking in accordance with subchapter
2 III of chapter 5 of title 5, United States
3 Code.

4 “(ii) MINIMUM REQUIREMENTS.—The
5 criteria developed under clause (i) shall, at
6 a minimum, ensure that a voluntary
7 verification program—

8 “(I) is nationally recognized;

9 “(II) is operated by a third party
10 and not directly operated by a pro-
11 gram participant;

12 “(III) satisfies any applicable ele-
13 ments of—

14 “(aa) International Organi-
15 zation for Standardization stand-
16 ard numbered 17025; and

17 “(bb) any other relevant
18 International Organization for
19 Standardization standards identi-
20 fied and agreed to through the
21 negotiated rulemaking under
22 clause (i);

23 “(IV) at least annually tests
24 independently obtained products fol-
25 lowing the test procedures established

1 under this title to verify the certified
2 rating of a representative sample of
3 products and equipment within the
4 scope of the program;

5 “(V) maintains a publicly avail-
6 able list of all ratings of products sub-
7 ject to verification;

8 “(VI) requires the changing of
9 the performance rating or removal of
10 the product or equipment from the
11 program if testing determines that the
12 performance rating does not meet the
13 levels the manufacturer has certified
14 to the Secretary;

15 “(VII) requires new program
16 participants to substantiate ratings
17 through test data generated in accord-
18 ance with Department of Energy reg-
19 ulations;

20 “(VIII) allows for challenge test-
21 ing of products and equipment within
22 the scope of the program;

23 “(IX) requires program partici-
24 pants to disclose the performance rat-
25 ing of all covered products and equip-

1 ment within the scope of the program
2 for the covered product or equipment;
3 “(X) provides to the Secretary—
4 “(aa) an annual report of all
5 test results, the contents of which
6 shall be determined through the
7 negotiated rulemaking process
8 under clause (i); and
9 “(bb) test reports, on the re-
10 quest of the Secretary, that note
11 any instructions specified by the
12 manufacturer or the representa-
13 tive of the manufacturer for the
14 purpose of conducting the
15 verification testing, to be exempt-
16 ed from disclosure under section
17 552(b)(4) of title 5, United
18 States Code; and
19 “(XI) satisfies any additional re-
20 quirements or standards that the Sec-
21 retary shall establish consistent with
22 this subparagraph.
23 “(iii) CESSATION OF RECOGNITION.—
24 The Secretary may only cease recognition
25 of a voluntary verification program as an

1 approved program described in subpara-
2 graph (A) upon a finding that the program
3 is not meeting its obligations for compli-
4 ance through program review criteria de-
5 veloped during the negotiated rulemaking
6 conducted under subparagraph (B).

7 “(C) ADMINISTRATION.—

8 “(i) IN GENERAL.—The Secretary
9 shall not require—

10 “(I) manufacturers to participate
11 in a recognized voluntary verification
12 program described in subparagraph
13 (A); or

14 “(II) participating manufacturers
15 to provide information that has al-
16 ready been provided to the Secretary.

17 “(ii) LIST OF COVERED PRODUCTS.—
18 The Secretary may maintain a publicly
19 available list of covered products and
20 equipment that distinguishes between
21 products that are and are not covered
22 products and equipment verified through a
23 recognized voluntary verification program
24 described in subparagraph (A).

1 “(iii) PERIODIC VERIFICATION TEST-
2 ING.—The Secretary—

3 “(I) shall not subject products or
4 equipment that have been verification
5 tested under a recognized voluntary
6 verification program described in sub-
7 paragraph (A) to periodic verification
8 testing to verify the accuracy of the
9 certified performance rating of the
10 products or equipment; but

11 “(II) may require testing of prod-
12 ucts or equipment described in sub-
13 clause (I)—

14 “(aa) if the testing is nec-
15 essary—

16 “(AA) to assess the
17 overall performance of a vol-
18 untary verification program;

19 “(BB) to address spe-
20 cific performance issues;

21 “(CC) for use in updat-
22 ing test procedures and
23 standards; or

1 “(DD) for other pur-
2 poses consistent with this
3 title; or

4 “(bb) if such testing is
5 agreed to during the negotiated
6 rulemaking conducted under sub-
7 paragraph (B).

8 “(D) EFFECT ON OTHER AUTHORITY.—
9 Nothing in this paragraph limits the authority
10 of the Secretary to enforce compliance with any
11 law.”.

12 **SEC. 4123. FACILITATING CONSENSUS FURNACE STAND-**
13 **ARDS.**

14 (a) CONGRESSIONAL FINDINGS AND DECLARATION
15 OF PURPOSE.—

16 (1) FINDINGS.—Congress finds that—

17 (A) acting pursuant to the requirements of
18 section 325 of the Energy Policy and Conserva-
19 tion Act (42 U.S.C. 6295), the Secretary of En-
20 ergy is considering amending the energy con-
21 servation standards applicable to residential
22 nonweatherized gas furnaces and mobile home
23 gas furnaces;

24 (B) numerous stakeholders, representing
25 manufacturers, distributors, and installers of

1 residential nonweatherized gas furnaces and
2 mobile home furnaces, natural gas utilities,
3 home builders, multifamily property owners,
4 and energy efficiency, environmental, and con-
5 sumer advocates have begun negotiations in an
6 attempt to agree on a consensus recommenda-
7 tion to the Secretary on levels for such stand-
8 ards that will meet the statutory criteria; and

9 (C) the stakeholders believe these negotia-
10 tions are likely to result in a consensus rec-
11 ommendation, but several of the stakeholders
12 do not support suspending the current rule-
13 making.

14 (2) PURPOSE.—It is the purpose of this section
15 to provide the stakeholders described in paragraph
16 (1) with an opportunity to continue negotiations for
17 a limited time period to facilitate the proposal for
18 adoption of standards that enjoy consensus support,
19 while not delaying the current rulemaking except to
20 the extent necessary to provide such opportunity.

21 (b) OPPORTUNITY FOR A NEGOTIATED FURNACE
22 STANDARD.—Section 325(f)(4) of the Energy Policy and
23 Conservation Act (42 U.S.C. 6295(f)(4)) is amended by
24 adding after subparagraph (D) the following:

1 “(E)(i) Unless the Secretary has published such a no-
2 tice prior to the date of enactment of this Act, the Sec-
3 retary shall publish, not later than October 31, 2015, a
4 supplemental notice of proposed rulemaking or a notice
5 of data availability updating the proposed rule entitled
6 ‘Energy Conservation Program for Consumer Products:
7 Energy Conservation Standards for Residential Furnaces’
8 and published in the Federal Register on March 12, 2015
9 (80 Fed. Reg. 13119), to provide notice and an oppor-
10 tunity for comment on—

11 “(I) dividing nonweatherized gas furnaces into
12 two or more product classes with separate energy
13 conservation standards based on capacity; and

14 “(II) any other matters the Secretary deter-
15 mines appropriate.

16 “(ii) On receipt of a statement that is submitted on
17 or before January 1, 2016, jointly by interested persons
18 that are fairly representative of relevant points of view,
19 that contains recommended standards for nonweatherized
20 gas furnaces and mobile home gas furnaces that are con-
21 sistent with the requirements of this part (except that the
22 date on which such standards will apply may be earlier
23 or later than the date required under this part), the Sec-
24 retary shall evaluate the standards proposed in the joint
25 statement for consistency with the requirements of sub-

1 section (o), and shall publish notice of the potential adop-
2 tion of the standards proposed in the joint statement,
3 modified as necessary to ensure consistency with sub-
4 section (o). The Secretary shall solicit public comment for
5 a period of at least 30 days with respect to such notice.

6 “(iii) Not later than July 31, 2016, but not before
7 July 1, 2016, the Secretary shall publish a final rule con-
8 taining a determination of whether the standards for non-
9 weatherized gas furnaces and mobile home gas furnaces
10 should be amended. Such rule shall contain any such
11 amendments to the standards.”.

12 **SEC. 4124. FUTURE OF INDUSTRY PROGRAM.**

13 (a) IN GENERAL.—Section 452 of the Energy Inde-
14 pendence and Security Act of 2007 (42 U.S.C. 17111) is
15 amended by striking the section heading and inserting the
16 following: “**FUTURE OF INDUSTRY PROGRAM**”.

17 (b) DEFINITION OF ENERGY SERVICE PROVIDER.—
18 Section 452(a) of the Energy Independence and Security
19 Act of 2007 (42 U.S.C. 17111(a)) is amended—

20 (1) by redesignating paragraphs (3) through
21 (5) as paragraphs (4) through (6), respectively; and

22 (2) by inserting after paragraph (2):

23 “(3) ENERGY SERVICE PROVIDER.—The term
24 ‘energy service provider’ means any business pro-
25 viding technology or services to improve the energy

1 efficiency, water efficiency, power factor, or load
2 management of a manufacturing site or other indus-
3 trial process in an energy-intensive industry, or any
4 utility operating under a utility energy service
5 project.”.

6 (c) INDUSTRIAL RESEARCH AND ASSESSMENT CEN-
7 TERS.—Section 452(e) of the Energy Independence and
8 Security Act of 2007 (42 U.S.C. 17111(e)) is amended—

9 (1) by redesignating paragraphs (1) through
10 (5) as subparagraphs (A) through (E), respectively,
11 and indenting appropriately;

12 (2) by striking “The Secretary” and inserting
13 the following:

14 “(1) IN GENERAL.—The Secretary”;

15 (3) in subparagraph (A) (as redesignated by
16 paragraph (1)), by inserting before the semicolon at
17 the end the following: “, including assessments of
18 sustainable manufacturing goals and the implemen-
19 tation of information technology advancements for
20 supply chain analysis, logistics, system monitoring,
21 industrial and manufacturing processes, and other
22 purposes”; and

23 (4) by adding at the end the following:

1 “(2) COORDINATION.—To increase the value
2 and capabilities of the industrial research and as-
3 sessment centers, the centers shall—

4 “(A) coordinate with Manufacturing Ex-
5 tension Partnership Centers of the National In-
6 stitute of Standards and Technology;

7 “(B) coordinate with the Building Tech-
8 nologies Office of the Department of Energy to
9 provide building assessment services to manu-
10 facturers;

11 “(C) increase partnerships with the Na-
12 tional Laboratories of the Department of En-
13 ergy to leverage the expertise and technologies
14 of the National Laboratories for national indus-
15 trial and manufacturing needs; and

16 “(D) increase partnerships with energy
17 service providers and technology providers to le-
18 verage private sector expertise and accelerate
19 deployment of new and existing technologies
20 and processes for energy efficiency, power fac-
21 tor, and load management.

22 “(3) OUTREACH.—The Secretary shall provide
23 funding for—

24 “(A) outreach activities by the industrial
25 research and assessment centers to inform

1 small- and medium-sized manufacturers of the
2 information, technologies, and services avail-
3 able; and

4 “(B) coordination activities by each indus-
5 trial research and assessment center to leverage
6 efforts with—

7 “(i) Federal and State efforts;

8 “(ii) the efforts of utilities and energy
9 service providers;

10 “(iii) the efforts of regional energy ef-
11 ficiency organizations; and

12 “(iv) the efforts of other industrial re-
13 search and assessment centers.

14 “(4) SMALL BUSINESS LOANS.—The Adminis-
15 trator of the Small Business Administration shall, to
16 the maximum extent practicable, expedite consider-
17 ation of applications from eligible small business
18 concerns for loans under the Small Business Act (15
19 U.S.C. 631 et seq.) to implement recommendations
20 of industrial research and assessment centers estab-
21 lished under paragraph (1).”.

22 (d) CONFORMING AMENDMENT.—The item relating
23 to section 452 in the table of contents for the Energy
24 Independence and Security Act of 2007 is amended to
25 read as follows:

“Sec. 452. Future of Industry program.”.

1 **SEC. 4125. NO WARRANTY FOR CERTAIN CERTIFIED EN-**
2 **ERGY STAR PRODUCTS.**

3 Section 324A of the Energy Policy and Conservation
4 Act (42 U.S.C. 6294a) is amended by adding at the end
5 the following new subsection:

6 “(e) NO WARRANTY.—

7 “(1) IN GENERAL.—Any disclosure relating to
8 participation of a product in the Energy Star pro-
9 gram shall not create an express or implied warranty
10 or give rise to any private claims or rights of action
11 under State or Federal law relating to the disquali-
12 fication of that product from Energy Star if—

13 “(A) the product has been certified by a
14 certification body recognized by the Energy
15 Star program;

16 “(B) the Administrator has approved cor-
17 rective measures, including a determination of
18 whether or not consumer compensation is ap-
19 propriate; and

20 “(C) the responsible party has fully com-
21 plied with all approved corrective measures.

22 “(2) CONSTRUCTION.—Nothing in this subsection
23 shall be construed to require the Administrator to
24 modify any procedure or take any other action.”.

1 **SEC. 4126. CLARIFICATION TO EFFECTIVE DATE FOR RE-**
2 **GIONAL STANDARDS.**

3 Section 325(o)(6)(E)(ii) of the Energy Policy and
4 Conservation Act (42 U.S.C. 6295(o)(6)(E)(ii)) is amend-
5 ed by striking “installed” and inserting “manufactured or
6 imported into the United States”.

7 **SEC. 4127. INTERNET OF THINGS REPORT.**

8 The Secretary of Energy shall, not later than 18
9 months after the date of enactment of this Act, report to
10 the Committee on Energy and Commerce of the House
11 of Representatives and the Committee on Energy and
12 Natural Resources of the Senate on the efforts made to
13 take advantage of, and promote, the utilization of ad-
14 vanced technologies such as Internet of Things end-to-end
15 platform solutions to provide real-time actionable analytics
16 and enable predictive maintenance and asset management
17 to improve energy efficiency wherever feasible. In doing
18 so, the Secretary shall look to encourage and utilize Inter-
19 net of Things energy management solutions that have se-
20 curity tightly integrated into the hardware and software
21 from the outset. The Secretary shall also encourage the
22 use of Internet of Things solutions that enable seamless
23 connectivity and that are interoperable, open standards-
24 based, and built on a repeatable foundation for ease of
25 scalability.

1 **CHAPTER 3—ENERGY PERFORMANCE**
2 **CONTRACTING**

3 **SEC. 4131. USE OF ENERGY AND WATER EFFICIENCY MEAS-**
4 **URES IN FEDERAL BUILDINGS.**

5 (a) **REPORTS.**—Section 548(b) of the National En-
6 ergy Conservation Policy Act (42 U.S.C. 8258(b)) is
7 amended—

8 (1) in paragraph (3), by striking “and” at the
9 end;

10 (2) in paragraph (4), by striking the period at
11 the end and inserting “; and”; and

12 (3) by adding at the end the following new
13 paragraph:

14 “(5) the status of each agency’s energy savings
15 performance contracts and utility energy service con-
16 tracts, the investment value of such contracts, the
17 guaranteed energy savings for the previous year as
18 compared to the actual energy savings for the pre-
19 vious year, the plan for entering into such contracts
20 in the coming year, and information explaining why
21 any previously submitted plans for such contracts
22 were not implemented.”.

23 (b) **FEDERAL ENERGY MANAGEMENT DEFINI-**
24 **TIONS.**—Section 551(4) of the National Energy Conserva-
25 tion Policy Act (42 U.S.C. 8259(4)) is amended by strik-

1 ing “or retrofit activities” and inserting “retrofit activi-
2 ties, or energy consuming devices and required support
3 structures”.

4 (c) **AUTHORITY TO ENTER INTO CONTRACTS.**—Sec-
5 tion 801(a)(2)(F) of the National Energy Conservation
6 Policy Act (42 U.S.C. 8287(a)(2)(F)) is amended—

7 (1) in clause (i), by striking “or” at the end;

8 (2) in clause (ii), by striking the period at the
9 end and inserting “; or”; and

10 (3) by adding at the end the following new
11 clause:

12 “(iii) limit the recognition of oper-
13 ation and maintenance savings associated
14 with systems modernized or replaced with
15 the implementation of energy conservation
16 measures, water conservation measures, or
17 any series of energy conservation measures
18 and water conservation measures.”.

19 (d) **MISCELLANEOUS AUTHORITY.**—Section
20 801(a)(2) of the National Energy Conservation Policy Act
21 (42 U.S.C. 8287(a)) is amended by adding at the end the
22 following:

23 “(H) **MISCELLANEOUS AUTHORITY.**—Not-
24 withstanding any other provision of law, a Fed-
25 eral agency may sell or transfer energy savings

1 and apply the proceeds of such sale or transfer
2 to fund a contract under this title.”.

3 (e) PAYMENT OF COSTS.—Section 802 of the Na-
4 tional Energy Conservation Policy Act (42 U.S.C. 8287a)
5 is amended by striking “(and related operation and main-
6 tenance expenses)” and inserting “, including related op-
7 erations and maintenance expenses”.

8 (f) ENERGY SAVINGS PERFORMANCE CONTRACTS
9 DEFINITIONS.—Section 804(2) of the National Energy
10 Conservation Policy Act (42 U.S.C. 8287c(2)) is amend-
11 ed—

12 (1) in subparagraph (A), by striking “federally
13 owned building or buildings or other federally owned
14 facilities” and inserting “Federal building (as de-
15 fined in section 551 (42 U.S.C. 8259))” each place
16 it appears;

17 (2) in subparagraph (C), by striking “; and”
18 and inserting a semicolon;

19 (3) in subparagraph (D), by striking the period
20 at the end and inserting a semicolon; and

21 (4) by adding at the end the following new sub-
22 paragraphs:

23 “(E) the use, sale, or transfer of energy in-
24 centives, rebates, or credits (including renew-

1 able energy credits) from Federal, State, or
2 local governments or utilities; and

3 “(F) any revenue generated from a reduc-
4 tion in energy or water use, more efficient
5 waste recycling, or additional energy generated
6 from more efficient equipment.”.

7 **CHAPTER 4—SCHOOL BUILDINGS**

8 **SEC. 4141. COORDINATION OF ENERGY RETROFITTING AS-** 9 **SISTANCE FOR SCHOOLS.**

10 Section 392 of the Energy Policy and Conservation
11 Act (42 U.S.C. 6371a) is amended by adding at the end
12 the following:

13 “(e) COORDINATION OF ENERGY RETROFITTING AS-
14 SISTANCE FOR SCHOOLS.—

15 “(1) DEFINITION OF SCHOOL.—Notwith-
16 standing section 391(6), for the purposes of this
17 subsection, the term ‘school’ means—

18 “(A) an elementary school or secondary
19 school (as defined in section 9101 of the Ele-
20 mentary and Secondary Education Act of 1965
21 (20 U.S.C. 7801));

22 “(B) an institution of higher education (as
23 defined in section 102(a) of the Higher Edu-
24 cation Act of 1965 (20 U.S.C. 1002(a)));

1 “(C) a school of the defense dependents’
2 education system under the Defense Depend-
3 ents’ Education Act of 1978 (20 U.S.C. 921 et
4 seq.) or established under section 2164 of title
5 10, United States Code;

6 “(D) a school operated by the Bureau of
7 Indian Affairs;

8 “(E) a tribally controlled school (as de-
9 fined in section 5212 of the Tribally Controlled
10 Schools Act of 1988 (25 U.S.C. 2511)); and

11 “(F) a Tribal College or University (as de-
12 fined in section 316(b) of the Higher Education
13 Act of 1965 (20 U.S.C. 1059c(b))).

14 “(2) ESTABLISHMENT OF CLEARINGHOUSE.—
15 The Secretary, acting through the Office of Energy
16 Efficiency and Renewable Energy, shall establish a
17 clearinghouse to disseminate information regarding
18 available Federal programs and financing mecha-
19 nisms that may be used to help initiate, develop, and
20 finance energy efficiency, distributed generation, and
21 energy retrofitting projects for schools.

22 “(3) REQUIREMENTS.—In carrying out para-
23 graph (2), the Secretary shall—

24 “(A) consult with appropriate Federal
25 agencies to develop a list of Federal programs

1 and financing mechanisms that are, or may be,
2 used for the purposes described in paragraph
3 (2); and

4 “(B) coordinate with appropriate Federal
5 agencies to develop a collaborative education
6 and outreach effort to streamline communica-
7 tions and promote available Federal programs
8 and financing mechanisms described in sub-
9 paragraph (A), which may include the develop-
10 ment and maintenance of a single online re-
11 source that includes contact information for rel-
12 evant technical assistance in the Office of En-
13 ergy Efficiency and Renewable Energy that
14 States, local education agencies, and schools
15 may use to effectively access and use such Fed-
16 eral programs and financing mechanisms.”.

17 **CHAPTER 5—BUILDING ENERGY CODES**

18 **SEC. 4151. GREATER ENERGY EFFICIENCY IN BUILDING** 19 **CODES.**

20 (a) DEFINITIONS.—Section 303 of the Energy Con-
21 servation and Production Act (42 U.S.C. 6832), as
22 amended by section 4116, is further amended—

23 (1) by striking paragraph (14) and inserting
24 the following:

1 “(14) MODEL BUILDING ENERGY CODE.—The
2 term ‘model building energy code’ means a voluntary
3 building energy code or standard developed and up-
4 dated through a consensus process among interested
5 persons, such as the IECC or ASHRAE Standard
6 90.1 or a code used by other appropriate organiza-
7 tions regarding which the Secretary has issued a de-
8 termination that buildings subject to it would
9 achieve greater energy efficiency than under a pre-
10 viously developed code.”; and

11 (2) by adding at the end the following:

12 “(18) ASHRAE STANDARD 90.1.—The term
13 ‘ASHRAE Standard 90.1’ means the American So-
14 ciety of Heating, Refrigerating and Air-Conditioning
15 Engineers ANSI/ASHRAE/IES Standard 90/1 En-
16 ergy Standard for Buildings Except Low-Rise Resi-
17 dential Buildings.

18 “(19) COST-EFFECTIVE.—The term ‘cost-effec-
19 tive’ means having a simple payback of 10 years or
20 less.

21 “(20) IECC.—The term ‘IECC’ means the
22 International Energy Conservation Code as pub-
23 lished by the International Code Council.

24 “(21) INDIAN TRIBE.—The term ‘Indian tribe’
25 has the meaning given the term in section 4 of the

1 Native American Housing Assistance and Self-De-
2 termination Act of 1996 (25 U.S.C. 4103).

3 “(22) SIMPLE PAYBACK.—The term ‘simple
4 payback’ means the time in years that is required
5 for energy savings to exceed the incremental first
6 cost of a new requirement or code.

7 “(23) TECHNICALLY FEASIBLE.—The term
8 ‘technically feasible’ means capable of being
9 achieved, based on widely available appliances,
10 equipment, technologies, materials, and construction
11 practices.”.

12 (b) STATE BUILDING ENERGY EFFICIENCY
13 CODES.—Section 304 of the Energy Conservation and
14 Production Act (42 U.S.C. 6833) is amended to read as
15 follows:

16 **“SEC. 304. UPDATING STATE BUILDING ENERGY EFFI-
17 CIENCY CODES.**

18 “(a) IN GENERAL.—The Secretary shall provide tech-
19 nical assistance, as described in subsection (e), for the
20 purposes of—

21 “(1) implementation of building energy codes
22 by States, Indian tribes, and, as appropriate, by
23 local governments, that are technically feasible and
24 cost-effective; and

1 “(2) supporting full compliance with the State,
2 tribal, and local codes.

3 “(b) STATE AND INDIAN TRIBE CERTIFICATION OF
4 BUILDING ENERGY CODE UPDATES.—

5 “(1) REVIEW AND UPDATING OF CODES BY
6 EACH STATE AND INDIAN TRIBE.—

7 “(A) IN GENERAL.—Not later than 3 years
8 after the date on which a model building energy
9 code is published, each State or Indian tribe
10 shall certify whether or not the State or Indian
11 tribe, respectively, has reviewed and updated
12 the energy provisions of the building code of the
13 State or Indian tribe, respectively.

14 “(B) DEMONSTRATION.—The certification
15 shall include a statement of whether or not the
16 energy savings for the code provisions that are
17 in effect throughout the State or Indian tribal
18 territory meet or exceed—

19 “(i) the energy savings of the most re-
20 cently published model building energy
21 code; or

22 “(ii) the targets established under sec-
23 tion 307(b)(2).

24 “(C) NO MODEL BUILDING ENERGY CODE
25 UPDATE.—If a model building energy code is

1 not updated by a target date established under
2 section 307(b)(2)(D), each State or Indian tribe
3 shall, not later than 3 years after the specified
4 date, certify whether or not the State or Indian
5 tribe, respectively, has reviewed and updated
6 the energy provisions of the building code of the
7 State or Indian tribe, respectively, to meet or
8 exceed the target in section 307(b)(2).

9 “(2) VALIDATION BY SECRETARY.—Not later
10 than 90 days after a State or Indian tribe certifi-
11 cation under paragraph (1), the Secretary shall—

12 “(A) determine whether the code provi-
13 sions of the State or Indian tribe, respectively,
14 meet the criteria specified in paragraph (1);

15 “(B) determine whether the certification
16 submitted by the State or Indian tribe, respec-
17 tively, is complete; and

18 “(C) if the requirements of subparagraph
19 (B) are satisfied, validate the certification.

20 “(3) LIMITATION.—Nothing in this section
21 shall be interpreted to require a State or Indian
22 tribe to adopt any building code or provision within
23 a code.

24 “(c) IMPROVEMENTS IN COMPLIANCE WITH BUILD-
25 ING ENERGY CODES.—

1 “(1) REQUIREMENT.—

2 “(A) IN GENERAL.—Not later than 3 years
3 after the date of a certification under sub-
4 section (b), each State and Indian tribe shall
5 certify whether or not the State or Indian tribe,
6 respectively, has—

7 “(i) achieved full compliance under
8 paragraph (3) with the applicable certified
9 State or Indian tribe building energy code
10 or with the associated model building en-
11 ergy code; or

12 “(ii) made significant progress under
13 paragraph (4) toward achieving compliance
14 with the applicable certified State or In-
15 dian tribe building energy code or with the
16 associated model building energy code.

17 “(B) REPEAT CERTIFICATIONS.—If the
18 State or Indian tribe certifies progress toward
19 achieving compliance, the State or Indian tribe
20 shall repeat the certification until the State or
21 Indian tribe certifies that the State or Indian
22 tribe has achieved full compliance.

23 “(2) MEASUREMENT OF COMPLIANCE.—A cer-
24 tification under paragraph (1) shall include docu-
25 mentation of the rate of compliance based on—

1 “(A) inspections of a random sample of the
2 buildings covered by the code in the preceding
3 year; or

4 “(B) an alternative method that yields an
5 accurate measure of compliance.

6 “(3) ACHIEVEMENT OF COMPLIANCE.—A State
7 or Indian tribe shall be considered to achieve full
8 compliance under paragraph (1) if—

9 “(A) at least 90 percent of building space
10 covered by the code in the preceding year sub-
11 stantially meets all the requirements of the ap-
12 plicable code specified in paragraph (1), or
13 achieves equivalent or greater energy savings
14 level; or

15 “(B) the estimated excess energy use of
16 buildings that did not meet the applicable code
17 specified in paragraph (1) in the preceding
18 year, compared to a baseline of comparable
19 buildings that meet this code, is not more than
20 5 percent of the estimated energy use of all
21 buildings covered by this code during the pre-
22 ceding year.

23 “(4) SIGNIFICANT PROGRESS TOWARD
24 ACHIEVEMENT OF COMPLIANCE.—A State or Indian
25 tribe shall be considered to have made significant

1 progress toward achieving compliance for purposes
2 of paragraph (1) if the State or Indian tribe—

3 “(A) has developed and is implementing a
4 plan for achieving compliance during the 8-year
5 period beginning on the date of enactment of
6 this paragraph, including annual targets for
7 compliance and active training and enforcement
8 programs; and

9 “(B) has met the most recent target under
10 subparagraph (A).

11 “(5) VALIDATION BY SECRETARY.—Not later
12 than 90 days after a State or Indian tribe certifi-
13 cation under paragraph (1), the Secretary shall—

14 “(A) determine whether the State or In-
15 dian tribe has demonstrated meeting the cri-
16 teria of this subsection, including accurate
17 measurement of compliance;

18 “(B) determine whether the certification
19 submitted by the State or Indian tribe is com-
20 plete; and

21 “(C) if the requirements of subparagraph
22 (B) are satisfied, validate the certification.

23 “(6) LIMITATION.—Nothing in this section
24 shall be interpreted to require a State or Indian

1 tribe to adopt any building code or provision within
2 a code.

3 “(d) STATES OR INDIAN TRIBES THAT DO NOT
4 ACHIEVE COMPLIANCE.—

5 “(1) REPORTING.—A State or Indian tribe that
6 has not made a certification required under sub-
7 section (b) or (c) by the applicable deadline shall
8 submit to the Secretary a report on the status of the
9 State or Indian tribe with respect to meeting the re-
10 quirements and submitting the certification.

11 “(2) STATE SOVEREIGNTY.—Nothing in this
12 section shall be interpreted to require a State or In-
13 dian tribe to adopt any building code or provision
14 within a code.

15 “(3) LOCAL GOVERNMENT.—In any State or
16 Indian tribe for which the Secretary has not vali-
17 dated a certification under subsection (b) or (c), a
18 local government may be eligible for Federal support
19 by meeting the certification requirements of sub-
20 sections (b) and (c).

21 “(4) ANNUAL REPORTS BY SECRETARY.—

22 “(A) IN GENERAL.—The Secretary shall
23 annually submit to Congress, and publish in the
24 Federal Register, a report on—

1 “(i) the status of model building en-
2 ergy codes;

3 “(ii) the status of code adoption and
4 compliance in the States and Indian tribes;

5 “(iii) implementation of this section;
6 and

7 “(iv) improvements in energy savings
8 over time as a result of the targets estab-
9 lished under section 307(b)(2).

10 “(B) IMPACTS.—The report shall include
11 estimates of impacts of past action under this
12 section, and potential impacts of further action,
13 on—

14 “(i) upfront financial and construction
15 costs, cost benefits and returns (using a
16 return on investment analysis), and life-
17 time energy use for buildings;

18 “(ii) resulting energy costs to individ-
19 uals and businesses; and

20 “(iii) resulting overall annual building
21 ownership and operating costs.

22 “(e) TECHNICAL ASSISTANCE TO STATES AND IN-
23 DIAN TRIBES.—

24 “(1) IN GENERAL.—The Secretary shall, upon
25 request, provide technical assistance to States and

1 Indian tribes to implement the goals and require-
2 ments of this section—

3 “(A) to implement State residential and
4 commercial building energy codes; and

5 “(B) to document the rate of compliance
6 with a building energy code.

7 “(2) TECHNICAL ASSISTANCE.—The assistance
8 shall include, as requested by the State or Indian
9 tribe, technical assistance in—

10 “(A) evaluating the energy savings of
11 building energy codes;

12 “(B) assessing the economic consider-
13 ations, referenced in section 307(b)(4), of im-
14 plementing building energy codes;

15 “(C) building energy analysis and design
16 tools;

17 “(D) energy simulation models;

18 “(E) building demonstrations;

19 “(F) developing the definitions of energy
20 use intensity and building types for use in
21 model building energy codes to evaluate the effi-
22 ciency impacts of the model building energy
23 codes; and

24 “(G) complying with a performance-based
25 pathway referenced in the model code.

1 “(3) EXCLUSION.—For purposes of this section,
2 ‘technical assistance’ shall not include actions that
3 promote or discourage the adoption of a particular
4 building energy code, code provision, or energy sav-
5 ings target to a State or Indian tribe.

6 “(4) INFORMATION QUALITY AND TRANS-
7 PARENCY.—For purposes of this section, information
8 provided by the Secretary, attendant to any tech-
9 nical assistance provided to a State or Indian tribe,
10 is ‘influential information’ and shall satisfy the
11 guidelines established by the Office of Management
12 and Budget and published at 67 Federal Register
13 8,452 (Feb. 22, 2002).

14 “(f) FEDERAL SUPPORT.—

15 “(1) IN GENERAL.—The Secretary shall provide
16 support to States and Indian tribes—

17 “(A) to implement the reporting require-
18 ments of this section; and

19 “(B) to implement residential and commer-
20 cial building energy codes, including increasing
21 and verifying compliance with the codes and
22 training of State, tribal, and local building code
23 officials to implement and enforce the codes.

24 “(2) EXCLUSION.—Support shall not be given
25 to support adoption and implementation of model

1 building energy codes for which the Secretary has
2 made a determination under section 307(g)(1)(C)
3 that the code is not cost-effective.

4 “(3) TRAINING.—Support shall be offered to
5 States to train State and local building code officials
6 to implement and enforce codes described in para-
7 graph (1)(B).

8 “(4) LOCAL GOVERNMENTS.—States may work
9 under this subsection with local governments that
10 implement and enforce codes described in paragraph
11 (1)(B).

12 “(g) VOLUNTARY PROGRAMS TO EXCEED MODEL
13 BUILDING ENERGY CODE.—

14 “(1) IN GENERAL.—The Secretary shall provide
15 technical assistance, as described in subsection (e),
16 for the development of voluntary programs that ex-
17 ceed the model building energy codes for residential
18 and commercial buildings for use as—

19 “(A) voluntary incentive programs adopted
20 by local, tribal, or State governments; and

21 “(B) nonbinding guidelines for energy-effi-
22 cient building design.

23 “(2) TARGETS.—The voluntary programs de-
24 scribed in paragraph (1) shall be designed—

1 “(A) to achieve substantial energy savings
2 compared to the model building energy codes;
3 and

4 “(B) to meet targets under section 307(b),
5 if available, up to 3 to 6 years in advance of the
6 target years.

7 “(h) STUDIES.—

8 “(1) GAO STUDY.—

9 “(A) IN GENERAL.—The Comptroller Gen-
10 eral of the United States shall conduct a study
11 of the impacts of updating the national model
12 building energy codes for residential and com-
13 mercial buildings. In conducting the study, the
14 Comptroller General shall consider and report,
15 at a minimum—

16 “(i) the actual energy consumption
17 savings stemming from updated energy
18 codes compared to the energy consumption
19 savings predicted during code development;

20 “(ii) the actual consumer cost savings
21 stemming from updated energy codes com-
22 pared to predicted consumer cost savings;
23 and

1 “(iii) an accounting of expenditures of
2 the Federal funds under each program au-
3 thorized by this title.

4 “(B) REPORT TO CONGRESS.—Not later
5 than 3 years after the date of enactment of the
6 North American Energy Security and Infra-
7 structure Act of 2015, the Comptroller General
8 of the United States shall submit a report to
9 the Committee on Energy and Natural Re-
10 sources of the Senate and the Committee on
11 Energy and Commerce of the House of Rep-
12 resentatives including the study findings and
13 conclusions.

14 “(2) FEASIBILITY STUDY.—The Secretary, in
15 consultation with building science experts from the
16 National Laboratories and institutions of higher
17 education, designers and builders of energy-efficient
18 residential and commercial buildings, code officials,
19 and other stakeholders, shall undertake a study of
20 the feasibility, impact, economics, and merit of—

21 “(A) code improvements that would require
22 that buildings be designed, sited, and con-
23 structed in a manner that makes the buildings
24 more adaptable in the future to become zero-
25 net-energy after initial construction, as ad-

1 vances are achieved in energy-saving tech-
2 nologies;

3 “(B) code procedures to incorporate a ten-
4 year payback, not just first-year energy use, in
5 trade-offs and performance calculations; and

6 “(C) legislative options for increasing en-
7 ergy savings from building energy codes, includ-
8 ing additional incentives for effective State and
9 local verification of compliance with and en-
10 forcement of a code.

11 “(3) ENERGY DATA IN MULTITENANT BUILD-
12 INGS.—The Secretary, in consultation with appro-
13 priate representatives of the utility, utility regu-
14 latory, building ownership, and other stakeholders,
15 shall—

16 “(A) undertake a study of best practices
17 regarding delivery of aggregated energy con-
18 sumption information to owners and managers
19 of residential and commercial buildings with
20 multiple tenants and uses; and

21 “(B) consider the development of a memo-
22 randum of understanding between and among
23 affected stakeholders to reduce barriers to the
24 delivery of aggregated energy consumption in-
25 formation to such owners and managers.

1 “(i) EFFECT ON OTHER LAWS.—Nothing in this sec-
2 tion or section 307 supersedes or modifies the application
3 of sections 321 through 346 of the Energy Policy and
4 Conservation Act (42 U.S.C. 6291 et seq.).

5 “(j) FUNDING LIMITATIONS.—No Federal funds
6 shall be—

7 “(1) used to support actions by the Secretary,
8 or States, to promote or discourage the adoption of
9 a particular building energy code, code provision, or
10 energy saving target to a State or Indian tribe; or

11 “(2) provided to private third parties or non-
12 governmental organizations to engage in such activi-
13 ties.”.

14 (c) FEDERAL BUILDING ENERGY EFFICIENCY
15 STANDARDS.—Section 305 of the Energy Conservation
16 and Production Act (42 U.S.C. 6834) is amended by strik-
17 ing “voluntary building energy code” in subsections
18 (a)(2)(B) and (b) and inserting “model building energy
19 code”.

20 (d) MODEL BUILDING ENERGY CODES.—

21 (1) AMENDMENT.—Section 307 of the Energy
22 Conservation and Production Act (42 U.S.C. 6836)
23 is amended to read as follows:

1 **“SEC. 307. SUPPORT FOR MODEL BUILDING ENERGY**
2 **CODES.**

3 “(a) IN GENERAL.—The Secretary shall provide tech-
4 nical assistance, as described in subsection (c), for updat-
5 ing of model building energy codes.

6 “(b) TARGETS.—

7 “(1) IN GENERAL.—The Secretary shall provide
8 technical assistance, for updating the model building
9 energy codes.

10 “(2) TARGETS.—

11 “(A) IN GENERAL.—The Secretary shall
12 provide technical assistance to States, Indian
13 tribes, local governments, nationally recognized
14 code and standards developers, and other inter-
15 ested parties for updating of model building en-
16 ergy codes by establishing one or more aggre-
17 gate energy savings targets through rulemaking
18 in accordance with section 553 of title 5,
19 United States Code, to achieve the purposes of
20 this section.

21 “(B) SEPARATE TARGETS.—Separate tar-
22 gets may be established for commercial and res-
23 idential buildings.

24 “(C) BASELINES.—The baseline for updat-
25 ing model building energy codes shall be the
26 2009 IECC for residential buildings and

1 ASHRAE Standard 90.1–2010 for commercial
2 buildings.

3 “(D) SPECIFIC YEARS.—

4 “(i) IN GENERAL.—Targets for spe-
5 cific years shall be established and revised
6 by the Secretary through rulemaking in ac-
7 cordance with section 553 of title 5,
8 United States Code, and coordinated with
9 nationally recognized code and standards
10 developers at a level that—

11 “(I) is at the maximum level of
12 energy efficiency that is technically
13 feasible and cost effective, while ac-
14 counting for the economic consider-
15 ations under paragraph (4); and

16 “(II) promotes the achievement
17 of commercial and residential high
18 performance buildings through high
19 performance energy efficiency (within
20 the meaning of section 401 of the En-
21 ergy Independence and Security Act
22 of 2007 (42 U.S.C. 17061)).

23 “(ii) INITIAL TARGETS.—Not later
24 than 1 year after the date of enactment of

1 this clause, the Secretary shall establish
2 initial targets under this subparagraph.

3 “(iii) DIFFERENT TARGET YEARS.—
4 Subject to clause (i), prior to the applica-
5 ble year, the Secretary may set a later tar-
6 get year for any of the model building en-
7 ergy codes described in subparagraph (A)
8 if the Secretary determines that a target
9 cannot be met.

10 “(E) SMALL BUSINESS.—When estab-
11 lishing targets under this paragraph through
12 rulemaking, the Secretary shall ensure compli-
13 ance with the Small Business Regulatory En-
14 forcement Fairness Act of 1996 (5 U.S.C. 601
15 note; Public Law 104–121) for any indirect eco-
16 nomic effect on small entities that is reasonably
17 foreseeable and a result of such rule.

18 “(3) APPLIANCE STANDARDS AND OTHER FAC-
19 TORS AFFECTING BUILDING ENERGY USE.—In es-
20 tablishing energy savings targets under paragraph
21 (2), the Secretary shall develop and adjust the tar-
22 gets in recognition of potential savings and costs re-
23 lating to—

1 “(A) efficiency gains made in appliances,
2 lighting, windows, insulation, and building enve-
3 lope sealing;

4 “(B) advancement of distributed genera-
5 tion and on-site renewable power generation
6 technologies;

7 “(C) equipment improvements for heating,
8 cooling, and ventilation systems and water heat-
9 ing systems;

10 “(D) building management systems and
11 smart grid technologies to reduce energy use;
12 and

13 “(E) other technologies, practices, and
14 building systems regarding building plug load
15 and other energy uses.

16 In developing and adjusting the targets, the Sec-
17 retary shall use climate zone weighted averages for
18 equipment efficiency for heating, cooling, ventilation,
19 and water heating systems, using equipment that is
20 actually installed.

21 “(4) ECONOMIC CONSIDERATIONS.—In estab-
22 lishing and revising energy savings targets under
23 paragraph (2), the Secretary shall consider the eco-
24 nomic feasibility of achieving the proposed targets
25 established under this section and the potential costs

1 and savings for consumers and building owners, by
2 conducting a return on investment analysis, using a
3 simple payback methodology over a 3-, 5-, and 7-
4 year period. The Secretary shall not propose or pro-
5 vide technical or financial assistance for any code,
6 provision in the code, or energy target, or amend-
7 ment thereto, that has a payback greater than 10
8 years.

9 “(c) TECHNICAL ASSISTANCE TO MODEL BUILDING
10 ENERGY CODE-SETTING AND STANDARD DEVELOPMENT
11 ORGANIZATIONS.—

12 “(1) IN GENERAL.—The Secretary shall, on a
13 timely basis, provide technical assistance to model
14 building energy code-setting and standard develop-
15 ment organizations consistent with the goals of this
16 section.

17 “(2) TECHNICAL ASSISTANCE.—The assistance
18 shall include, as requested by the organizations,
19 technical assistance in—

20 “(A) evaluating the energy savings of
21 building energy codes;

22 “(B) assessing the economic consider-
23 ations, under subsection (b)(4), of code or
24 standards proposals or revisions;

1 “(C) building energy analysis and design
2 tools;

3 “(D) energy simulation models;

4 “(E) building demonstrations;

5 “(F) developing definitions of energy use
6 intensity and building types for use in model
7 building energy codes to evaluate the efficiency
8 impacts of the model building energy codes;

9 “(G) developing a performance-based path-
10 way for compliance;

11 “(H) developing model building energy
12 codes by Indian tribes in accordance with tribal
13 law; and

14 “(I) code development meetings, including
15 through direct Federal employee participation
16 in committee meetings, hearings and online
17 communication, voting, and presenting research
18 and technical or economic analyses during such
19 meetings.

20 “(3) EXCLUSION.—Except as provided in para-
21 graph (2)(I), for purposes of this section, ‘technical
22 assistance’ shall not include actions that promote or
23 discourage the adoption of a particular building en-
24 ergy code, code provision, or energy savings target.

1 “(4) INFORMATION QUALITY AND TRANS-
2 PARENCY.—For purposes of this section, information
3 provided by the Secretary, attendant to development
4 of any energy savings targets, is influential informa-
5 tion and shall satisfy the guidelines established by
6 the Office of Management and Budget and published
7 at 67 Federal Register 8,452 (Feb. 22, 2002).

8 “(d) AMENDMENT PROPOSALS.—

9 “(1) IN GENERAL.—The Secretary may submit
10 timely model building energy code amendment pro-
11 posals that are technically feasible, cost-effective,
12 and technology-neutral to the model building energy
13 code-setting and standard development organiza-
14 tions, with supporting evidence, sufficient to enable
15 the model building energy codes to meet the targets
16 established under subsection (b)(2).

17 “(2) PROCESS AND FACTORS.—All amendment
18 proposals submitted by the Secretary shall be pub-
19 lished in the Federal Register and made available on
20 the Department of Energy website 90 days prior to
21 any submittal to a code development body, and shall
22 be subject to a public comment period of not less
23 than 60 days. Information provided by the Sec-
24 retary, attendant to submission of any amendment
25 proposals, is influential information and shall satisfy

1 the guidelines established by the Office of Manage-
2 ment and Budget and published at 67 Federal Reg-
3 ister 8,452 (Feb. 22, 2002). When calculating the
4 costs and benefits of an amendment, the Secretary
5 shall use climate zone weighted averages for equip-
6 ment efficiency for heating, cooling, ventilation, and
7 water heating systems, using equipment that is actu-
8 ally installed.

9 “(e) ANALYSIS METHODOLOGY.—The Secretary shall
10 make publicly available the entire calculation methodology
11 (including input assumptions and data) used by the Sec-
12 retary to estimate the energy savings of code or standard
13 proposals and revisions.

14 “(f) METHODOLOGY DEVELOPMENT.—The Secretary
15 shall establish a methodology for evaluating cost effective-
16 ness of energy code changes in multifamily buildings that
17 incorporates economic parameters representative of typical
18 multifamily buildings.

19 “(g) DETERMINATION.—

20 “(1) REVISION OF MODEL BUILDING ENERGY
21 CODES.—If the provisions of the IECC or ASHRAE
22 Standard 90.1 regarding building energy use are re-
23 vised, the Secretary shall make a preliminary deter-
24 mination not later than 90 days after the date of the
25 revision, and a final determination not later than 15

1 months after the date of the revision, on whether or
2 not the revision—

3 “(A) improves energy efficiency in build-
4 ings compared to the existing IECC or
5 ASHRAE Standard 90.1, as applicable;

6 “(B) meets the applicable targets under
7 subsection (b)(2); and

8 “(C) is technically feasible and cost-effec-
9 tive.

10 “(2) CODES OR STANDARDS NOT MEETING CRI-
11 TERIA.—

12 “(A) IN GENERAL.—If the Secretary
13 makes a preliminary determination under para-
14 graph (1)(B) that a revised IECC or ASHRAE
15 Standard 90.1 does not meet the targets estab-
16 lished under subsection (b)(2), is not technically
17 feasible, or is not cost-effective, the Secretary
18 may at the same time provide technical assist-
19 ance, as described in subsection (c), to the
20 International Code Council or ASHRAE, as ap-
21 plicable, with proposed changes that would re-
22 sult in a model building energy code or stand-
23 ard that meets the criteria, and with supporting
24 evidence. Proposed changes submitted by the
25 Secretary shall be published in the Federal

1 Register and made available on the Department
2 of Energy website 90 days prior to any sub-
3 mittal to a code development body, and shall be
4 subject to a public comment period of not less
5 than 60 days. Information provided by the Sec-
6 retary, attendant to submission of any amend-
7 ment proposals, is influential information and
8 shall satisfy the guidelines established by the
9 Office of Management and Budget and pub-
10 lished at 67 Federal Register 8,452 (Feb. 22,
11 2002).

12 “(B) INCORPORATION OF CHANGES.—

13 “(i) IN GENERAL.—On receipt of the
14 technical assistance, as described in sub-
15 section (c), the International Code Council
16 or ASHRAE, as applicable, shall, prior to
17 the Secretary making a final determination
18 under paragraph (1), have an additional
19 270 days to accept or reject the proposed
20 changes made by the Secretary to the
21 model building energy code or standard.

22 “(ii) FINAL DETERMINATION.—A
23 final determination under paragraph (1)
24 shall be on the final revised model building
25 energy code or standard.

1 “(h) ADMINISTRATION.—In carrying out this section,
2 the Secretary shall—

3 “(1) publish notice of targets, amendment pro-
4 posals and supporting analysis and determinations
5 under this section in the Federal Register to provide
6 an explanation of and the basis for such actions, in-
7 cluding any supporting modeling, data, assumptions,
8 protocols, and cost-benefit analysis, including return
9 on investment;

10 “(2) provide an opportunity for public comment
11 on targets and supporting analysis and determina-
12 tions under this section, in accordance with section
13 553 of title 5, United States Code; and

14 “(3) provide an opportunity for public comment
15 on amendment proposals.

16 “(i) VOLUNTARY CODES AND STANDARDS.—Not
17 withstanding any other provision of this section, any
18 model building code or standard established under this
19 section shall not be binding on a State, local government,
20 or Indian tribe as a matter of Federal law.”.

21 “(2) CONFORMING AMENDMENT.—The item re-
22 lating to section 307 in the table of contents for the
23 Energy Conservation and Production Act is amend-
24 ed to read as follows:

“Sec. 307. Support for model building energy codes.”.

1 **SEC. 4152. VOLUNTARY NATURE OF BUILDING ASSET RAT-**
2 **ING PROGRAM.**

3 (a) IN GENERAL.—Any program of the Secretary of
4 Energy that may enable the owner of a commercial build-
5 ing or a residential building to obtain a rating, score, or
6 label regarding the actual or anticipated energy usage or
7 performance of a building shall be made available on a
8 voluntary, optional, and market-driven basis.

9 (b) DISCLAIMER AS TO REGULATORY INTENT.—In-
10 formation disseminated by the Secretary of Energy re-
11 garding the program described in subsection (a), including
12 any information made available by the Secretary on a
13 website, shall include language plainly stating that such
14 program is not developed or intended to be the basis for
15 a regulatory program by a Federal, State, local, or munic-
16 ipal government body.

17 **CHAPTER 6—EPCA TECHNICAL**
18 **CORRECTIONS AND CLARIFICATIONS**

19 **SEC. 4161. MODIFYING PRODUCT DEFINITIONS.**

20 (a) AUTHORITY TO MODIFY DEFINITIONS.—

21 (1) COVERED PRODUCTS.—Section 322 of the
22 Energy Policy and Conservation Act (42 U.S.C.
23 6292) is amended by adding at the end the fol-
24 lowing:

25 “(c) MODIFYING DEFINITIONS OF COVERED PROD-
26 UCTS.—

1 “(1) IN GENERAL.—For any covered product
2 for which a definition is provided in section 321, the
3 Secretary may, by rule, unless prohibited herein,
4 modify such definition in order to—

5 “(A) address significant changes in the
6 product or the market occurring since the defi-
7 nition was established; and

8 “(B) better enable improvements in the en-
9 ergy efficiency of the product as part of an en-
10 ergy using system.

11 “(2) ANTIBACKSLIDING EXEMPTION.—Section
12 325(o)(1) shall not apply to adjustments to covered
13 product definitions made pursuant to this sub-
14 section.

15 “(3) PROCEDURE FOR MODIFYING DEFINI-
16 TION.—

17 “(A) IN GENERAL.—Notice of any adjust-
18 ment to the definition of a covered product and
19 an explanation of the reasons therefor shall be
20 published in the Federal Register and oppor-
21 tunity provided for public comment.

22 “(B) CONSENSUS REQUIRED.—Any
23 amendment to the definition of a covered prod-
24 uct under this subsection must have consensus
25 support, as reflected in—

1 “(i) the outcome of negotiations con-
2 ducted in accordance with the subchapter
3 III of chapter 5 of title 5, United States
4 Code (commonly known as the ‘Negotiated
5 Rulemaking Act of 1990’); or

6 “(ii) the Secretary’s receipt of a state-
7 ment that is submitted jointly by inter-
8 ested persons that are fairly representative
9 of relevant points of view (including rep-
10 resentatives of manufacturers of covered
11 products, States, and efficiency advocates),
12 as determined by the Secretary, which con-
13 tains a recommended modified definition
14 for a covered product.

15 “(4) EFFECT OF A MODIFIED DEFINITION.—

16 “(A) IN GENERAL.—For any type or class
17 of consumer product which becomes a covered
18 product pursuant to this subsection—

19 “(i) the Secretary may establish test
20 procedures for such type or class of cov-
21 ered product pursuant to section 323 and
22 energy conservation standards pursuant to
23 section 325(l);

24 “(ii) the Commission may prescribe
25 labeling rules pursuant to section 324 if

1 the Commission determines that labeling in
2 accordance with that section is techno-
3 logically and economically feasible and like-
4 ly to assist consumers in making pur-
5 chasing decisions;

6 “(iii) section 327 shall begin to apply
7 to such type or class of covered product in
8 accordance with section 325(ii)(1); and

9 “(iv) standards previously promul-
10 gated under section 325 shall not apply to
11 such type or class of product.

12 “(B) APPLICABILITY.—For any type or
13 class of consumer product which ceases to be a
14 covered product pursuant to this subsection, the
15 provisions of this part shall no longer apply to
16 the type or class of consumer product.”.

17 (2) COVERED EQUIPMENT.—Section 341 of the
18 Energy Policy and Conservation Act (42 U.S.C.
19 6312) is amended by adding at the end the fol-
20 lowing:

21 “(d) MODIFYING DEFINITIONS OF COVERED EQUIP-
22 MENT.—

23 “(1) IN GENERAL.—For any covered equipment
24 for which a definition is provided in section 340, the

1 Secretary may, by rule, unless prohibited herein,
2 modify such definition in order to—

3 “(A) address significant changes in the
4 product or the market occurring since the defi-
5 nition was established; and

6 “(B) better enable improvements in the en-
7 ergy efficiency of the equipment as part of an
8 energy using system.

9 “(2) ANTIBACKSLIDING EXEMPTION.—Section
10 325(o)(1) shall not apply to adjustments to covered
11 equipment definitions made pursuant to this sub-
12 section.

13 “(3) PROCEDURE FOR MODIFYING DEFINI-
14 TION.—

15 “(A) IN GENERAL.—Notice of any adjust-
16 ment to the definition of a type of covered
17 equipment and an explanation of the reasons
18 therefor shall be published in the Federal Reg-
19 ister and opportunity provided for public com-
20 ment.

21 “(B) CONSENSUS REQUIRED.—Any
22 amendment to the definition of a type of cov-
23 ered equipment under this subsection must have
24 consensus support, as reflected in—

1 “(i) the outcome of negotiations con-
2 ducted in accordance with the subchapter
3 III of chapter 5 of title 5, United States
4 Code (commonly known as the ‘Negotiated
5 Rulemaking Act of 1990’); or

6 “(ii) the Secretary’s receipt of a state-
7 ment that is submitted jointly by inter-
8 ested persons that are fairly representative
9 of relevant points of view (including rep-
10 resentatives of manufacturers of covered
11 equipment, States, and efficiency advo-
12 cates), as determined by the Secretary,
13 which contains a recommended modified
14 definition for a type of covered equipment.

15 “(4) EFFECT OF A MODIFIED DEFINITION.—

16 “(A) For any type or class of equipment
17 which becomes covered equipment pursuant to
18 this subsection—

19 “(i) the Secretary may establish test
20 procedures for such type or class of cov-
21 ered equipment pursuant to section 343
22 and energy conservation standards pursu-
23 ant to section 325(l);

24 “(ii) the Secretary may prescribe la-
25 beling rules pursuant to section 344 if the

1 Secretary determines that labeling in ac-
2 cordance with that section is techno-
3 logically and economically feasible and like-
4 ly to assist purchasers in making pur-
5 chasing decisions;

6 “(iii) section 327 shall begin to apply
7 to such type or class of covered equipment
8 in accordance with section 325(ii)(1); and

9 “(iv) standards previously promul-
10 gated under section 325, 342, or 346 shall
11 not apply to such type or class of covered
12 equipment.

13 “(B) For any type or class of equipment
14 which ceases to be covered equipment pursuant
15 to this subsection the provisions of this part
16 shall no longer apply to the type or class of
17 equipment.”.

18 (b) CONFORMING AMENDMENTS PROVIDING FOR JU-
19 DICIAL REVIEW.—

20 (1) Section 336 of the Energy Policy and Con-
21 servation Act (42 U.S.C. 6306) is amended by strik-
22 ing “section 323,” each place it appears and insert-
23 ing “section 322, 323,”; and

1 (2) Section 345(a)(1) of the Energy Policy and
2 Conservation Act (42 U.S.C. 6316(a)(1)) is amend-
3 ed to read as follows:

4 “(1) the references to sections 322, 323, 324,
5 and 325 of this Act shall be considered as references
6 to sections 341, 343, 344, and 342 of this Act, re-
7 spectively;”.

8 **SEC. 4162. CLARIFYING RULEMAKING PROCEDURES.**

9 (a) COVERED PRODUCTS.—Section 325(p) of the En-
10 ergy Policy and Conservation Act (42 U.S.C. 6295(p)) is
11 amended—

12 (1) by redesignating paragraphs (1), (2), (3),
13 and (4) as paragraphs (2), (3), (5), and (6), respec-
14 tively;

15 (2) by inserting before paragraph (2) (as so re-
16 designated by paragraph (1) of this subsection) the
17 following:

18 “(1) The Secretary shall provide an opportunity
19 for public input prior to the issuance of a proposed
20 rule, seeking information—

21 “(A) identifying and commenting on design
22 options;

23 “(B) on the existence of and opportunities
24 for voluntary nonregulatory actions; and

1 “(C) identifying significant subgroups of
2 consumers and manufacturers that merit anal-
3 ysis.”;

4 (3) in paragraph (3) (as so redesignated by
5 paragraph (1) of this subsection)—

6 (A) in subparagraph (C), by striking
7 “and” after “adequate;”;

8 (B) in subparagraph (D), by striking
9 “standard.” and inserting “standard;” and

10 (C) by adding at the end the following new
11 subparagraphs:

12 “(E) whether the technical and economic
13 analytical assumptions, methods, and models
14 used to justify the standard to be prescribed
15 are—

16 “(i) justified; and

17 “(ii) available and accessible for pub-
18 lic review, analysis, and use; and

19 “(F) the cumulative regulatory impacts on
20 the manufacturers of the product, taking into
21 account—

22 “(i) other government standards af-
23 fecting energy use; and

1 “(ii) other energy conservation stand-
2 ards affecting the same manufacturers.”;
3 and

4 (4) by inserting after paragraph (3) (as so re-
5 designated by paragraph (1) of this subsection) the
6 following:

7 “(4) RESTRICTION ON TEST PROCEDURE
8 AMENDMENTS.—

9 “(A) IN GENERAL.—Any proposed energy
10 conservation standards rule shall be based on
11 the final test procedure which shall be used to
12 determine compliance, and the public comment
13 period on the proposed standards shall conclude
14 no sooner than 180 days after the date of publi-
15 cation of a final rule revising the test proce-
16 dure.

17 “(B) EXCEPTION.—The Secretary may
18 propose or prescribe an amendment to the test
19 procedures issued pursuant to section 323 for
20 any type or class of covered product after the
21 issuance of a notice of proposed rulemaking to
22 prescribe an amended or new energy conserva-
23 tion standard for that type or class of covered
24 product, but before the issuance of a final rule
25 prescribing any such standard, if—

1 “(i) the amendments to the test pro-
2 cedure have consensus support achieved
3 through a rulemaking conducted in accord-
4 ance with the subchapter III of chapter 5
5 of title 5, United States Code (commonly
6 known as the ‘Negotiated Rulemaking Act
7 of 1990’); or

8 “(ii) the Secretary receives a state-
9 ment that is submitted jointly by inter-
10 ested persons that are fairly representative
11 of relevant points of view (including rep-
12 resentatives of manufacturers of the type
13 or class of covered product, States, and ef-
14 ficiency advocates), as determined by the
15 Secretary, which contains a recommenda-
16 tion that a supplemental notice of proposed
17 rulemaking is not necessary for the type or
18 class of covered product.”.

19 (b) CONFORMING AMENDMENT.—Section 345(b)(1)
20 of the Energy Policy and Conservation Act (42 U.S.C.
21 6316(b)(1)) is amended by striking “section 325(p)(4),”
22 and inserting “section 325(p)(3), (4), and (6),”.

1 **CHAPTER 7—ENERGY AND WATER**
2 **EFFICIENCY**

3 **SEC. 4171. SMART ENERGY AND WATER EFFICIENCY PILOT**
4 **PROGRAM.**

5 (a) DEFINITIONS.—In this section:

6 (1) ELIGIBLE ENTITY.—The term “eligible enti-
7 ty” means—

8 (A) a utility;

9 (B) a municipality;

10 (C) a water district; and

11 (D) any other authority that provides
12 water, wastewater, or water reuse services.

13 (2) SECRETARY.—The term “Secretary” means
14 the Secretary of Energy.

15 (3) SMART ENERGY AND WATER EFFICIENCY
16 PILOT PROGRAM.—The term “smart energy and
17 water efficiency pilot program” or “pilot program”
18 means the pilot program established under sub-
19 section (b).

20 (b) SMART ENERGY AND WATER EFFICIENCY PILOT
21 PROGRAM.—

22 (1) IN GENERAL.—The Secretary shall establish
23 and carry out a smart energy and water efficiency
24 management pilot program in accordance with this
25 section.

1 (2) PURPOSE.—The purpose of the smart en-
2 ergy and water efficiency pilot program is to award
3 grants to eligible entities to demonstrate advanced
4 and innovative technology-based solutions that will—

5 (A) increase and improve the energy effi-
6 ciency of water, wastewater, and water reuse
7 systems to help communities across the United
8 States make significant progress in conserving
9 water, saving energy, and reducing costs;

10 (B) support the implementation of innova-
11 tive processes and the installation of advanced
12 automated systems that provide real-time data
13 on energy and water; and

14 (C) improve energy and water conserva-
15 tion, water quality, and predictive maintenance
16 of energy and water systems, through the use
17 of Internet-connected technologies, including
18 sensors, intelligent gateways, and security em-
19 bedded in hardware.

20 (3) PROJECT SELECTION.—

21 (A) IN GENERAL.—The Secretary shall
22 make competitive, merit-reviewed grants under
23 the pilot program to not less than 3, but not
24 more than 5, eligible entities.

1 (B) SELECTION CRITERIA.—In selecting an
2 eligible entity to receive a grant under the pilot
3 program, the Secretary shall consider—

4 (i) energy and cost savings anticipated
5 to result from the project;

6 (ii) the innovative nature, commercial
7 viability, and reliability of the technology
8 to be used;

9 (iii) the degree to which the project
10 integrates next-generation sensors, soft-
11 ware, hardware, analytics, and manage-
12 ment tools;

13 (iv) the anticipated cost effectiveness
14 of the pilot project in terms of energy effi-
15 ciency savings, water savings or reuse, and
16 infrastructure costs averted;

17 (v) whether the technology can be de-
18 ployed in a variety of geographic regions
19 and the degree to which the technology can
20 be implemented on a smaller or larger
21 scale, including whether the technology can
22 be implemented by each type of eligible en-
23 tity;

24 (vi) whether the technology has been
25 successfully deployed elsewhere;

1 (vii) whether the technology is sourced
2 from a manufacturer based in the United
3 States; and

4 (viii) whether the project will be com-
5 pleted in 5 years or less.

6 (C) APPLICATIONS.—

7 (i) IN GENERAL.—Subject to clause
8 (ii), an eligible entity seeking a grant
9 under the pilot program shall submit to
10 the Secretary an application at such time,
11 in such manner, and containing such infor-
12 mation as the Secretary determines to be
13 necessary.

14 (ii) CONTENTS.—An application under
15 clause (i) shall, at a minimum, include—

16 (I) a description of the project;

17 (II) a description of the tech-
18 nology to be used in the project;

19 (III) the anticipated results, in-
20 cluding energy and water savings, of
21 the project;

22 (IV) a comprehensive budget for
23 the project;

24 (V) the names of the project lead
25 organization and any partners;

1 (VI) the number of users to be
2 served by the project; and

3 (VII) any other information that
4 the Secretary determines to be nec-
5 essary to complete the review and se-
6 lection of a grant recipient.

7 (4) ADMINISTRATION.—

8 (A) IN GENERAL.—Not later than 300
9 days after the date of enactment of this Act,
10 the Secretary shall select grant recipients under
11 this section.

12 (B) EVALUATIONS.—The Secretary shall
13 annually carry out an evaluation of each project
14 for which a grant is provided under this section
15 that—

16 (i) evaluates the progress and impact
17 of the project; and

18 (ii) assesses the degree to which the
19 project is meeting the goals of the pilot
20 program.

21 (C) TECHNICAL AND POLICY ASSIST-
22 ANCE.—On the request of a grant recipient, the
23 Secretary shall provide technical and policy as-
24 sistance to the grant recipient to carry out the
25 project.

1 (D) BEST PRACTICES.—The Secretary
2 shall make available to the public—

3 (i) a copy of each evaluation carried
4 out under subparagraph (B); and

5 (ii) a description of any best practices
6 identified by the Secretary as a result of
7 those evaluations.

8 (E) REPORT TO CONGRESS.—The Sec-
9 retary shall submit to Congress a report con-
10 taining the results of each evaluation carried
11 out under subparagraph (B).

12 (c) FUNDING.—

13 (1) IN GENERAL.—To carry out this section,
14 the Secretary shall use not more than \$15,000,000
15 of amounts made available to the Secretary.

16 (2) PRIORITIZATION.—In funding activities
17 under this section, the Secretary shall prioritize
18 funding in the following manner:

19 (A) The Secretary shall first use any unob-
20 ligated amounts made available to the Secretary
21 to carry out the activities of the Energy Effi-
22 ciency and Renewable Energy Office.

23 (B) After any amounts described in sub-
24 paragraph (A) have been used, the Secretary
25 shall then use any unobligated amounts (other

1 than those described in subparagraph (A))
2 made available to the Secretary.

3 **SEC. 4172. WATERSENSE.**

4 (a) IN GENERAL.—The Energy Policy and Conserva-
5 tion Act (42 U.S.C. 6201 et seq.) is amended by adding
6 after section 324A the following:

7 **“SEC. 324B. WATERSENSE.**

8 “(a) WATERSENSE.—

9 “(1) IN GENERAL.—There is established within
10 the Environmental Protection Agency a voluntary
11 program, to be entitled ‘WaterSense’, to identify
12 water efficient products, buildings, landscapes, facili-
13 ties, processes, and services that sensibly—

14 “(A) reduce water use;

15 “(B) reduce the strain on public and com-
16 munity water systems and wastewater and
17 stormwater infrastructure;

18 “(C) conserve energy used to pump, heat,
19 transport, and treat water; and

20 “(D) preserve water resources for future
21 generations, through voluntary labeling of, or
22 other forms of communications about, products,
23 buildings, landscapes, facilities, processes, and
24 services while still meeting strict performance
25 criteria.

1 “(2) DUTIES.—The Administrator, coordinating
2 as appropriate with the Secretary of Energy, shall—

3 “(A) establish—

4 “(i) a WaterSense label to be used for
5 items meeting the certification criteria es-
6 tablished in this section; and

7 “(ii) the procedure, including the
8 methods and means, by which an item may
9 be certified to display the WaterSense
10 label;

11 “(B) conduct a public awareness education
12 campaign regarding the WaterSense label;

13 “(C) preserve the integrity of the
14 WaterSense label by—

15 “(i) establishing and maintaining fea-
16 sible performance criteria so that products,
17 buildings, landscapes, facilities, processes,
18 and services labeled with the WaterSense
19 label perform as well or better than less
20 water-efficient counterparts;

21 “(ii) overseeing WaterSense certifi-
22 cations made by third parties;

23 “(iii) using testing protocols, from the
24 appropriate, applicable, and relevant con-

1 sensus standards, for the purpose of deter-
2 mining standards compliance; and

3 “(iv) auditing the use of the
4 WaterSense label in the marketplace and
5 preventing cases of misuse; and

6 “(D) not more often than every six years,
7 review and, if appropriate, update WaterSense
8 criteria for the defined categories of water-effi-
9 cient product, building, landscape, process, or
10 service, including—

11 “(i) providing reasonable notice to in-
12 terested parties and the public of any such
13 changes, including effective dates, and an
14 explanation of the changes;

15 “(ii) soliciting comments from inter-
16 ested parties and the public prior to any
17 such changes;

18 “(iii) as appropriate, responding to
19 comments submitted by interested parties
20 and the public; and

21 “(iv) providing an appropriate transi-
22 tion time prior to the applicable effective
23 date of any such changes, taking into ac-
24 count the timing necessary for the manu-
25 facture, marketing, training, and distribu-

1 tion of the specific water-efficient product,
2 building, landscape, process, or service cat-
3 egory being addressed.

4 “(b) USE OF SCIENCE.—In carrying out this section,
5 and, to the degree that an agency action is based on
6 science, the Administrator shall use—

7 “(1) the best available peer-reviewed science
8 and supporting studies conducted in accordance with
9 sound and objective scientific practices; and

10 “(2) data collected by accepted methods or best
11 available methods (if the reliability of the method
12 and the nature of the decision justify use of the
13 data).

14 “(c) DISTINCTION OF AUTHORITIES.—In setting or
15 maintaining standards for Energy Star pursuant to sec-
16 tion 324A, and WaterSense under this section, the Sec-
17 retary and Administrator shall coordinate to prevent du-
18 plicative or conflicting requirements among the respective
19 programs.

20 “(d) DEFINITIONS.—In this section:

21 “(1) ADMINISTRATOR.—The term ‘Adminis-
22 trator’ means the Administrator of the Environ-
23 mental Protection Agency.

24 “(2) FEASIBLE.—The term ‘feasible’ means
25 feasible with the use of the best technology, treat-

1 ment techniques, and other means that the Adminis-
2 trator finds, after examination for efficacy under
3 field conditions and not solely under laboratory con-
4 ditions, are available (taking cost into consider-
5 ation).

6 “(3) SECRETARY.—The term ‘Secretary’ means
7 the Secretary of Energy.

8 “(4) WATER-EFFICIENT PRODUCT, BUILDING,
9 LANDSCAPE, PROCESS, OR SERVICE.—The term
10 ‘water-efficient product, building, landscape, process,
11 or service’ means a product, building, landscape,
12 process, or service for a residence or a commercial
13 or institutional building, or its landscape, that is
14 rated for water efficiency and performance, the cov-
15 ered categories of which are—

16 “(A) irrigation technologies and services;

17 “(B) point-of-use water treatment devices;

18 “(C) plumbing products;

19 “(D) reuse and recycling technologies;

20 “(E) landscaping and gardening products,
21 including moisture control or water enhancing
22 technologies;

23 “(F) xeriscaping and other landscape con-
24 versions that reduce water use; and

1 “(G) new water efficient homes certified
2 under the WaterSense program.”.

3 (b) CONFORMING AMENDMENT.—The table of con-
4 tents for the Energy Policy and Conservation Act (Public
5 Law 94–163; 42 U.S.C. 6201 et seq.) is amended by in-
6 serting after the item relating to section 324A the fol-
7 lowing new item:

“Sec. 324B. WaterSense.”.

8 **Subtitle B—Accountability**

9 **CHAPTER 1—MARKET MANIPULATION,** 10 **ENFORCEMENT, AND COMPLIANCE**

11 **SEC. 4211. FERC OFFICE OF COMPLIANCE ASSISTANCE AND** 12 **PUBLIC PARTICIPATION.**

13 Section 319 of the Federal Power Act (16 U.S.C.
14 825q–1) is amended to read as follows:

15 **“SEC. 319. OFFICE OF COMPLIANCE ASSISTANCE AND PUB-** 16 **LIC PARTICIPATION.**

17 “(a) ESTABLISHMENT.—There is established within
18 the Commission an Office of Compliance Assistance and
19 Public Participation (referred to in this section as the ‘Of-
20 fice’). The Office shall be headed by a Director.

21 “(b) DUTIES OF DIRECTOR.—

22 “(1) IN GENERAL.—The Director of the Office
23 shall promote improved compliance with Commission
24 rules and orders by—

1 “(A) making recommendations to the Com-
2 mission regarding—

3 “(i) the protection of consumers;

4 “(ii) market integrity and support for
5 the development of responsible market be-
6 havior;

7 “(iii) the application of Commission
8 rules and orders in a manner that ensures
9 that—

10 “(I) rates and charges for, or in
11 connection with, the transmission or
12 sale of electric energy subject to the
13 jurisdiction of the Commission shall
14 be just and reasonable and not unduly
15 discriminatory or preferential; and

16 “(II) markets for such trans-
17 mission and sale of electric energy are
18 not impaired and consumers are not
19 damaged; and

20 “(iv) the impact of existing and pro-
21 posed Commission rules and orders on
22 small entities, as defined in section 601 of
23 title 5, United States Code (commonly
24 known as the Regulatory Flexibility Act);

1 “(B) providing entities subject to regula-
2 tion by the Commission the opportunity to ob-
3 tain timely guidance for compliance with Com-
4 mission rules and orders; and

5 “(C) providing information to the Commis-
6 sion and Congress to inform policy with respect
7 to energy issues under the jurisdiction of the
8 Commission.

9 “(2) REPORTS AND GUIDANCE.—The Director
10 shall, as the Director determines appropriate, issue
11 reports and guidance to the Commission and to enti-
12 ties subject to regulation by the Commission, regard-
13 ing market practices, proposing improvements in
14 Commission monitoring of market practices, and ad-
15 dressing potential improvements to both industry
16 and Commission practices.

17 “(3) OUTREACH.—The Director shall promote
18 improved compliance with Commission rules and or-
19 ders through outreach, publications, and, where ap-
20 propriate, direct communication with entities regu-
21 lated by the Commission.”.

1 **CHAPTER 2—MARKET REFORMS**

2 **SEC. 4221. GAO STUDY ON WHOLESALE ELECTRICITY MAR-**
3 **KETS.**

4 (a) STUDY AND REPORT.—Not later than 1 year
5 after the date of enactment of this Act, the Comptroller
6 General shall submit to the Committee on Energy and
7 Commerce of the House of Representatives and the Com-
8 mittee on Energy and Natural Resources of the Senate
9 a report describing the results of a study of whether and
10 how the current market rules, practices, and structures
11 of each regional transmission entity produce rates that are
12 just and reasonable by—

13 (1) facilitating fuel diversity, the availability of
14 generation resources during emergency and severe
15 weather conditions, resource adequacy, and reli-
16 ability, including the cost-effective retention and de-
17 velopment of needed generation;

18 (2) promoting the equitable treatment of busi-
19 ness models, including different utility types, the in-
20 tegration of diverse generation resources, and ad-
21 vanced grid technologies;

22 (3) identifying and addressing regulatory bar-
23 riers to entry, market-distorting incentives, and arti-
24 ficial constraints on competition;

1 (4) providing transparency regarding dispatch
2 decisions, including the need for out-of-market ac-
3 tions and payments, and the accuracy of day-ahead
4 unit commitments;

5 (5) facilitating the development of necessary
6 natural gas pipeline and electric transmission infra-
7 structure;

8 (6) ensuring fairness and transparency in gov-
9 ernance structures and stakeholder processes, in-
10 cluding meaningful participation by both voting and
11 nonvoting stakeholder representatives;

12 (7) ensuring the proper alignment of the energy
13 and transmission markets by including both energy
14 and financial transmission rights in the day-ahead
15 markets;

16 (8) facilitating the ability of load-serving enti-
17 ties to self-supply their service territory load;

18 (9) considering, as appropriate, State and local
19 resource planning; and

20 (10) mitigating, to the extent practicable, the
21 disruptive effects of tariff revisions on the economic
22 decisionmaking of market participants.

23 (b) DEFINITIONS.—In this section:

24 (1) LOAD-SERVING ENTITY.—The term “load-
25 serving entity” has the meaning given that term in

1 section 217 of the Federal Power Act (16 U.S.C.
2 824q).

3 (2) REGIONAL TRANSMISSION ENTITY.—The
4 term “regional transmission entity” means a Re-
5 gional Transmission Organization or an Independent
6 System Operator, as such terms are defined in sec-
7 tion 3 of the Federal Power Act (16 U.S.C. 796).

8 **SEC. 4222. CLARIFICATION OF FACILITY MERGER AUTHOR-**
9 **IZATION.**

10 Section 203(a)(1)(B) of the Federal Power Act (16
11 U.S.C. 824b(a)(1)(B)) is amended by striking “such facili-
12 ties or any part thereof” and inserting “such facilities, or
13 any part thereof, of a value in excess of \$10,000,000”.

14 **CHAPTER 3—CODE MAINTENANCE**

15 **SEC. 4231. REPEAL OF OFF-HIGHWAY MOTOR VEHICLES**
16 **STUDY.**

17 (a) REPEAL.—Part I of title III of the Energy Policy
18 and Conservation Act (42 U.S.C. 6373) is repealed.

19 (b) CONFORMING AMENDMENT.—The table of con-
20 tents for the Energy Policy and Conservation Act (Public
21 Law 94–163; 89 Stat. 871) is amended—

22 (1) by striking the item relating to part I of
23 title III; and

24 (2) by striking the item relating to section 385.

1 **SEC. 4232. REPEAL OF METHANOL STUDY.**

2 Section 400EE of the Energy Policy and Conserva-
3 tion Act (42 U.S.C. 6374d) is amended—

4 (1) by striking subsection (a); and

5 (2) by redesignating subsections (b) and (c) as
6 subsections (a) and (b), respectively.

7 **SEC. 4233. REPEAL OF RESIDENTIAL ENERGY EFFICIENCY**
8 **STANDARDS STUDY.**

9 (a) REPEAL.—Section 253 of the National Energy
10 Conservation Policy Act (42 U.S.C. 8232) is repealed.

11 (b) CONFORMING AMENDMENT.—The table of con-
12 tents for the National Energy Conservation Policy Act
13 (Public Law 95–619; 92 Stat. 3206) is amended by strik-
14 ing the item relating to section 253.

15 **SEC. 4234. REPEAL OF WEATHERIZATION STUDY.**

16 (a) REPEAL.—Section 254 of the National Energy
17 Conservation Policy Act (42 U.S.C. 8233) is repealed.

18 (b) CONFORMING AMENDMENT.—The table of con-
19 tents for the National Energy Conservation Policy Act
20 (Public Law 95–619; 92 Stat. 3206) is amended by strik-
21 ing the item relating to section 254.

22 **SEC. 4235. REPEAL OF REPORT TO CONGRESS.**

23 (a) REPEAL.—Section 273 of the National Energy
24 Conservation Policy Act (42 U.S.C. 8236b) is repealed.

25 (b) CONFORMING AMENDMENT.—The table of con-
26 tents for the National Energy Conservation Policy Act

1 (Public Law 95–619; 92 Stat. 3206) is amended by strik-
2 ing the item relating to section 273.

3 **SEC. 4236. REPEAL OF REPORT BY GENERAL SERVICES AD-**
4 **MINISTRATION.**

5 (a) REPEAL.—Section 154 of the Energy Policy Act
6 of 1992 (42 U.S.C. 8262a) is repealed.

7 (b) CONFORMING AMENDMENTS.—

8 (1) The table of contents for the Energy Policy
9 Act of 1992 (Public Law 102–486; 106 Stat. 2776)
10 is amended by striking the item relating to section
11 154.

12 (2) Section 159 of the Energy Policy Act of
13 1992 (42 U.S.C. 8262e) is amended by striking sub-
14 section (c).

15 **SEC. 4237. REPEAL OF INTERGOVERNMENTAL ENERGY**
16 **MANAGEMENT PLANNING AND COORDINA-**
17 **TION WORKSHOPS.**

18 (a) REPEAL.—Section 156 of the Energy Policy Act
19 of 1992 (42 U.S.C. 8262b) is repealed.

20 (b) CONFORMING AMENDMENT.—The table of con-
21 tents for the Energy Policy Act of 1992 (Public Law 102–
22 486; 106 Stat. 2776) is amended by striking the item re-
23 lating to section 156.

1 **SEC. 4238. REPEAL OF INSPECTOR GENERAL AUDIT SUR-**
2 **VEY AND PRESIDENT'S COUNCIL ON INTEG-**
3 **RITY AND EFFICIENCY REPORT TO CON-**
4 **GRESS.**

5 (a) REPEAL.—Section 160 of the Energy Policy Act
6 of 1992 (42 U.S.C. 8262f) is amended by striking the sec-
7 tion designation and heading and all that follows through
8 “(c) INSPECTOR GENERAL REVIEW.—Each Inspector
9 General” and inserting the following:

10 **“SEC. 160. INSPECTOR GENERAL REVIEW.**

11 “Each Inspector General”.

12 (b) CONFORMING AMENDMENT.—The table of con-
13 tents for the Energy Policy Act of 1992 (Public Law 102–
14 486; 106 Stat. 2776) is amended by striking the item re-
15 lating to section 160 and inserting the following:

“Sec. 160. Inspector General review.”.

16 **SEC. 4239. REPEAL OF PROCUREMENT AND IDENTIFICA-**
17 **TION OF ENERGY EFFICIENT PRODUCTS PRO-**
18 **GRAM.**

19 (a) REPEAL.—Section 161 of the Energy Policy Act
20 of 1992 (42 U.S.C. 8262g) is repealed.

21 (b) CONFORMING AMENDMENT.—The table of con-
22 tents for the Energy Policy Act of 1992 (Public Law 102–
23 486; 106 Stat. 2776) is amended by striking the item re-
24 lating to section 161.

1 **SEC. 4240. REPEAL OF NATIONAL ACTION PLAN FOR DE-**
2 **MAND RESPONSE.**

3 (a) REPEAL.—Part 5 of title V of the National En-
4 ergy Conservation Policy Act (42 U.S.C. 8279) is re-
5 pealed.

6 (b) CONFORMING AMENDMENT.—The table of con-
7 tents for the National Energy Conservation Policy Act
8 (Public Law 95–619; 92 Stat. 3206; 121 Stat. 1665) is
9 amended—

10 (1) by striking the item relating to part 5 of
11 title V; and

12 (2) by striking the item relating to section 571.

13 **SEC. 4241. REPEAL OF NATIONAL COAL POLICY STUDY.**

14 (a) REPEAL.—Section 741 of the Powerplant and In-
15 dustrial Fuel Use Act of 1978 (42 U.S.C. 8451) is re-
16 pealed.

17 (b) CONFORMING AMENDMENT.—The table of con-
18 tents for the Powerplant and Industrial Fuel Use Act of
19 1978 (Public Law 95–620; 92 Stat. 3289) is amended by
20 striking the item relating to section 741.

21 **SEC. 4242. REPEAL OF STUDY ON COMPLIANCE PROBLEM**
22 **OF SMALL ELECTRIC UTILITY SYSTEMS.**

23 (a) REPEAL.—Section 744 of the Powerplant and In-
24 dustrial Fuel Use Act of 1978 (42 U.S.C. 8454) is re-
25 pealed.

1 (b) CONFORMING AMENDMENT.—The table of con-
2 tents for the Powerplant and Industrial Fuel Use Act of
3 1978 (Public Law 95–620; 92 Stat. 3289) is amended by
4 striking the item relating to section 744.

5 **SEC. 4243. REPEAL OF STUDY OF SOCIOECONOMIC IM-**
6 **PACTS OF INCREASED COAL PRODUCTION**
7 **AND OTHER ENERGY DEVELOPMENT.**

8 (a) REPEAL.—Section 746 of the Powerplant and In-
9 dustrial Fuel Use Act of 1978 (42 U.S.C. 8456) is re-
10 pealed.

11 (b) CONFORMING AMENDMENT.—The table of con-
12 tents for the Powerplant and Industrial Fuel Use Act of
13 1978 (Public Law 95–620; 92 Stat. 3289) is amended by
14 striking the item relating to section 746.

15 **SEC. 4244. REPEAL OF STUDY OF THE USE OF PETROLEUM**
16 **AND NATURAL GAS IN COMBUSTORS.**

17 (a) REPEAL.—Section 747 of the Powerplant and In-
18 dustrial Fuel Use Act of 1978 (42 U.S.C. 8457) is re-
19 pealed.

20 (b) CONFORMING AMENDMENT.—The table of con-
21 tents for the Powerplant and Industrial Fuel Use Act of
22 1978 (Public Law 95–620; 92 Stat. 3289) is amended by
23 striking the item relating to section 747.

1 **SEC. 4245. REPEAL OF SUBMISSION OF REPORTS.**

2 (a) REPEAL.—Section 807 of the Powerplant and In-
3 dustrial Fuel Use Act of 1978 (42 U.S.C. 8483) is re-
4 pealed.

5 (b) CONFORMING AMENDMENT.—The table of con-
6 tents for the Powerplant and Industrial Fuel Use Act of
7 1978 (Public Law 95–620; 92 Stat. 3289) is amended by
8 striking the item relating to section 807.

9 **SEC. 4246. REPEAL OF ELECTRIC UTILITY CONSERVATION**
10 **PLAN.**

11 (a) REPEAL.—Section 808 of the Powerplant and In-
12 dustrial Fuel Use Act of 1978 (42 U.S.C. 8484) is re-
13 pealed.

14 (b) CONFORMING AMENDMENTS.—

15 (1) TABLE OF CONTENTS.—The table of con-
16 tents for the Powerplant and Industrial Fuel Use
17 Act of 1978 (Public Law 95–620; 92 Stat. 3289) is
18 amended by striking the item relating to section
19 808.

20 (2) REPORT ON IMPLEMENTATION.—Section
21 712 of the Powerplant and Industrial Fuel Use Act
22 of 1978 (42 U.S.C. 8422) is amended—

23 (A) by striking “(a) GENERALLY.—”; and

24 (B) by striking subsection (b).

1 **SEC. 4247. TECHNICAL AMENDMENT TO POWERPLANT AND**
2 **INDUSTRIAL FUEL USE ACT OF 1978.**

3 The table of contents for the Powerplant and Indus-
4 trial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat.
5 3289) is amended by striking the item relating to section
6 742.

7 **SEC. 4248. EMERGENCY ENERGY CONSERVATION REPEALS.**

8 (a) REPEALS.—

9 (1) Section 201 of the Emergency Energy Con-
10 servation Act of 1979 (42 U.S.C. 8501) is amend-
11 ed—

12 (A) in the section heading, by striking
13 “**FINDINGS AND**”;

14 (B) by striking subsection (a); and

15 (C) by striking “(b) PURPOSES.—”.

16 (2) Section 221 of the Emergency Energy Con-
17 servation Act of 1979 (42 U.S.C. 8521) is repealed.

18 (3) Section 222 of the Emergency Energy Con-
19 servation Act of 1979 (42 U.S.C. 8522) is repealed.

20 (4) Section 241 of the Emergency Energy Con-
21 servation Act of 1979 (42 U.S.C. 8531) is repealed.

22 (b) CONFORMING AMENDMENT.—The table of con-
23 tents for the Emergency Energy Conservation Act of 1979
24 (Public Law 96–102; 93 Stat. 749) is amended—

1 (1) by striking the item relating to section 201
2 and inserting the following:

“Sec. 201. Purposes.”; and

3 (2) by striking the items relating to sections
4 221, 222, and 241.

5 **SEC. 4249. REPEAL OF STATE UTILITY REGULATORY AS-**
6 **SISTANCE.**

7 (a) **REPEAL.**—Section 207 of the Energy Conserva-
8 tion and Production Act (42 U.S.C. 6807) is repealed.

9 (b) **CONFORMING AMENDMENT.**—The table of con-
10 tents for the Energy Conservation and Production Act
11 (Public Law 94–385; 90 Stat. 1125) is amended by strik-
12 ing the item relating to section 207.

13 **SEC. 4250. REPEAL OF SURVEY OF ENERGY SAVING POTEN-**
14 **TIAL.**

15 (a) **REPEAL.**—Section 550 of the National Energy
16 Conservation Policy Act (42 U.S.C. 8258b) is repealed.

17 (b) **CONFORMING AMENDMENTS.**—

18 (1) The table of contents for the National En-
19 ergy Conservation Policy Act (Public Law 95–619;
20 92 Stat. 3206; 106 Stat. 2851) is amended by strik-
21 ing the item relating to section 550.

22 (2) Section 543(d)(2) of the National Energy
23 Conservation Policy Act (42 U.S.C. 8253(d)(2)) is
24 amended by striking “, incorporating any relevant

1 information obtained from the survey conducted pur-
2 suant to section 550”.

3 **SEC. 4251. REPEAL OF PHOTOVOLTAIC ENERGY PROGRAM.**

4 (a) REPEAL.—Part 4 of title V of the National En-
5 ergy Conservation Policy Act (42 U.S.C. 8271 et seq.) is
6 repealed.

7 (b) CONFORMING AMENDMENTS.—The table of con-
8 tents for the National Energy Conservation Policy Act
9 (Public Law 95–619; 92 Stat. 3206) is amended—

10 (1) by striking the item relating to part 4 of
11 title V; and

12 (2) by striking the items relating to sections
13 561 through 570.

14 **SEC. 4252. REPEAL OF ENERGY AUDITOR TRAINING AND**
15 **CERTIFICATION.**

16 (a) REPEAL.—Subtitle F of title V of the Energy Se-
17 curity Act (42 U.S.C. 8285 et seq.) is repealed.

18 (b) CONFORMING AMENDMENT.—The table of con-
19 tents for the Energy Security Act (Public Law 96–294;
20 94 Stat. 611) is amended by striking the items relating
21 to subtitle F of title V.

22 **CHAPTER 4—USE OF EXISTING FUNDS**

23 **SEC. 4261. USE OF EXISTING FUNDS.**

24 Amounts required for carrying out this Act, other
25 than section 1201, shall be derived from amounts appro-

1 priated under authority provided by previously enacted
2 law.

3 **TITLE V—NATIONAL ENERGY**
4 **SECURITY CORRIDORS**

5 **SEC. 5001. SHORT TITLE.**

6 This title may be cited as the “National Energy Secu-
7 rity Corridors Act”.

8 **SEC. 5002. DESIGNATION OF NATIONAL ENERGY SECURITY**
9 **CORRIDORS ON FEDERAL LANDS.**

10 (a) IN GENERAL.—Section 28 of the Mineral Leasing
11 Act (30 U.S.C. 185) is amended as follows:

12 (1) In subsection (b)—

13 (A) by striking “(b)(1) For the purposes of
14 this section ‘Federal lands’ means” and insert-
15 ing the following:

16 “(b)(1) For the purposes of this section ‘Federal
17 lands’—

18 “(A) except as provided in subparagraph (B),
19 means”;

20 (B) by striking the period at the end of
21 paragraph (1) and inserting “; and” and by
22 adding at the end of paragraph (1) the fol-
23 lowing:

1 “(B) for purposes of granting an application for
2 a natural gas pipeline right-of-way, means all lands
3 owned by the United States except—

4 “(i) such lands held in trust for an Indian
5 or Indian tribe; and

6 “(ii) lands on the Outer Continental
7 Shelf.”.

8 (2) By redesignating subsection (b), as so
9 amended, as subsection (z), and transferring such
10 subsection to appear after subsection (y) of that sec-
11 tion.

12 (3) By inserting after subsection (a) the fol-
13 lowing:

14 “(b) NATIONAL ENERGY SECURITY CORRIDORS.—

15 “(1) DESIGNATION.—In addition to other au-
16 thorities under this section, the Secretary shall—

17 “(A) identify and designate suitable Fed-
18 eral lands as National Energy Security Cor-
19 ridors (in this subsection referred to as a ‘Cor-
20 ridor’), which shall be used for construction, op-
21 eration, and maintenance of natural gas trans-
22 mission facilities; and

23 “(B) incorporate such Corridors upon des-
24 ignation into the relevant agency land use and
25 resource management plans or equivalent plans.

1 “(2) CONSIDERATIONS.—In evaluating Federal
2 lands for designation as a National Energy Security
3 Corridor, the Secretary shall—

4 “(A) employ the principle of multiple use
5 to ensure route decisions balance national en-
6 ergy security needs with existing land use prin-
7 ciples;

8 “(B) seek input from other Federal coun-
9 terparts, State, local, and tribal governments,
10 and affected utility and pipeline industries to
11 determine the best suitable, most cost-effective,
12 and commercially viable acreage for natural gas
13 transmission facilities;

14 “(C) focus on transmission routes that im-
15 prove domestic energy security through increas-
16 ing reliability, relieving congestion, reducing
17 natural gas prices, and meeting growing de-
18 mand for natural gas; and

19 “(D) take into account technological inno-
20 vations that reduce the need for surface dis-
21 turbance.

22 “(3) PROCEDURES.—The Secretary shall estab-
23 lish procedures to expedite and approve applications
24 for rights-of-way for natural gas pipelines across
25 National Energy Security Corridors, that—

1 “(A) ensure a transparent process for re-
2 view of applications for rights-of-way on such
3 corridors;

4 “(B) require an approval time of not more
5 than 1 year after the date of receipt of an ap-
6 plication for a right-of-way; and

7 “(C) require, upon receipt of such an ap-
8 plication, notice to the applicant of a predict-
9 able timeline for consideration of the applica-
10 tion, that clearly delineates important mile-
11 stones in the process of such consideration.

12 “(4) STATE INPUT.—

13 “(A) REQUESTS AUTHORIZED.—The Gov-
14 ernor of a State may submit requests to the
15 Secretary of the Interior to designate Corridors
16 on Federal land in that State.

17 “(B) CONSIDERATION OF REQUESTS.—
18 After receiving such a request, the Secretary
19 shall respond in writing, within 30 days—

20 “(i) acknowledging receipt of the re-
21 quest; and

22 “(ii) setting forth a timeline in which
23 the Secretary shall grant, deny, or modify
24 such request and state the reasons for
25 doing so.

1 “(5) SPATIAL DISTRIBUTION OF CORRIDORS.—

2 In implementing this subsection, the Secretary shall
3 coordinate with other Federal Departments to—

4 “(A) minimize the proliferation of duplica-
5 tive natural gas pipeline rights-of-way on Fed-
6 eral lands where feasible;

7 “(B) ensure Corridors can connect effec-
8 tively across Federal lands; and

9 “(C) utilize input from utility and pipeline
10 industries submitting applications for rights-of-
11 way to site corridors in economically feasible
12 areas that reduce impacts, to the extent prac-
13 ticable, on local communities.

14 “(6) NOT A MAJOR FEDERAL ACTION.—Des-
15 ignation of a Corridor under this subsection, and in-
16 corporation of Corridors into agency plans under
17 paragraph (1)(B), shall not be treated as a major
18 Federal action for purpose of section 102 of the Na-
19 tional Environmental Policy Act of 1969 (42 U.S.C.
20 4332).

21 “(7) NO LIMIT ON NUMBER OR LENGTH OF
22 CORRIDORS.—Nothing in this subsection limits the
23 number or physical dimensions of Corridors that the
24 Secretary may designate under this subsection.

1 “(8) OTHER AUTHORITY NOT AFFECTED.—
2 Nothing in this subsection affects the authority of
3 the Secretary to issue rights-of-way on Federal land
4 that is not located in a Corridor designated under
5 this subsection.

6 “(9) NEPA CLARIFICATION.—All applications
7 for rights-of-way for natural gas transmission facili-
8 ties across Corridors designated under this sub-
9 section shall be subject to the environmental protec-
10 tions outlined in subsection (h).”.

11 (b) APPLICATIONS RECEIVED BEFORE DESIGNATION
12 OF CORRIDORS.—Any application for a right-of-way under
13 section 28 of the Mineral Leasing Act (30 U.S.C. 185)
14 that is received by the Secretary of the Interior before des-
15 ignation of National Energy Security Corridors under the
16 amendment made by subsection (a) of this section shall
17 be reviewed and acted upon independently by the Sec-
18 retary without regard to the process for such designation.

19 (c) DEADLINE.—Within 2 years after the date of the
20 enactment of this Act, the Secretary of the Interior shall
21 designate at least 10 National Energy Security Corridors
22 under the amendment made by subsection (a) in contig-
23 uous States referred to in section 368(b) of the Energy
24 Policy Act of 2005 (42 U.S.C. 15926(b)).

1 **SEC. 5003. NOTIFICATION REQUIREMENT.**

2 The Secretary of the Interior shall promptly notify
3 the Committee on Natural Resources of the House of Rep-
4 resentatives and the Committee on Energy and Natural
5 Resources of the Senate of each instance in which any
6 agency or official of the Department of the Interior fails
7 to comply with any schedule established under section
8 15(c) of the Natural Gas Act (15 U.S.C. 717n(c)).

9 **TITLE VI—ELECTRICITY RELI-**
10 **ABILITY AND FOREST PRO-**
11 **TECTION**

12 **SEC. 6001. SHORT TITLE.**

13 This title may be cited as the “Electricity Reliability
14 and Forest Protection Act”.

15 **SEC. 6002. VEGETATION MANAGEMENT, FACILITY INSPEC-**
16 **TION, AND OPERATION AND MAINTENANCE**
17 **ON FEDERAL LANDS CONTAINING ELECTRIC**
18 **TRANSMISSION AND DISTRIBUTION FACILI-**
19 **TIES.**

20 (a) IN GENERAL.—Title V of the Federal Land Pol-
21 icy and Management Act of 1976 (43 U.S.C. 1761 et seq.)
22 is amended by adding at the end the following new section:

1 **“SEC. 512. VEGETATION MANAGEMENT, FACILITY INSPEC-**
2 **TION, AND OPERATION, AND MAINTENANCE**
3 **RELATING TO ELECTRIC TRANSMISSION AND**
4 **DISTRIBUTION FACILITY RIGHTS-OF-WAY.**

5 “(a) GENERAL DIRECTION.—In order to enhance the
6 reliability of the electricity grid and reduce the threat of
7 wildfires to and from electric transmission and distribu-
8 tion rights-of-way and related facilities and adjacent prop-
9 erty, the Secretary, with respect to public lands and other
10 lands under the jurisdiction of the Secretary, and the Sec-
11 retary of Agriculture, with respect to National Forest Sys-
12 tem lands, shall provide direction to ensure that all exist-
13 ing and future rights-of-way, however established (includ-
14 ing by grant, special use authorization, and easement), for
15 electrical transmission and distribution facilities on such
16 lands include provisions for utility vegetation manage-
17 ment, facility inspection, and operation and maintenance
18 activities that, while consistent with applicable law—

19 “(1) are developed in consultation with the
20 holder of the right-of-way;

21 “(2) enable the owner or operator of a facility
22 to operate and maintain the facility in good working
23 order and to comply with Federal, State and local
24 electric system reliability and fire safety require-
25 ments, including reliability standards established by

1 the North American Electric Reliability Corporation
2 and plans to meet such reliability standards;

3 “(3) minimize the need for case-by-case or an-
4 nual approvals for—

5 “(A) routine vegetation management, facil-
6 ity inspection, and operation and maintenance
7 activities within existing electrical transmission
8 and distribution rights-of-way; and

9 “(B) utility vegetation management activi-
10 ties that are necessary to control hazard trees
11 within or adjacent to electrical transmission and
12 distribution rights-of-way; and

13 “(4) when review is required, provide for exped-
14 ited review and approval of utility vegetation man-
15 agement, facility inspection, and operation and
16 maintenance activities, especially activities requiring
17 prompt action to avoid an adverse impact on human
18 safety or electric reliability to avoid fire hazards.

19 “(b) VEGETATION MANAGEMENT, FACILITY INSPEC-
20 TION, AND OPERATION AND MAINTENANCE PLANS.—

21 “(1) DEVELOPMENT AND SUBMISSION.—Con-
22 sistent with subsection (a), the Secretary and the
23 Secretary of Agriculture shall provide owners and
24 operators of electric transmission and distribution
25 facilities located on lands described in such sub-

1 section with the option to develop and submit a
2 vegetation management, facility inspection, and op-
3 eration and maintenance plan, that at each owner or
4 operator’s transmission discretion may cover some or
5 all of the owner or operator’s transmission and dis-
6 tribution rights-of-way on Federal lands, for ap-
7 proval to the Secretary with jurisdiction over the
8 lands. A plan under this paragraph shall enable the
9 owner or operator of a facility, at a minimum, to
10 comply with applicable Federal, State, and local elec-
11 tric system reliability and fire safety requirements,
12 as provided in subsection (a)(2). The Secretaries
13 shall not have the authority to modify those require-
14 ments.

15 “(2) REVIEW AND APPROVAL PROCESS.—The
16 Secretary and the Secretary of Agriculture shall
17 jointly develop a consolidated and coordinated proc-
18 ess for review and approval of—

19 “(A) vegetation management, facility in-
20 spection, and operation and maintenance plans
21 submitted under paragraph (1) that—

22 “(i) assures prompt review and ap-
23 proval not to exceed 90 days;

1 “(ii) includes timelines and bench-
2 marks for agency comments to submitted
3 plans and final approval of such plans;

4 “(iii) is consistent with applicable law;
5 and

6 “(iv) minimizes the costs of the proc-
7 ess to the reviewing agency and the entity
8 submitting the plans; and

9 “(B) amendments to the plans in a prompt
10 manner if changed conditions necessitate a
11 modification to a plan.

12 “(3) NOTIFICATION.—The review and approval
13 process under paragraph (2) shall—

14 “(A) include notification by the agency of
15 any changed conditions that warrant a modi-
16 fication to a plan;

17 “(B) provide an opportunity for the owner
18 or operator to submit a proposed plan amend-
19 ment to address directly the changed condition;
20 and

21 “(C) allow the owner or operator to con-
22 tinue to implement those elements of the ap-
23 proved plan that do not directly and adversely
24 affect the condition precipitating the need for
25 modification.

1 “(4) CATEGORICAL EXCLUSION PROCESS.—The
2 Secretary and the Secretary of Agriculture shall
3 apply his or her categorical exclusion process under
4 the National Environmental Policy Act of 1969 (42
5 U.S.C. 4321 et seq.) to plans developed under this
6 subsection on existing transmission and distribution
7 rights-of-way under this subsection.

8 “(5) IMPLEMENTATION.—A plan approved
9 under this subsection shall become part of the au-
10 thorization governing the covered right-of-way and
11 hazard trees adjacent to the right-of-way. If a vege-
12 tation management plan is proposed for an existing
13 transmission and distribution facility concurrent
14 with the siting of a new transmission or distribution
15 facility, necessary reviews shall be completed as part
16 of the siting process or sooner. Once the plan is ap-
17 proved, the owner or operator shall provide the agen-
18 cy with only a notification of activities anticipated to
19 be undertaken in the coming year, a description of
20 those activities, and certification that the activities
21 are in accordance with the plan.

22 “(6) DEFINITIONS.—In this subsection:

23 “(A) VEGETATION MANAGEMENT, FACIL-
24 ITY INSPECTION, AND OPERATION AND MAINTEN-
25 NANCE PLAN.—The term ‘vegetation manage-

1 ment, facility inspection, and operation and
2 maintenance plan’ means a plan that—

3 “(i) is prepared by the owner or oper-
4 ator of one or more electrical transmission
5 or distribution facilities to cover one or
6 more electric transmission and distribution
7 rights-of-way; and

8 “(ii) provides for the long-term, cost-
9 effective, efficient and timely management
10 of facilities and vegetation within the width
11 of the right-of-way and adjacent Federal
12 lands to enhance electricity reliability, pro-
13 mote public safety, and avoid fire hazards.

14 “(B) OWNER OR OPERATOR.—The terms
15 ‘owner’ and ‘operator’ include contractors or
16 other agents engaged by the owner or operator
17 of a facility.

18 “(C) HAZARD TREE.—The term ‘hazard
19 tree’ means any tree inside the right-of-way or
20 located outside the right-of-way that has been
21 found by the either the owner or operator of a
22 transmission or distribution facility, or the Sec-
23 retary or the Secretary of Agriculture, to be
24 likely to fail and cause a high risk of injury,
25 damage, or disruption within 10 feet or less of

1 an electric power line or related structure if it
2 fell.

3 “(c) RESPONSE TO EMERGENCY CONDITIONS.—If
4 vegetation on Federal lands within, or hazard trees on
5 Federal lands adjacent to, an electrical transmission or
6 distribution right-of-way granted by the Secretary or the
7 Secretary of Agriculture has contacted or is in imminent
8 danger of contacting one or more electric transmission or
9 distribution lines, the owner or operator of the trans-
10 mission or distribution lines—

11 “(1) may prune or remove the vegetation to
12 avoid the disruption of electric service and risk of
13 fire; and

14 “(2) shall notify the appropriate local agent of
15 the relevant Secretary not later than 24 hours after
16 such removal.

17 “(d) COMPLIANCE WITH APPLICABLE RELIABILITY
18 AND SAFETY STANDARDS.—If vegetation on Federal
19 lands within or adjacent to an electrical transmission or
20 distribution right-of-way under the jurisdiction of each
21 Secretary does not meet clearance requirements under
22 standards established by the North American Electric Re-
23 liability Corporation, or by State and local authorities, and
24 the Secretary having jurisdiction over the lands has failed
25 to act to allow a transmission or distribution facility owner

1 or operator to conduct vegetation management activities
2 within 3 business days after receiving a request to allow
3 such activities, the owner or operator may, after notifying
4 the Secretary, conduct such vegetation management ac-
5 tivities to meet those clearance requirements.

6 “(e) REPORTING REQUIREMENT.—The Secretary or
7 Secretary of Agriculture shall report requests and actions
8 made under subsections (c) and (d) annually on each Sec-
9 retary’s website.

10 “(f) LIABILITY.—An owner or operator of a trans-
11 mission or distribution facility shall not be held liable for
12 wildfire damage, loss or injury, including the cost of fire
13 suppression, if—

14 “(1) the Secretary or the Secretary of Agri-
15 culture fails to allow the owner or operator to oper-
16 ate consistently with an approved vegetation man-
17 agement, facility inspection, and operation and
18 maintenance plan on Federal lands under the rel-
19 evant Secretary’s jurisdiction within or adjacent to
20 a right-of-way to comply with Federal, State or local
21 electric system reliability and fire safety standards,
22 including standards established by the North Amer-
23 ican Electric Reliability Corporation; or

24 “(2) the Secretary or the Secretary of Agri-
25 culture fails to allow the owner or operator of the

1 transmission or distribution facility to perform ap-
2 propriate vegetation management activities in re-
3 sponse to an identified hazard tree as defined under
4 subsection (b)(6), or a tree in imminent danger of
5 contacting the owner's or operator's transmission or
6 distribution facility.

7 “(g) TRAINING AND GUIDANCE.—In consultation
8 with the electric utility industry, the Secretary and the
9 Secretary of Agriculture are encouraged to develop a pro-
10 gram to train personnel of the Department of the Interior
11 and the Forest Service involved in vegetation management
12 decisions relating to transmission and distribution facili-
13 ties to ensure that such personnel—

14 “(1) understand electric system reliability and
15 fire safety requirements, including reliability stand-
16 ards established by the North American Electric Re-
17 liability Corporation;

18 “(2) assist owners and operators of trans-
19 mission and distribution facilities to comply with ap-
20 plicable electric reliability and fire safety require-
21 ments; and

22 “(3) encourage and assist willing owners and
23 operators of transmission and distribution facilities
24 to incorporate on a voluntary basis vegetation man-
25 agement practices to enhance habitats and forage

1 for pollinators and for other wildlife so long as the
2 practices are compatible with the integrated vegeta-
3 tion management practices necessary for reliability
4 and safety.

5 “(h) IMPLEMENTATION.—The Secretary of the Inte-
6 rior and the Secretary of Agriculture shall—

7 “(1) not later than one year after the date of
8 the enactment of this section, prescribe regulations,
9 or amend existing regulations, to implement this sec-
10 tion; and

11 “(2) not later than two years after the date of
12 the enactment of this section, finalize regulations, or
13 amend existing regulations, to implement this sec-
14 tion.

15 “(i) EXISTING VEGETATION MANAGEMENT, FACIL-
16 ITY INSPECTION AND OPERATION AND MAINTENANCE
17 PLANS.—Nothing in this section requires an owner or op-
18 erator to develop and submit a vegetation management,
19 facility inspection, and operation and maintenance plan if
20 one has already been approved by the Secretary or Sec-
21 retary of Agriculture before the date of the enactment of
22 this section.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 for the Federal Land Policy and Management Act of 1976

- 1 (43 U.S.C. 1761 et seq.), is amended by inserting after
- 2 the item relating to section 511 the following new item:

“Sec. 512. Vegetation management, facility inspection, and operation, and maintenance relating to electric transmission and distribution facility rights-of-way.”.

