SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1547. Mr. TESTER (for himself, Mr. BINGAMAN, Mr. REID, Ms. MURKOWSKI, Mr. STEVENS, Mr. SALAZAR, Mr. AKAKA, Mr. SANDERS, and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1548. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1549. Mr. KOHL (for himself, Mr. FEINGOLD, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1550. Mr. WYDEN (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1551. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1552. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, to provide the necessary authority to the Secretary of Commerce for the establishment and implementation of a regulatory system for offshore aquaculture in the United States Exclusive Economic Zone, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation.

SA 1553. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, supra; which was referred to the Committee on Commerce, Science, and Transportation.

SA 1554. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, supra; which was referred to the Committee on Commerce, Science, and Transportation.

SA 1555. Mr. STEVENS (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by him to the bill S. 1609, supra; which was referred to the Committee on Commerce, Science, and Transportation.

SA 1556. Mrs. LINCOLN (for herself, Mr. DOMENICI, Mr. PRYOR, Mr. CRAIG, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investigating clean, renewable, and alternative energy resources, promoting newemerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table.

SA 1557. Ms. KLOBUCHAR (for herself, Ms. SNOWE, and Mr. BINGAMAN) submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1558. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1559. Mr. HAGEL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1560. Mr. HAGEL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 1561. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1528. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 126, line 12, strike ''and''.

On page 126, line 13, strike the period and insert ''; and''.

On page 126, between lines 13 and 14, insert the following:

(vi) thermal behavior and life degradation mechanisms.

On page 126, strike lines 14 through 21, and insert the following:

(B) NANOSCIENCE CENTERS.—The Secretary, in cooperation with the Council, shall coordinate the activities of the nanoscience centers of the Department to help the nanoscience centers of the Department maintain a globally competitive posture in energy storage systems for motor transportation and electricity transmission and distribution.

On page 127, line 5, insert ''and battery systems'' after ''batteries''.

On page 127, line 7, strike ''and''.

On page 127, line 9, strike the period and insert ''; and''.

On page 127, between lines 9 and 10, insert the following:

(G) thermal management systems.

On page 127, line 12, insert ''not more than'' before ''4''.

On page 127, lines 21 and 22, strike ''and the Under Secretary of Energy''.

Beginning on page 128, strike line 22, and all that follows through page 129, line 2 and insert the following:

(7) DISCLOSURE.—Section 623 of the Energy Policy Act of 1992 (42 U.S.C. 13293) may apply to any project carried out through a grant, contract, or cooperative agreement under this section.

(8) INTELLECTUAL PROPERTY.—In accordance with section 202(a)(ii) of title 35, United States Code, section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182), and section 9 of the Federal Nonnuclear Research and Development Act of 1974 (42 U.S.C. 5908), the Secretary may require, for any new invention developed under paragraph (6)—

(A) that any industrial participant that is active in a Energy Storage Research Center established under paragraph (6) related to the advancement of energy storage technologies carried out, in whole or in part, with Federal funding, be granted the first option to negotiate with the invention owner, at least in the field of energy storage technologies, nonexclusive licenses and royalties on terms that are reasonable, as determined by the Secretary;

(B) that, during a 2-year period beginning on the date on which an invention is made, the patent holder shall not negotiate any license or royalty agreement with any entity that is not an industrial participant under paragraph (6);

(C) that, during the 2-year period described in subparagraph (B), the patent holder shall negotiate nonexclusive licenses and royalties in good faith with any interested industrial participant under paragraph (6); and

(D) such other terms as the Secretary determines to be necessary to promote the accelerated commercialization of inventions made under paragraph (6) to advance the capability of the United States to successfully compete in global energy storage markets.

On page 129, line 3, strike ''(7)'' and insert ''(9)''.

On page 129, line 4, strike ''5 years'' and insert ''3 years''.

On page 129, line 8, strike ''in making'' and all that follows through the end of the paragraph and insert ''in carrying out this section.''.

On page 129, line 12, strike ''(8)'' and insert ''(10)''.

SA 1529. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, between lines 4 and 5, insert the following:

(h) REPORT.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Administrator of General Services shall submit to the Energy Information Agency a report describing the quantity, type, and cost of each lighting product purchased by the Federal Government.

On page 73, line 5, strike ''(h)'' and insert ''(i)''.

On page 73, line 16, strike ''(i)'' and insert ''(j)''.

SA 1530. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 161, between lines 2 and 3, insert the following:

SEC. 269. PROMOTION OF ENERGY SAVINGS PERFORMANCE CONTRACTS.

Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (D), by inserting ''beginning on the date of the delivery order'' after ''25 years''; and

(B) by adding at the end the following:

''(E) PROMOTION OF CONTRACTS.—In carrying out this section, a Federal agency shall not—

''(i) establish a Federal agency policy that limits the maximum contract term under subparagraph (D) to a period shorter than 25 years; or

''(ii) limit the total amount of obligations under energy savings performance contracts or other private financing of energy savings measures.

''(F) MEASUREMENT AND VERIFICATION REQUIREMENTS FOR PRIVATE FINANCING.—

''(i) IN GENERAL.—The evaluations and savings measurement and verification required under paragraphs (1) and (3) of section 543(f) shall be used by a Federal agency to meet the requirements for—

''(I) in the case of energy savings performance contracts, the need for energy audits, calculation of energy savings, and any other evaluation of costs and savings needed to implement the guarantee of savings under this section; and

''(II) in the case of utility energy service contracts, needs that are similar to the purposes described in subclause (I).

''(ii) MODIFICATION OF EXISTING CONTRACTS.—Not later than 180 days after the date of enactment of this subparagraph, each Federal agency shall, to the maximum extent practicable, modify any indefinite delivery and indefinite quantity energy savings performance contracts, and other indefinite delivery and indefinite quantity contracts using private financing, to conform to the amendments made by the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007.''; and

(2) by striking subsection (c).

SA 1531. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 153, strike line 24 and insert the following:

''under subsection (a)(1).

''(g) USE OF ENERGY AND WATER EFFICIENCY MEASURES IN FEDERAL BUILDINGS.—

''(1) ENERGY AND WATER EVALUATIONS.—Not later than 1 year after the date of enactment of this subsection, and every 3 years thereafter, each Federal agency shall complete a comprehensive energy and water evaluation for—

''(A) each building and other facility of the Federal agency that is larger than a minimum size established by the Secretary; and

''(B) any other building or other facility of the Federal agency that meets any other criteria established by the Secretary.

''(2) IMPLEMENTATION OF IDENTIFIED ENERGY AND WATER EFFICIENCY MEASURES.—

''(A) IN GENERAL.—Not later than 2 years after the date of enactment of this subsection, and every 3 years thereafter, each Federal agency—

''(i) shall fully implement each energy and water-saving measure that the Federal agency identified in the evaluation conducted under paragraph (1) that has a 15-year simple payback period; and

''(ii) may implement any energy or water-saving measure that the Federal agency identified in the evaluation conducted under paragraph (1) that has longer than a 15-year simple payback period.

''(B) PAYBACK PERIOD.—

''(i) IN GENERAL.—For the purpose of subparagraph (A), a measure shall be considered to have a 15-year simple payback if the quotient obtained under clause (ii) is less than or equal to 15.

''(ii) QUOTIENT.—The quotient for a measure shall be obtained by dividing—

''(I) the estimated initial implementation cost of the measure (other than financing costs); by

''(II) the annual cost savings from the measure.

''(C) COST SAVINGS.—For the purpose of subparagraph (B), cost savings shall include net savings in estimated—

''(i) energy and water costs; and

''(ii) operations, maintenance, repair, replacement, and other direct costs.

''(D) EXCEPTIONS.—The Secretary may modify or make exceptions to the calculation of a 15-year simple payback under this paragraph in the guidelines issued by the Secretary under paragraph (4).

''(3) FOLLOW-UP ON IMPLEMENTED MEASURES.—For each measure implemented under paragraph (2), each Federal agency shall carry out—

''(A) commissioning;

''(B) operations, maintenance, and repair; and

''(C) measurement and verification of energy and water savings.

''(4) GUIDELINES.—

''(A) IN GENERAL.—The Secretary shall issue guidelines and necessary criteria that each Federal agency shall follow for implementation of—

''(i) paragraph (1) not later than 90 days after the date of enactment of this subsection; and

''(ii) paragraphs (2) and (3) not later than 180 days after the date of enactment of this subsection.

''(B) RELATIONSHIP TO FUNDING SOURCE.—The guidelines issued by the Secretary under subparagraph (A) shall be appropriate and uniform for measures funded with each type of funding made available under paragraph (8).

''(5) WEB-BASED CERTIFICATION.—

''(A) IN GENERAL.—For each building and other facility that meets the criteria established by the Secretary under paragraph (1), each Federal agency shall use a web-based tracking system to certify compliance with the requirements for—

''(i) energy and water evaluations under paragraph (1);

''(ii) implementation of identified energy and water measures under paragraph (2); and

''(iii) follow-up on implemented measures under paragraph (3).

''(B) DEPLOYMENT.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall deploy the web-based tracking system required under this paragraph in a manner that tracks, at a minimum—

''(i) the covered buildings and other facilities;

''(ii) the status of evaluations;

''(iii) the identified measures, with estimated costs and savings;

''(iv) the status of implementing the measures;

''(v) the measured savings; and

''(vi) the persistence of savings.

''(C) AVAILABILITY.—

''(i) IN GENERAL.—Subject to clause (ii), the Secretary shall make the web-based tracking system required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

''(ii) EXEMPTIONS.—At the request of a Federal agency, the Secretary may exempt specific data for specific buildings from disclosure under clause (i) for national security purposes.

''(6) BENCHMARKING OF FEDERAL FACILITIES.—

''(A) IN GENERAL.—Each Federal agency shall enter energy use data for each building and other facility of the Federal agency into a building energy use benchmarking system, such as the Energy Star Portfolio Manager.

''(B) SYSTEM AND GUIDANCE.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall—

''(i) select or develop the building energy use benchmarking system required under this paragraph for each type of building; and

''(ii) issue guidance for use of the system.

''(7) FEDERAL AGENCY SCORECARDS.—

''(A) IN GENERAL.—The Director of the Office of Management and Budget shall issue quarterly scorecards for energy management activities carried out by each Federal agency that includes—

''(i) summaries of the status of—

''(I) energy and water evaluations under paragraph (1);

''(II) implementation of identified energy and water measures under paragraph (2); and

''(III) follow-up on implemented measures under paragraph (3); and

''(ii) any other means of measuring performance that the Director considers appropriate.

''(B) AVAILABILITY.—The Director shall make the scorecards required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

''(8) FUNDING.—

''(A) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

''(B) FUNDING OPTIONS.—

''(i) IN GENERAL.—To carry out paragraphs (1) through (3), a Federal agency may use any combination of—

''(I) appropriated funds made available under subparagraph (A); and

''(II) private financing, including financing available through energy savings performance contracts or utility energy savings contracts.

''(ii) COMBINED FUNDING FOR SAME MEASURE.—A Federal agency may use any combination of appropriated funds and private financing described in clause (i) to carry out the same measure under this subsection, with proportional allocation for any energy and water savings.

''(iii) LACK OF APPROPRIATED FUNDS.—Since measures may be carried out using private financing described in clause (i), a lack of available appropriations shall not be considered a sufficient reason for the failure of a Federal agency to comply with paragraphs (1) through (3).''.

SA 1532. Mr. THUNE submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 50, between lines 16 and 17, insert the following:

(d) APPROVAL OF HIGHER BLENDS OF ETHANOL.—Not later than 180 days after the date on which the report is submitted under subsection (c), the Administrator of the Environmental Protection Agency shall approve

the use of higher blends of ethanol fuel for use in non-flex fuel automotive vehicles that received a satisfactory review based on the components of the study under subsection (a) addressing the emissions, materials compatibility, and durability and performance of the approved higher blends of ethanol fuel in on-road and off-road engines.

SA 1533. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle F of title II, insert the following:

SEC. 2___. DEFINITION OF STATE.

Section 412 of the Energy Conservation and Production Act (42 U.S.C. 6862) is amended by striking paragraph (8) and inserting the following:

''(8) STATE.—The term 'State' means—

''(A) a State;

''(B) the District of Columbia; and

''(C) the Commonwealth of Puerto Rico.''.

SA 1534. Mr. NELSON of Nebraska submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 36, line 17, strike ''Section'' and insert the following:

(a) IN GENERAL.—Section

On page 36, after line 22, add the following:

(b) BIOFUELS INVESTMENT TRUST FUND.—Section 932(d) of the Energy Policy Act of 2005 (42 U.S.C. 16232(d)) is amended by adding at the end the following:

''(3) BIOFUELS INVESTMENT TRUST FUND.—

''(A) ESTABLISHMENT.—

''(i) IN GENERAL.—There is established in the Treasury of the United States a trust fund, to be known as the 'Biofuels Investment Trust Fund' (referred to in this paragraph as the 'trust fund'), consisting of such amounts as are transferred to the trust fund under clause (ii).

''(ii) TRANSFER.—As soon as practicable after the date of enactment of this paragraph, the Secretary of the Treasury shall transfer to the trust fund, from amounts in the general fund of the Treasury, such amounts as the Secretary of the Treasury determines to be equivalent to the amounts received in the general fund as of January 1, 2007, that are attributable to duties received on articles entered under heading 9901.00.50 of the Harmonized Tariff Schedule of the United States.

''(B) INVESTMENT OF AMOUNTS.—

''(i) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the trust fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals.

''(ii) INTEREST-BEARING OBLIGATIONS.—Investments may be made only in interest-bearing obligations of the United States.

''(iii) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under clause (i), obligations may be acquired—

''(I) on original issue at the issue price; or

''(II) by purchase of outstanding obligations at the market price.

''(iv) SALE OF OBLIGATIONS.—Any obligation acquired by the trust fund may be sold by the Secretary of the Treasury at the market price.

''(v) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund.

''(C) TRANSFERS OF AMOUNTS.—

''(i) IN GENERAL.—The amounts required to be transferred to the trust fund under subparagraph (A)(ii) shall be transferred at least quarterly from the general fund of the Treasury to the trust fund on the basis of estimates made by the Secretary of the Treasury.

''(ii) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(D) USE OF FUNDS.—

''(i) IN GENERAL.—Amounts in the trust fund shall be used to carry out the program under paragraph (1).

''(ii) TREATMENT.—Amounts in the trust fund used under clause (i) shall be in addition to, and shall not be considered to be provided in lieu of, any other funds made available to carry out this subsection.''.

SA 1535. Mr. CARDIN (for himself, Ms. MIKULSKI, Mr. DODD, Mr. KERRY, Mr. REED, Mr. KENNEDY, and Mr. WHITEHOUSE) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. SITING, CONSTRUCTION, EXPANSION, AND OPERATION OF LNG TERMINALS.

Section 10 of the Act of March 3, 1899 (33 U.S.C. 403), is amended—

(1) by striking the section heading and designation and all that follows through ''creation'' and inserting the following:

''SEC. 10. OBSTRUCTION OF NAVIGABLE WATERS; WHARVES AND PIERS; EXCAVATIONS AND FILLING IN.

''(a) IN GENERAL.—The creation''; and

(2) by adding at the end the following:

''(b) SITING, CONSTRUCTION, EXPANSION, AND OPERATION OF LNG TERMINALS.—The Secretary shall not approve or disapprove an application for the siting, construction, expansion, or operation of a liquefied natural gas terminal pursuant to this section without the express concurrence of each State affected by the application.''.

SA 1536. Mr. KERRY (for himself, Mr. SANDERS, and Mr. DODD) submitted an amendment intended to be proposed by him to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, strike the table between lines 7 and 8 and insert the following:

Calendar year:	**Minimum annual percentage:**
2009 through 2012	5
2013 through 2016	10
2017 through 2019	15
2020 through 2030	20

On page 3, line 2, strike ''2009'' and insert ''2008''.

SA 1537. Mr. REID (for Mr. BINGAMAN (for himself, Mr. REID, Mr. CARDIN, Mr. SALAZAR, Ms. SNOWE, and Mr. DURBIN)) proposed an amendment to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting newemerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; as follows:

At the end, add the following:

TITLE VIII—RENEWABLE PORTFOLIO STANDARD

SEC. 801. RENEWABLE PORTFOLIO STANDARD.

(a) IN GENERAL.—Title VI of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended by adding at the end the following:

''SEC. 610. FEDERAL RENEWABLE PORTFOLIO STANDARD.

''(a) RENEWABLE ENERGY REQUIREMENT.—

''(1) IN GENERAL.—Each electric utility that sells electricity to electric consumers shall obtain a percentage of the base amount of electricity it sells to electric consumers in any calendar year from new renewable energy or existing renewable energy. The percentage obtained in a calendar year shall not be less than the amount specified in the following table:

''Calendar year:	**Minimum annual percentage:**
2010 through 2012	3.75
2013 through 2016	7.50
2017 through 2019	11.25
2020 through 2030	15.0

''(2) MEANS OF COMPLIANCE.—An electric utility shall meet the requirements of paragraph (1) by—

''(A) submitting to the Secretary renewable energy credits issued under subsection (b);

''(B) making alternative compliance payments to the Secretary at the rate of 2 cents per kilowatt hour (as adjusted for inflation under subsection (g)); or

''(C) a combination of activities described in subparagraphs (A) and (B).

''(3) SPECIAL RULE.—Nothing in this section authorizes or requires the Tennessee Valley Authority to make any capital expenditure on new generating capacity, except to the extent that budget authority for the expenditure is provided in advance in an appropriations Act.

''(b) FEDERAL RENEWABLE ENERGY CREDIT TRADING PROGRAM.—

''(1) IN GENERAL.—Not later than July 1, 2009, the Secretary shall establish a Federal renewable energy credit trading program under which electric utilities shall submit to the Secretary renewable energy credits to certify the compliance of the electric utilities with respect to obligations under subsection (a)(1).

''(2) ADMINISTRATION.—As part of the program, the Secretary shall—

''(A) issue tradeable renewable energy credits to generators of electric energy from new renewable energy;

''(B) issue nontradeable renewable energy credits to generators of electric energy from existing renewable energy;

''(C) issue renewable energy credits to electric utilities associated with State renewable portfolio standard compliance mechanisms pursuant to subsection (h);

''(D) ensure that a kilowatt hour, including the associated renewable energy credit, shall be used only once for purposes of compliance with this Act;

''(E) allow double credits for generation from facilities on Indian land, and triple credits for generation from small renewable distributed generators (meaning those no larger than 1 megawatt); and

''(F) ensure that, with respect to a purchaser that, as of the date of enactment of this section, has a purchase agreement from a renewable energy facility placed in service before that date, the credit associated with the generation of renewable energy under the contract is issued to the purchaser of the electric energy to the extent that the contract does not already provide for the allocation of the Federal credit.

''(3) DURATION.—A credit described in subparagraph (A), (B), or (C) of paragraph (2) may only be used for compliance with this section during the 3-year period beginning on the date of issuance of the credit.

''(4) TRANSFERS.—An electric utility that holds credits in excess of the quantity of credits needed to comply with subsection (a) may transfer the credits to another electric utility in the same utility holding company system.

''(5) DELEGATION OF MARKET FUNCTION.—The Secretary may delegate to an appropriate market-making entity the administration of a national tradeable renewable energy credit market for purposes of creating a transparent national market for the sale or trade of renewable energy credits.

''(c) ENFORCEMENT.—

''(1) CIVIL PENALTIES.—Any electric utility that fails to meet the compliance requirements of subsection (a) shall be subject to a civil penalty.

''(2) AMOUNT OF PENALTY.—The amount of the civil penalty shall be determined by multiplying the number of kilowatt-hours of electric energy sold to electric consumers in violation of subsection (a) by the greater of—

''(A) the value of the alternative compliance payment, as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor; or

''(B) 200 percent of the average market value of renewable energy credits during the year in which the violation occurred.

''(3) MITIGATION OR WAIVER.—

''(A) PENALTY.—

''(i) IN GENERAL.—The Secretary may mitigate or waive a civil penalty under this subsection if the electric utility is unable to comply with subsection (a) for a reason outside of the reasonable control of the utility.

''(ii) AMOUNT.—The Secretary shall reduce the amount of any penalty determined under paragraph (2) by the amount paid by the electric utility to a State for failure to comply with the requirement of a State renewable energy program if the State requirement is greater than the applicable requirement of subsection (a).

''(B) REQUIREMENT.—The Secretary may waive the requirements of subsection (a) for a period of up to 5 years with respect to an electric utility if the Secretary determines that the electric utility cannot meet the requirements because of a hurricane, tornado, fire, flood, earthquake, ice storm, or other natural disaster or act of God beyond the reasonable control of the utility.

''(4) PROCEDURE FOR ASSESSING PENALTY.—The Secretary shall assess a civil penalty under this subsection in accordance with the procedures prescribed by section 333(d) of the Energy Policy and Conservation Act of 1954 (42 U.S.C. 6303).

''(d) STATE RENEWABLE ENERGY ACCOUNT PROGRAM.—

''(1) IN GENERAL.—There is established in the Treasury a State renewable energy account program.

''(2) DEPOSITS.—All money collected by the Secretary from alternative compliance payments and the assessment of civil penalties under this section shall be deposited into the renewable energy account established pursuant to this subsection.

''(3) USE.—Proceeds deposited in the State renewable energy account shall be used by the Secretary, subject to appropriations, for a program to provide grants to the State agency responsible for developing State energy conservation plans under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) for the purposes of promoting renewable energy production, including programs that promote technologies that reduce the use of electricity at customer sites such as solar water heating.

''(4) ADMINISTRATION.—The Secretary may issue guidelines and criteria for grants awarded under this subsection. State energy offices receiving grants under this section shall maintain such records and evidence of compliance as the Secretary may require.

''(5) PREFERENCE.—In allocating funds under this program, the Secretary shall give preference—

''(A) to States in regions which have a disproportionately small share of economically sustainable renewable energy generation capacity; and

''(B) to State programs to stimulate or enhance innovative renewable energy technologies.

''(e) RULES.—The Secretary shall issue rules implementing this section not later than 1 year after the date of enactment of this section.

''(f) EXEMPTIONS.—This section shall not apply in any calendar year to an electric utility—

''(1) that sold less than 4,000,000 megawatt-hours of electric energy to electric consumers during the preceding calendar year; or

''(2) in Hawaii.

''(g) INFLATION ADJUSTMENT.—Not later than December 31 of each year beginning in 2008, the Secretary shall adjust for inflation the rate of the alternative compliance payment under subsection (a)(2)(B) and the amount of the civil penalty per kilowatt-hour under subsection (c)(2).

''(h) STATE PROGRAMS.—

''(1) IN GENERAL.—Nothing in this section diminishes any authority of a State or political subdivision of a State to adopt or enforce any law or regulation respecting renewable energy or the regulation of electric utilities, but, except as provided in subsection (c)(3), no such law or regulation shall relieve any person of any requirement otherwise applicable under this section. The Secretary, in consultation with States having such renewable energy programs, shall, to the maximum extent practicable, facilitate coordination between the Federal program and State programs.

''(2) REGULATIONS.—

''(A) IN GENERAL.—The Secretary, in consultation with States, shall promulgate regulations to ensure that an electric utility that is subject to the requirements of this section and is subject to a State renewable energy standard receives renewable energy credits if—

''(i) the electric utility complies with State standard by generating or purchasing renewable electric energy or renewable energy certificates or credits; or

''(ii) the State imposes or allows other mechanisms for achieving the State standard, including the payment of taxes, fees, surcharges, or other financial obligations.

''(B) AMOUNT OF CREDITS.—The amount of credits received by an electric utility under this subsection shall equal—

''(i) in the case of subparagraph (A)(i), the renewable energy resulting from the generation or purchase by the electric utility of existing renewable energy or new renewable energy; and

''(ii) in the case of subparagraph (A)(ii), the pro rata share of the electric utility, based on the contributions to the mechanism made by the electric utility or customers of the electric utility, in the State, of the renewable energy resulting from those mechanisms.

''(C) PROHIBITION ON DOUBLE COUNTING.—The regulations promulgated under this paragraph shall ensure that a kilowatt-hour associated with a renewable energy credit issued pursuant to this subsection shall not be used for compliance with this section more than once.

''(i) DEFINITIONS.—In this section:

''(1) BASE AMOUNT OF ELECTRICITY.—The term 'base amount of electricity' means the total amount of electricity sold by an electric utility to electric consumers in a calendar year, excluding—

''(A) electricity generated by a hydroelectric facility (including a pumped storage facility but excluding incremental hydropower); and

''(B) electricity generated through the incineration of municipal solid waste.

''(2) DISTRIBUTED GENERATION FACILITY.—The term 'distributed generation facility' means a facility at a customer site.

''(3) EXISTING RENEWABLE ENERGY.—The term 'existing renewable energy' means, except as provided in paragraph (7)(B), electric energy generated at a facility (including a distributed generation facility) placed in service prior to January 1, 2001, from solar, wind, or geothermal energy, ocean energy, biomass (as defined in section 203(a) of the Energy Policy Act of 2005), or landfill gas.

''(4) GEOTHERMAL ENERGY.—The term 'geothermal energy' means energy derived from a geothermal deposit (within the meaning of section 613(e)(2) of the Internal Revenue Code of 1986).

''(5) INCREMENTAL GEOTHERMAL PRODUCTION.—

''(A) IN GENERAL.—The term 'incremental geothermal production' means for any year the excess of—

''(i) the total kilowatt hours of electricity produced from a facility (including a distributed generation facility) using geothermal energy; over

''(ii) the average annual kilowatt hours produced at such facility for 5 of the previous 7 calendar years before the date of enactment of this section after eliminating the highest and the lowest kilowatt hour production years in such 7-year period.

''(B) SPECIAL RULE.—A facility described in subparagraph (A) that was placed in service

at least 7 years before the date of enactment of this section shall, commencing with the year in which such date of enactment occurs, reduce the amount calculated under subparagraph (A)(ii) each year, on a cumulative basis, by the average percentage decrease in the annual kilowatt hour production for the 7-year period described in subparagraph (A)(ii) with such cumulative sum not to exceed 30 percent.

''(6) INCREMENTAL HYDROPOWER.—The term 'incremental hydropower' means additional energy generated as a result of efficiency improvements or capacity additions made on or after January 1, 2001, or the effective date of an existing applicable State renewable portfolio standard program at a hydroelectric facility that was placed in service before that date. The term does not include additional energy generated as a result of operational changes not directly associated with efficiency improvements or capacity additions. Efficiency improvements and capacity additions shall be measured on the basis of the same water flow information used to determine a historic average annual generation baseline for the hydroelectric facility and certified by the Secretary or the Federal Energy Regulatory Commission.

''(7) NEW RENEWABLE ENERGY.—The term 'new renewable energy' means—

''(A) electric energy generated at a facility (including a distributed generation facility) placed in service on or after January 1, 2001, from—

''(i) solar, wind, or geothermal energy or ocean energy;

''(ii) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(iii) landfill gas; or

''(iv) incremental hydropower; and

''(B) for electric energy generated at a facility (including a distributed generation facility) placed in service before January 1, 2001—

''(i) the additional energy above the average generation during the period beginning on January 1, 1998, and ending on January 1, 2001, at the facility from—

''(I) solar or wind energy or ocean energy;

''(II) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(III) landfill gas; or

''(IV) incremental hydropower; and

''(ii) incremental geothermal production.

''(8) OCEAN ENERGY.—The term 'ocean energy' includes current, wave, tidal, and thermal energy.

''(j) SUNSET.—This section expires on December 31, 2030.''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. prec. 2601) is amended by adding at the end of the items relating to title VI the following:

''Sec. 610. Federal renewable part folio standard.''.

SA 1538. Mr. MCCONNELL (for Mr. DOMENICI (for himself, Mr. CRAIG, Mr. BENNETT, Mr. CRAPO, Mr. GRAHAM, and Ms. MURKOWSKI)) proposed an amendment to be proposed to amendment SA 1537 proposed by Mr. REID (for Mr. BINGAMAN (for himself, Mr. REID, Mr. CARDIN, Mr. SALAZAR, Ms. SNOWE, and Mr. DURBIN)) to the amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; as follows:

Beginning on page 1 of the amendment, line 2, strike everything after ''**TITLE**'' and insert the following:

VIII—FEDERAL CLEAN PORTFOLIO STANDARD

SEC. 801. FEDERAL CLEAN PORTFOLIO STANDARD.

(a) IN GENERAL.—Title VI of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended by adding at the end the following:

''SEC. 610. FEDERAL CLEAN PORTFOLIO STANDARD.

''(a) CLEAN ENERGY REQUIREMENT.—

''(1) IN GENERAL.—Each electric utility that sells electricity to electric consumers shall obtain a percentage of the base amount of electricity it sells to electric consumers in any calendar year from new clean energy or existing clean energy. The percentage obtained in a calendar year shall not be less than the amount specified in the following table:

''Calendar year:	Minimum annual percentage:
2010 through 2012	5
2013 through 2016	10
2017 through 2019	15
2020 through 2030	20

''(2) MEANS OF COMPLIANCE.—An electric utility shall meet the requirements of paragraph (1) by—

''(A) submitting to the Secretary clean energy credits issued under subsection (b);

''(B) making alternative compliance payments to the Secretary at the rate of 2 cents per kilowatt hour (as adjusted for inflation under subsection (g)); or

''(C) a combination of activities described in subparagraphs (A) and (B).

''(3) SPECIAL RULE.—Nothing in this section authorizes or requires the Tennessee Valley Authority to make ''any capital expenditure on new generating capacity, except to the extent that budget authority for the expenditure is provided in advance in an appropriations Act''.

''(b) CLEAN ENERGY CREDIT TRADING PROGRAM.—

''(1) IN GENERAL.—Not later than July 1, 2009, the Secretary shall establish a clean energy credit trading program under which electric utilities shall submit to the Secretary clean energy credits to certify the compliance of the electric utilities with respect to obligations under subsection (a)(1).

''(2) ADMINISTRATION.—As part of the program, the Secretary shall—

''(A) issue tradeable clean energy credits to generators of electric energy from new clean energy;

''(B) issue nontradeable clean energy credits to generators of electric energy from existing clean energy;

''(C) issue clean energy credits to electric utilities associated with State portfolio standard compliance mechanisms pursuant to paragraph (6);

''(D) ensure that a kilowatt hour, including the associated clean energy credit, shall be used only once for purposes of compliance with this Act;

''(E) allow double credits for generation from facilities on Indian land, and triple credits for generation from small renewable distributed generators (meaning those no larger than 1 megawatt); and

''(F) ensure that, with respect to a purchaser that, as of the date of enactment of this section, has a purchase agreement from a clean energy facility placed in service before that date, the credit associated with the generation of clean energy under the contract is issued to the purchaser of the electric energy, to the extent that the contract does not already provide for the allocation of the credit.

''(3) DURATION.—A credit described in subparagraph (A), (B), or (C) of paragraph (2) may only be used for compliance with this section during the 3-year period beginning on the date of issuance of the credit.

''(4) TRANSFERS.—An electric utility that holds credits in excess of the quantity of credits needed to comply with subsection (a) may transfer the credits to another electric utility in the same utility holding company system.

''(5) DELEGATION OF MARKET FUNCTION.—The Secretary may delegate to an appropriate market-making entity the administration of a national tradeable clean energy credit market for purposes of creating a transparent national market for the sale or trade of clean energy credits.

''(6) CREDIT FOR STATE ALTERNATIVE COMPLIANCE PAYMENTS AND OTHER FINANCIAL COMPLIANCE MECHANISMS.—

''(A) IN GENERAL.—In the case of an electric utility subject to a State portfolio standard program that requires the generation of electricity from clean energy and makes alternative compliance payments under the program in satisfaction of applicable State requirements or complies by other financial mechanisms, the Secretary shall issue clean energy credits to the electric utility in an amount that corresponds to the amount of the State alternative compliance payment or other financial compliance mechanism as though that payment or mechanism had been made to the Secretary under this subsection.

''(B) APPLICATION.—A clean energy credit issued under subparagraph (A) may be—

''(i) applied against the required annual percentage of an electric utility; or

''(ii) transferred for use only by an associate company of the electric utility.

''(c) ENFORCEMENT.—

''(1) CIVIL PENALTIES.—Any electric utility that fails to meet the compliance requirements of subsection (a) shall be subject to a civil penalty.

''(2) AMOUNT OF PENALTY.—The amount of the civil penalty shall be determined by multiplying the number of kilowatt-hours of electric energy sold to electric consumers in violation of subsection (a) by the greater of—

''(A) the value of the alternative compliance payment, as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor; or

''(B) 200 percent of the average market value of clean energy credits during the year in which the violation occurred.

''(3) PROCEDURE FOR ASSESSING PENALTY.—Subject to subsection (h)(2), the Secretary shall assess a civil penalty under this subsection in accordance with the procedures prescribed by section 333(d) of the Energy Policy and Conservation Act of 1954 (42 U.S.C. 6303).

''(d) STATE CLEAN ENERGY ACCOUNT PROGRAM.—

''(1) IN GENERAL.—There is established in the Treasury a State clean energy account program.

''(2) DEPOSITS.—All money collected by the Secretary from the sale of clean energy credits, the provision of alternative compliance payments, and the assessment of civil penalties under this section shall be deposited into the clean energy account established pursuant to this subsection.

''(3) TRANSFER.—Amounts deposited in the State clean energy account shall be transferred, subject to appropriations, to the State in which the amounts were collected.

''(4) USE.—Amounts transferred to a State under paragraph (3) shall be used by the State for the purposes of promoting clean energy production, including programs that promote technologies that reduce the use of electricity at customer sites.

''(e) RULES.—The Secretary shall issue rules implementing this section not later than 1 year after the date of enactment of this section.

''(f) EXEMPTIONS.—This section shall not apply in any calendar year to an electric utility—

''(1) that sold less than 4,000,000 megawatt-hours of electric energy to electric consumers during the preceding calendar year; or

''(2) in Hawaii.

''(g) INFLATION ADJUSTMENT.—Not later than December 31 of each year beginning in 2008, the Secretary shall adjust for inflation the rate of alternative compliance payments under subsection (a)(2)(B) and the amount of the civil penalty per kilowatt-hour under subsection (c)(2).

''(h) WAIVER.—

''(1) IN GENERAL.—The Secretary may waive the compliance requirements of subsection (a) with respect to an electric utility if the Secretary determines that the electric utility cannot meet the requirements for reason of force majeure in effect on any date after the date that is 5 years before the date of enactment of this section.

''(2) CIVIL PENALTIES.—

''(A) IN GENERAL.—The Secretary may mitigate or waive a civil penalty under subsection (c) if the electric utility was unable to comply with subsection (a) for reasons outside of the reasonable control of the utility in effect after the date of enactment of this section.

''(B) AMOUNT OF REDUCTION.—The Secretary shall reduce the amount of any penalty determined under subsection (c)(2) by an amount paid by the electric utility to a State for failure to comply with the requirement of a State clean energy program.

''(i) GOVERNOR CERTIFICATION.—On submission by the Governor of a State to the Secretary of a notification that the State has in effect, and is enforcing, a State portfolio standard that substantially contributes to the overall goals of the Federal clean portfolio standard under this section, the State may elect not to participate in the program under this section.

''(j) DEFINITIONS.—In this section:

''(1) BASE AMOUNT OF ELECTRICITY.—The term 'base amount of electricity' means the total amount of electricity sold by an electric utility to electric consumers in a calendar year, excluding—

''(A) electricity generated by a hydroelectric facility (including a pumped storage facility but excluding incremental hydropower);

''(B) electricity generated through the incineration of municipal solid waste; and

''(C) except as provided in paragraph (9), electricity generated from nuclear power.

''(2) DEMAND RESPONSE.—The term 'demand response' means a reduction in electricity usage by end-use customers as compared to the normal consumption patterns of the customers, or shifts in electric usage by end-use customers from on-peak hours of an electric utility to off-peak hours of an electric utility that do not result in increased usage, in response to an incentive payment or a program to reduce electricity use at any time at which—

''(A) wholesale market prices are high; or

''(B) system reliability is jeopardized.

''(3) DISTRIBUTED GENERATION FACILITY.—The term 'distributed generation facility' means a facility at a customer site.

''(4) ENERGY EFFICIENCY.—The term 'energy efficiency' means—

''(A) demand response; or

''(B) the use of less energy in homes, buildings, or industry through methods such as the installation of more efficient equipment, appliances, or other technologies to achieve the same level of function or economic activity achieved on the date of enactment of this section.

''(5) EXISTING CLEAN ENERGY.—The term 'existing clean energy' means, except as provided in paragraph (9)(B), electric energy generated at a facility (including a distributed generation facility) placed in service prior to January 1, 2001, from solar, wind, or geothermal energy, ocean energy, biomass (as defined in section 203(a) of the Energy Policy Act of 2005 (42 U.S.C. 15852(a))), or landfill gas.

''(6) GEOTHERMAL ENERGY.—The term 'geothermal energy' means energy derived from a geothermal deposit (within the meaning of section 613(e)(2) of the Internal Revenue Code of 1986).

''(7) INCREMENTAL GEOTHERMAL PRODUCTION.—

''(A) IN GENERAL.—The term 'incremental geothermal production' means for any year the excess of—

''(i) the total kilowatt hours of electricity produced from a facility (including a distributed generation facility) using geothermal energy; over

''(ii) the average annual kilowatt hours produced at such facility for 5 of the previous 7 calendar years before the date of enactment of this section after eliminating the highest and the lowest kilowatt hour production years in such 7-year period.

''(B) SPECIAL RULE.—A facility described in subparagraph (A) that was placed in service at least 7 years before the date of enactment of this section shall commencing with the year in which such date of enactment occurs, reduce the amount calculated under subparagraph (A)(ii) each year, on a cumulative basis, by the average percentage decrease in the annual kilowatt hour production for the 7-year period described in subparagraph (A)(ii) with such cumulative sum not to exceed 30 percent.

''(8) INCREMENTAL HYDROPOWER.—The term 'incremental hydropower' means additional energy generated as a result of efficiency improvements or capacity additions made on or after January 1, 2001, or the effective date of an existing applicable State clean portfolio standard program at a hydroelectric facility that was placed in service before that date. The term does not include additional energy generated as a result of operational changes not directly associated with efficiency improvements or capacity additions. Efficiency improvements and capacity additions shall be measured on the basis of the same water flow information used to determine a historic average annual generation baseline for the hydroelectric facility and certified by the Secretary or the Federal Energy Regulatory Commission.

''(9) NEW CLEAN ENERGY.—The term 'new clean energy' means—

''(A) electric energy generated at a facility (including a distributed generation facility) placed in service on or after January 1, 2001, from—

''(i) solar, wind, or geothermal energy or ocean energy;

''(ii) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(iii) landfill gas;

''(iv) new hydropower that does not require the construction of any dam;

''(v) new nuclear generation;

''(vi) a fuel cell;

''(vii) energy efficiency or demand response as result of programs conducted by the electric utility, as measured and verified by a method acceptable to the Secretary;

''(viii) an inherently low-emission technology that captures and stores carbon; or

''(ix) such other clean energy sources as the Secretary determines, by regulation, will advance the goals of this section; and

''(B) for electric energy generated at a facility (including a distributed generation facility) placed in service before January 1, 2001—

''(i) the additional energy above the average generation during the period beginning on January 1, 1998, and ending on January 1, 2001, at the facility from—

''(I) solar or wind energy or ocean energy;

''(II) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(III) landfill gas;

''(IV) incremental hydropower; or

''(V) nuclear generation; or

''(ii) incremental geothermal production.

''(10) OCEAN ENERGY.—The term 'ocean energy' includes current, wave, tidal, and thermal energy.''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. prec. 2601) is amended by adding at the end of the items relating to title VI the following:

''Sec. 610. Federal clean portfolio standard.''.

SA 1539. Mr. AKAKA (for himself, Ms. MURKOWSKI, and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE __—MARINE AND HYDROKINETIC RENEWABLE ENERGY PROMOTION

SEC. __01. DEFINITION.

For purposes of this title, the term ''marine and hydrokinetic renewable energy'' means electrical energy from—

(1) waves, tides, and currents in oceans, estuaries, and tidal areas;

(2) free flowing water in rivers, lakes, and streams;

(3) free flowing water in man-made channels, including projects that utilize non-mechanical structures to accelerate the flow of water for electric power production purposes; and

(4) differentials in ocean temperature (ocean thermal energy conversion).

The term shall not include energy from any source that utilizes a dam, diversionary structure, or impoundment for electric power purposes, except as provided in paragraph (3).

SEC. __02. RESEARCH AND DEVELOPMENT.

(a) PROGRAM.—The Secretary of Energy, in consultation with the Secretary of Commerce and the Secretary of the Interior, shall establish a program of marine and hydrokinetic renewable energy research focused on—

(1) developing and demonstrating marine and hydrokinetic renewable energy technologies;

(2) reducing the manufacturing and operation costs of marine and hydrokinetic renewable energy technologies;

(3) increasing the reliability and survivability of marine and hydrokinetic renewable energy facilities;

(4) integrating marine and hydrokinetic renewable energy into electric grids;

(5) identifying opportunities for cross fertilization and development of economies of scale between offshore wind and marine and hydrokinetic renewable energy sources;

(6) identifying, in consultation with the Secretary of Commerce and the Secretary of the Interior, the environmental impacts of marine and hydrokinetic renewable energy technologies and ways to address adverse impacts, and providing public information concerning technologies and other means available for monitoring and determining environmental impacts; and

(7) standards development, demonstration, and technology transfer for advanced systems engineering and system integration methods to identify critical interfaces.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy for carrying out this section $50,000,000 for each of the fiscal years 2008 through 2017.

SEC. __03. ADAPTIVE MANAGEMENT AND ENVIRONMENTAL FUND.

(a) FINDINGS.—The Congress finds that—

(1) the use of marine and hydrokinetic renewable energy technologies can avoid contributions to global warming gases, and such technologies can be produced domestically;

(2) marine and hydrokinetic renewable energy is a nascent industry; and

(3) the United States must work to promote new renewable energy technologies that reduce contributions to global warming gases and improve our country's domestic energy production in a manner that is consistent with environmental protection, recreation, and other public values.

(b) ESTABLISHMENT.—The Secretary of Energy shall establish an Adaptive Management and Environmental Fund, and shall lend amounts from that fund to entities described in subsection (f) to cover the costs of projects that produce marine and hydrokinetic renewable energy. Such costs include design, fabrication, deployment, operation, monitoring, and decommissioning costs. Loans under this section may be subordinate to project-related loans provided by commercial lending institutions to the extent the Secretary of Energy considers appropriate.

(c) REASONABLE ACCESS.—As a condition of receiving a loan under this section, a recipient shall provide reasonable access, to Federal or State agencies and other research institutions as the Secretary considers appropriate, to the project area and facilities for the purposes of independent environmental research.

(d) PUBLIC AVAILABILITY.—The results of any assessment or demonstration paid for, in whole or in part, with funds provided under this section shall be made available to the public, except to the extent that they contain information that is protected from disclosure under section 552(b) of title 5, United States Code.

(e) REPAYMENT OF LOANS.—

(1) IN GENERAL.—The Secretary of Energy shall require a recipient of a loan under this section to repay the loan, plus interest at a rate of 2.1 percent per year, over a period not to exceed 20 years, beginning after the commercial generation of electric power from the project commences. Such repayment shall be required at a rate that takes into account the economic viability of the loan recipient and ensures regular and timely repayment of the loan.

(2) BEGINNING OF REPAYMENT PERIOD.—No repayments shall be required under this subsection until after the project generates net proceeds. For purposes of this paragraph, the term ''net proceeds'' means proceeds from the commercial sale of electricity after payment of project-related costs, including taxes and regulatory fees that have not been paid using funds from a loan provided for the project under this section.

(3) TERMINATION.—Repayment of a loan made under this section shall terminate as of the date that the project for which the loan was provided ceases commercial generation of electricity if a governmental permitting authority has ordered the closure of the facility because of a finding that the project has unacceptable adverse environmental impacts, except that the Secretary shall require a loan recipient to continue making loan repayments for the cost of equipment, obtained using funds from the loan that have not otherwise been repaid under rules established by the Secretary, that is utilized in a subsequent project for the commercial generation of electricity.

(f) ADAPTIVE MANAGEMENT PLAN.—In order to receive a loan under this section, an applicant for a Federal license or permit to construct, operate, or maintain a marine or hydrokinetic renewable energy project shall provide to the Federal agency with primary jurisdiction to issue such license or permit an adaptive management plan for the proposed project. Such plan shall—

(1) be prepared in consultation with other parties to the permitting or licensing proceeding, including all Federal, State, municipal, and tribal agencies with authority under applicable Federal law to require or recommend design or operating conditions, for protection, mitigation, and enhancement of fish and wildlife resources, water quality, navigation, public safety, land reservations, or recreation, for incorporation into the permit or license;

(2) set forth specific and measurable objectives for the protection, mitigation, and enhancement of fish and wildlife resources, water quality, navigation, public safety, land reservations, or recreation, as required or recommended by governmental agencies described in paragraph (1), and shall require monitoring to ensure that these objectives are met;

(3) provide specifically for the modification or, if necessary, removal of the marine or hydrokinetic renewable energy project based on findings by the licensing or permitting agency that the marine or hydrokinetic renewable energy project has not attained or will not attain the specific and measurable objectives set forth in paragraph (2); and

(4) be approved and incorporated in the Federal license or permit.

(g) SUNSET.—The Secretary of Energy shall transmit a report to the Congress when the Secretary of Energy determines that the technologies supported under this title have achieved a level of maturity sufficient to enable the expiration of the programs under this title. The Secretary of Energy shall not make any new loans under this section after the report is transmitted under this subsection.

SEC. __04. PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.

The Secretary of Commerce and the Secretary of the Interior shall, in cooperation with the Federal Energy Regulatory Commission and the Secretary of Energy, and in consultation with appropriate State agencies, jointly prepare programmatic environmental impact statements which contain all the elements of an environmental impact statement under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332), regarding the impacts of the deployment of marine and hydrokinetic renewable energy technologies in the navigable waters of the United States. One programmatic environmental impact statement shall be prepared under this section for each of the Environmental Protection Agency regions of the United States. The agencies shall issue the programmatic environmental impact statements under this section not later than 18 months after the date of enactment of this Act. The programmatic environmental impact statements shall evaluate among other things the potential impacts of site selection on fish and wildlife and related habitat. Nothing in this section shall operate to delay consideration of any application for a license or permit for a marine and hydrokinetic renewable energy technology project.

SA 1540. Mr. CARPER (for himself and Mr. BIDEN) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 59, after line 21, add the following:

SEC. 151. STUDY OF OFFSHORE WIND RESOURCES.

(a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term ''Director'' means the Director of the Minerals Management Service.

(2) ELIGIBLE INSTITUTION.—The term ''eligible institution'' means a college or university that—

(A) as of the date of enactment of this Act, has an offshore wind power research program; and

(B) is located in a region of the United States that is in reasonable proximity to the eastern outer Continental Shelf, as determined by the Director.

(b) STUDY.—The Director, in cooperation with an eligible institution, as selected by the Director, shall conduct a study to assess each offshore wind resource located in the region of the eastern outer Continental Shelf.

(c) REPORT.—Upon completion of the study under subsection (b), the Director shall submit to Congress a report that includes—

(1) a description of—

(A) the locations and total power generation resources of the best offshore wind resources located in the region of the eastern outer Continental Shelf, as determined by the Director;

(B) based on conflicting zones relating to any infrastructure that, as of the date of enactment of this Act, is located in close proximity to any offshore wind resource, the likely exclusion zones of each offshore wind resource described in subparagraph (A);

(C) the relationship of the temporal variation of each offshore wind resource described in subparagraph (A) with—

(i) any other offshore wind resource; and

(ii) with loads and corresponding system operator markets;

(D) the geological compatibility of each offshore wind resource described in subparagraph (A) with any potential technology relating to sea floor towers; and

(E) with respect to each area in which an offshore wind resource described in subparagraph (A) is located, the relationship of the authority under any coastal management plan of the State in which the area is located with the Federal Government; and

(2) recommendations on the manner by which to handle offshore wind intermittence.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000, to remain available until expended.

SA 1541. Mr. SMITH (for himself, Ms. CANTWELL, Ms. MURKOWSKI, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 47, after line 23, insert the following:

SEC. 131. NATIONAL OCEAN ENERGY RESEARCH CENTERS.

(a) IN GENERAL.—Subject to the availability of appropriations under subsection (d), the Secretary shall establish not less than 1, and not more than 6, national ocean energy research centers at institutions of higher education for the purpose of conducting research, development, demonstration, and testing of ocean energy technologies and associated equipment.

(b) EVALUATIONS.—Each Center shall (in consultation with developers, utilities, and manufacturers) conduct evaluations of technologies and equipment described in subsection (a).

(c) LOCATION.—In establishing centers under this section, the Secretary shall locate the centers in coastal regions of the United State in a manner that, to the maximum extent practicable, is geographically dispersed.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriate such sums as are necessary to carry out this section.

SA 1542. Mr. BROWNBACK submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 161, between lines 2 and 3, insert the following:

SEC. 269. AGRICULTURAL BYPRODUCT USE EXPOSITION.

The Secretary of Agriculture shall establish a program under which the Secretary of Agriculture shall develop, solicit applications for participation in, advertise, and host, at such location as the Secretary determines to be appropriate, an exposition at which entities can demonstrate new products, such as plastics, carpets, disposable dishes, and cosmetics, produced by the entities from agricultural byproducts.

SA 1543. Mr. BAYH (for himself, Mr. BROWNBACK, Mr. LIEBERMAN, Mr. COLEMAN, and Mr. SALAZAR) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 262, line 16, strike ''(8)'' and insert ''(16)''.

On page 262, strike lines 17 and 18, and insert the following:

''(17) 'E85' means a fuel blend containing 85 percent ethanol and 15 percent gasoline by volume.

''(18) 'flexible fuel automobile' means—

''(A) a GEM flex fuel vehicle; or

''(B) a vehicle warranted by the manufacturer to operate on biodiesel.

''(19) 'GEM flex fuel vehicle' means a motor vehicle warranted by the manufacturer to operate on gasoline and E85 and M85.

''(20) 'M85' means a fuel blend containing 85 percent methanol and 15 percent gasoline by volume.''.

SA 1544. Mr. CASEY (for himself and Mr. WEBB) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—ENERGY SECURITY AND CORPORATE ACCOUNTABILITY

SEC. 801. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the ''Energy Security and Corporate Accountability Act of 2007''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 802. REVALUATION OF LIFO INVENTORIES OF MAJOR INTEGRATED OIL COMPANIES.

(a) GENERAL RULE.—Notwithstanding any other provision of law, if a taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)) for its last taxable year ending in calendar year 2006, the taxpayer shall—

(1) increase, effective as of the close of such taxable year, the value of each historic LIFO layer of inventories of crude oil, natural gas, or any other petroleum product (within the meaning of section 4611) by the layer adjustment amount, and

(2) decrease its cost of goods sold for such taxable year by the aggregate amount of the increases under paragraph (1).

If the aggregate amount of the increases under paragraph (1) exceed the taxpayer's cost of goods sold for such taxable year, the taxpayer's gross income for such taxable year shall be increased by the amount of such excess.

(b) LAYER ADJUSTMENT AMOUNT.—For purposes of this section—

(1) IN GENERAL.—The term ''layer adjustment amount'' means, with respect to any historic LIFO layer, the product of—

(A) $18.75, and

(B) the number of barrels of crude oil (or in the case of natural gas or other petroleum products, the number of barrel-of-oil equivalents) represented by the layer.

(2) BARREL-OF-OIL EQUIVALENT.—The term ''barrel-of-oil equivalent'' has the meaning given such term by section 45K.

(c) APPLICATION OF REQUIREMENT.—

(1) NO CHANGE IN METHOD OF ACCOUNTING.—Any adjustment required by this section shall not be treated as a change in method of accounting.

(2) UNDERPAYMENTS OF ESTIMATED TAX.—No addition to the tax shall be made under section 6655 (relating to failure by corporation to pay estimated tax) with respect to any underpayment of an installment required to be paid with respect to the taxable year described in subsection (a) to the extent such underpayment was created or increased by this section.

SEC. 803. MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.

(a) IN GENERAL.—Section 901 (relating to credit for taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) SPECIAL RULES RELATING TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

''(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, any amount paid or accrued by a dual capacity taxpayer which is a major integrated oil company (as defined in section 167(h)(5)(B)) to a foreign country or possession of the United States for any period shall not be considered a tax—

''(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

''(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

''(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

''(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.

Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

''(2) DUAL CAPACITY TAXPAYER.—For purposes of this subsection, the term 'dual capacity taxpayer' means, with respect to any foreign country or possession of the United States, a person who—

''(A) is subject to a levy of such country or possession, and

''(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

''(3) GENERALLY APPLICABLE INCOME TAX.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'generally applicable income tax' means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign

country or possession on income derived from the conduct of a trade or business within such country or possession.

''(B) EXCEPTIONS.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

''(i) persons who are not dual capacity taxpayers, and

''(ii) persons who are citizens or residents of the foreign country or possession.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(2) CONTRARY TREATY OBLIGATIONS UPHELD.—The amendments made by this section shall not apply to the extent contrary to any treaty obligation of the United States.

SEC. 804. 7-YEAR AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR CERTAIN MAJOR INTEGRATED OIL COMPANIES.

(a) IN GENERAL.—Subparagraph (A) of section 167(h)(5) (relating to special rule for major integrated oil companies) is amended by striking ''5-year'' and inserting ''7-year''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 805. SUSPENSION OF ROYALTY RELIEF.

(a) REPEALS.—Sections 344 and 345 of the Energy Policy Act of 2005 (42 U.S.C. 15904, 15905) are repealed.

(b) TERMINATION OF ALASKA OFFSHORE ROYALTY SUSPENSION.—Section 8(a)(3)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B)) is amended by striking ''and in the Planning Areas offshore Alaska''.

SEC. 806. NATIONAL ENERGY SECURITY RESEARCH AND INVESTMENT RESERVE.

(a) ESTABLISHMENT.—For budgetary purposes, for each fiscal year, an amount equal to the total net amount of savings to the Federal Government for the fiscal year resulting from the amendments made by sections 802, 803, 804, and 805, as determined by the Secretary of the Treasury, shall be held in a separate account in the Treasury of the United States, to be known as the ''National Energy Security Research and Investment Reserve'' (referred to in this section as the ''Reserve'').

(b) USE.—Of the amounts in the Reserve—

(1) 50 percent shall be available to offset the cost of legislation enacted after the date of enactment of this Act to carry out energy research in the United States, including research relating to—

(A) ethanol, and

(B) biodiesel, and

(2) 50 percent shall be available to offset the cost of legislation enacted after the date of enactment of this Act to carry out the development, purchase, and installation of infrastructure (including new fueling pumps, retrofitting of existing fueling pumps, and equipment necessary for the transportation of biofuels) necessary to deliver new fuels to consumers.

(c) PROCEDURE FOR ADJUSTMENTS.—

(1) BUDGET COMMITTEE CHAIRMAN.—After the reporting of a bill or joint resolution, or the offering of an amendment to the bill or joint resolution or the submission of a conference report for the bill or joint resolution, providing funding for the purposes described in subsection (b) in excess of the amounts provided for those purposes for fiscal year 2007, the chairman of the Committee on the Budget of the applicable House of Congress shall make the adjustments required under paragraph (2) for the amount of new budget authority and outlays in the measure and the outlays flowing from that budget authority.

(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to—

(A) the discretionary spending limits, if any, set forth in the appropriate concurrent resolution on the budget,

(B) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) of the Congressional Budget Act of 1974 (2 U.S.C. 633(a)), and

(C) the budget aggregates contained in the appropriate concurrent resolution on the budget as required by section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)).

(3) AMOUNTS OF ADJUSTMENTS.—The adjustments referred to in paragraphs (1) and (2) shall not exceed the receipts estimated by the Congressional Budget Office that are attributable to sections 802, 803, 804, and 805 (and the amendments made by such sections) for the fiscal year in which the adjustments are made.

SA 1545. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 21, strike lines 7 through 11 and insert the following:

(B) implementation of the requirement would significantly increase the price of agricultural food products or livestock feed products;

(C) implementation of the requirement would have a significantly detrimental impact on the deliverability of materials, goods, and products (other than renewable fuel), by rail or truck; or

(D) extreme and unusual circumstances exist that prevent distribution of an adequate supply of domestically-produced renewable fuel to consumers in the United States.

SA 1546. Mr. DEMINT submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. LIMITATIONS ON LEGISLATION THAT WOULD INCREASE NATIONAL AVERAGE FUEL PRICES FOR AUTOMOBILES.

(a) POINT OF ORDER.—

(1) IN GENERAL.—If the Senate is considering legislation, upon a point of order being made by any Senator against legislation, or any part of the legislation, that it has been determined in accordance with paragraph (2) that the legislation, if enacted, would result in an increase in the national average fuel price for automobiles, and the point of order is sustained by the Presiding Officer, the Senate shall cease consideration of the legislation.

(2) DETERMINATION.—The determination described in this paragraph means a determination by the Director of the Congressional Budget Office, in consultation with the Energy Information Administration and other appropriate Government agencies, that is made upon the request of a Senator for review of legislation, that the legislation, or part of the legislation, would, if enacted, result in an increase in the national average fuel price for automobiles.

(3) LEGISLATION.—In this section the term ''legislation'' means a bill, joint resolution, amendment, motion, or conference report.

(b) WAIVERS AND APPEALS.—

(1) WAIVERS.—Before the Presiding Officer rules on a point of order described in subsection (a)(1), any Senator may move to waive the point of order and the motion to waive shall not be subject to amendment. A point of order described in subsection (a)(1) is waived only by the affirmative vote of 60 Members of the Senate, duly chosen and sworn.

(2) APPEALS.—After the Presiding Officer rules on a point of order described in subsection (a)(1), any Senator may appeal the ruling of the Presiding Officer on the point of order as it applies to some or all of the provisions on which the Presiding Officer ruled. A ruling of the Presiding Officer on a point of order described in subsection (a)(1) is sustained unless 60 Members of the Senate, duly chosen and sworn, vote not to sustain the ruling.

(3) DEBATE.—Debate on the motion to waive under paragraph (1) or on an appeal of the ruling of the Presiding Officer under paragraph (2) shall be limited to 1 hour. The time shall be equally divided between, and controlled by, the Majority leader and the Minority Leader of the Senate, or their designees.

SA 1547. Mr. TESTER (for himself, Mr. BINGAMAN, Mr. REID, Ms. MURKOWSKI, Mr. STEVENS, Mr. SALAZAR, Mr. AKAKA, Mr. SANDERS, and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—GEOTHERMAL ENERGY

SEC. 801. SHORT TITLE.

This title may be cited as the ''National Geothermal Initiative Act of 2007''.

SEC. 802. FINDINGS.

Congress finds that—

(1) domestic geothermal resources have the potential to provide vast amounts of clean, renewable, and reliable energy to the United States;

(2) Federal policies and programs are critical to achieving the potential of those resources;

(3) Federal tax policies should be modified to appropriately support the longer lead-times of geothermal facilities and address the high risks of geothermal exploration and development;

(4) sustained and expanded research programs are needed—

(A) to support the goal of increased energy production from geothermal resources;

(B) to develop and demonstrate the potential for geothermal heat exchange technologies for heating, cooling, and energy efficiency; and

(C) to develop the technologies that will enable commercial production of energy from more geothermal resources;

(5) a comprehensive national resource assessment is needed to support policymakers and industry needs;

(6) a national exploration and development technology and information center should be established to support the achievement of increased geothermal energy production; and

(7) implementation and completion of geothermal and other renewable initiatives on public land in the United States is critical, consistent with the principles and requirements of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable law.

SEC. 803. NATIONAL GOAL.

Congress declares that it shall be a national goal to achieve at least 15 percent of total electrical energy production in the United States from geothermal resources by not later than 2030.

SEC. 804. DEFINITIONS.

In this title:

(1) INITIATIVE.—The term ''Initiative'' means the national geothermal initiative established by section 805(a).

(2) NATIONAL GOAL.—The term ''national goal'' means the national goal of increased energy production from geothermal resources described in section 803.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 805. NATIONAL GEOTHERMAL INITIATIVE.

(a) ESTABLISHMENT.—There is established a national geothermal initiative under which the Federal Government shall seek to achieve the national goal.

(b) FEDERAL SUPPORT AND COORDINATION.—In carrying out the Initiative, each Federal agency shall give priority to programs and efforts necessary to support achievement of the national goal to the extent consistent with applicable law.

(c) ENERGY AND INTERIOR GOALS.—

(1) IN GENERAL.—In carrying out the Initiative, the Secretary and the Secretary of the Interior shall establish and carry out policies and programs—

(A) to characterize the complete geothermal resource base (including engineered geothermal systems) of the United States by not later than 2010;

(B) to sustain an annual growth rate in the use of geothermal power, heat, and heat pump applications of at least 10 percent;

(C) to demonstrate state-of-the-art energy production from the full range of geothermal resources in the United States;

(D) to achieve new power or commercial heat production from geothermal resources in at least 25 States;

(E) to develop the tools and techniques to construct an engineered geothermal system power plant; and

(F) to deploy geothermal heat exchange technologies in Federal buildings for heating, cooling, and energy efficiency.

(2) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, and every 3 years thereafter, the Secretary and the Secretary of the Interior shall jointly submit to the appropriate Committees of Congress a report that describes—

(A) the proposed plan to achieve the goals described in paragraph (1); and

(B) a description of the progress during the period covered by the report toward achieving those goals.

(d) GEOTHERMAL RESEARCH, DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION.—

(1) IN GENERAL.—The Secretary shall carry out a program of geothermal research, development, demonstration, outreach and education, and commercial application to support the achievement of the national goal.

(2) REQUIREMENTS OF PROGRAM.—In carrying out the geothermal research program described in paragraph (1), the Secretary shall—

(A) prioritize funding for the discovery and characterization of geothermal resources;

(B) expand funding for cost-shared drilling;

(C)(i) establish, at a national laboratory or university research center selected by the Secretary, a national geothermal exploration research and information center;

(ii) support development and application of new exploration and development technologies through the center; and

(iii) in cooperation with the Secretary of the Interior, disseminate geological and geophysical data to support geothermal exploration activities through the center;

(D) support cooperative programs with and among States, including with the Great Basin Center for Geothermal Energy, the Intermountain West Geothermal Consortium, and other similar State and regional initiatives, to expand knowledge of the geothermal resource base of the United States and potential applications of that resource base;

(E) improve and advance high-temperature and high-pressure drilling, completion, and instrumentation technologies benefiting geothermal well construction;

(F) demonstrate geothermal applications in settings that, as of the date of enactment of this Act, are noncommercial;

(G) research, develop, and demonstrate engineered geothermal systems techniques for commercial application of the technologies, including advances in—

(i) reservoir stimulation;

(ii) reservoir characterization, monitoring, and modeling;

(iii) stress mapping;

(iv) tracer development;

(v) 3-dimensional tomography; and

(vi) understanding seismic effects of deep drilling and reservoir engineering;

(H) support the development and application of the full range of geothermal technologies and applications; and

(I)(i) study the potential to apply geothermal heat exchange technologies to new and existing Federal buildings; and

(ii) in cooperation with the Administrator of General Services, develop and carry out 2 demonstration projects with geothermal heat exchange technologies, of which—

(I) 1 project shall involve the construction of a new Federal building; and

(II) 1 project shall involve the renovation of an existing Federal building.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this subsection—

(A) $75,000,000 for fiscal year 2008;

(B) $110,000,000 for each of fiscal years 2009 through 2012; and

(C) for fiscal year 2013 and each fiscal year thereafter through fiscal year 2030, such sums as are necessary.

(e) GEOTHERMAL ASSESSMENT, EXPLORATION INFORMATION, AND PRIORITY ACTIVITIES.—

(1) INTERIOR.—In carrying out the Initiative, the Secretary of the Interior—

(A) acting through the Director of the United States Geological Survey, shall, not later than 2010—

(i) conduct and complete a comprehensive nationwide geothermal resource assessment that examines the full range of geothermal resources in the United States; and

(ii) submit to the appropriate committees of Congress a report describing the results of the assessment; and

(B) in planning and leasing, shall consider the national goal established under this title.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Interior to carry out this subsection—

(A) $15,000,000 for fiscal year 2008;

(B) $25,000,000 for each of fiscal years 2009 to 2012; and

(C) for fiscal year 2013 and each fiscal year thereafter through fiscal year 2030, such sums as are necessary.

SEC. 806. INTERMOUNTAIN WEST GEOTHERMAL CONSORTIUM.

Section 237 of the Energy Policy Act of 2005 (42 U.S.C. 15874) is amended by adding at the end the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) $5,000,000 for each of fiscal years 2008 through 2013; and

''(2) such sums as are necessary for each of fiscal years 2014 through 2020.''.

SEC. 807. INTERNATIONAL MARKET SUPPORT FOR GEOTHERMAL ENERGY DEVELOPMENT.

(a) UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.—The United States Agency for International Development, in coordination with other appropriate Federal and multilateral agencies, shall support international and regional development to promote the use of geothermal resources, including (as appropriate) the African Rift Geothermal Development Facility.

(b) UNITED STATES TRADE AND DEVELOPMENT AGENCY.—The United States Trade and Development Agency shall support the Initiative by—

(1) encouraging participation by United States firms in actions taken to carry out subsection (a); and

(2) providing grants and other financial support for feasibility and resource assessment studies.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 808. ALASKA GEOTHERMAL CENTER.

(a) IN GENERAL.—The Secretary may participate in a consortium described in subsection (b) to address science and science policy issues relating to the expanded discovery and use of geothermal energy, including geothermal energy generated from geothermal resources on public land.

(b) ADMINISTRATION.—The consortium referred to in subsection (a) shall—

(1) be known as the ''Alaska Geothermal Center'';

(2) be a regional consortium of institutions and government agencies that focuses on building collaborative efforts among—

(A) institutions of higher education in the State of Alaska;

(B) other regional institutions of higher education; and

(C) State agencies;

(3) include—

(A) the Energy Authority of the State of Alaska;

(B) the Denali Commission established by section 303 of the Denali Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277); and

(C) the University of Alaska-Fairbanks;

(4) be hosted and managed by the University of Alaska-Fairbanks; and

(5) have—

(A) a director appointed by the head of the Energy Authority of the State of Alaska; and

(B) associate directors appointed by each participating institution.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2013.

SA 1548. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 143, after line 23, insert the following:

''(3) LEGISLATIVE BRANCH FLEET.—The Architect of the Capitol shall comply with the requirements of paragraph (1) with respect to the fleet of vehicles under the control of the legislative branch, subject to a waiver for security reasons which shall be submitted in writing to the appropriate oversight committees of Congress.

SA 1549. Mr. KOHL (for himself, Mr. FEINGOLD, and Mr. BURR) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 161, between lines 2 and 3, insert the following:

SEC. 269. USE OF HIGHLY ENERGY EFFICIENT COMMERCIAL WATER HEATING EQUIPMENT IN FEDERAL BUILDINGS.

(a) IN GENERAL.—Title 40, United States Code is amended—

(1) by redesignating sections 3313 through 3315 as sections 3314 through 3316, respectively; and

(2) by inserting after section 3312 the following:

''SEC. 3313. USE OF HIGHLY ENERGY-EFFICIENT COMMERCIAL WATER HEATING EQUIPMENT IN FEDERAL BUILDINGS.

''(a) DEFINITIONS.—In this section:

''(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of General Services.

''(2) HIGHLY ENERGY-EFFICIENT COMMERCIAL WATER HEATER.—The term 'highly energy-efficient commercial water heater' means a commercial water heater that—

''(A) meets applicable standards for water heaters under the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a);

''(B) if installed in a public building, would (as determined by the Administrator) enable the public building to achieve the Leadership in Energy and Environmental Design green building rating standard identified as silver by the United States Green Building Council; or

''(C) has thermal efficiencies of not less than—

''(i) 90 percent for gas units with inputs of a rate that is not higher than 500,000 British thermal units per hour; or

''(ii) 87 percent for gas units with inputs of a rate that is higher than 500,000 British thermal units per hour.

''(b) MAINTENANCE OF PUBLIC BUILDINGS.—Each commercial water heater that is replaced by the Administrator in the normal course of maintenance, or determined by the Administrator to be replaceable to generate substantial energy savings, shall be replaced, to the maximum extent feasible (as determined by the Administrator) with a highly energy-efficient commercial water heater.

''(c) CONSIDERATIONS.—In making a determination under this section relating to the installation of a highly energy-efficient commercial water heater, the Administrator shall consider—

''(1) the life-cycle cost effectiveness of the highly energy-efficient commercial water heater;

''(2) the compatibility of the highly energy-efficient commercial water heater with equipment that, on the date on which the Administrator makes the determination, is installed in the public building; and

''(3) whether the use of the highly energy-efficient commercial water heater could interfere with the productivity of any activity carried out in the public building.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date that is 180 days after the date of enactment of this Act.

SA 1550. Mr. WYDEN (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—WISE ACT OF 2007

SEC. 801. SHORT TITLE.

This title may be cited as the ''Weighing Intelligence for Smarter Energy Act of 2007'' or the ''WISE Act of 2007''.

SEC. 802. FINDINGS.

Congress makes the following findings:

(1) The members of the intelligence community in the United States, most notably the National Intelligence Council, the Office of Intelligence and Counterintelligence of the Department of Energy, and the Office of Transnational Issues of the Central Intelligence Agency, possess substantial analytic expertise with regard to global energy issues.

(2) Energy policy debates generally do not use, to the fullest extent possible, the expertise available in the intelligence community.

SEC. 803. REPORT ON ENERGY SECURITY.

(a) REQUIREMENT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence shall submit to Congress a report on the long-term energy security of the United States.

(2) FORM OF REPORT.—The report required by subsection (a) shall be submitted in an unclassified form and may include a classified annex.

(b) CONTENT.—The report submitted pursuant to subsection (a) shall include the following:

(1) An assessment of key energy issues that have national security or foreign policy implications for the United States.

(2) An assessment of the future of world energy supplies, including the impact likely and unlikely scenarios may have on world energy supply.

(3) A description of—

(A) the policies being pursued, or expected to be pursued, by the major energy producing countries or by the major energy consuming countries, including developing countries, to include policies that utilize renewable resources for electrical and biofuel production;

(B) an evaluation of the probable outcomes of carrying out such policy options, including—

(i) the economic and geopolitical impact of the energy policy strategies likely to be pursued by such countries;

(ii) the likely impact of such strategies on the decision-making processes on major energy cartels; and

(iii) the impact of policies that utilize renewable resources for electrical and biofuel production, including an assessment of the ability of energy consuming countries to reduce dependence on oil using renewable resources, the economic, environmental, and developmental impact of an increase in biofuels production in both developed and developing countries, and the impact of an increase in biofuels production on global food supplies; and

(C) the potential impact of such outcomes on the energy security and national security of the United States.

SA 1551. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

On page 161, between lines 2 and 3, insert the following:

SEC. 269. FEDERAL STANDBY POWER STANDARD.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—

(A) IN GENERAL.—The term ''Agency'' has the meaning given the term ''Executive agency'' in section 105 of title 5, United States Code.

(B) INCLUSIONS.—The term ''Agency'' includes military departments, as the term is defined in section 102 of title 5, United States Code.

(2) ELIGIBLE PRODUCT.—The term ''eligible product'' means a commercially available, off-the-shelf product that—

(A)(i) uses external standby power devices; or

(ii) contains an internal standby power function; and

(B) is included on the list compiled under subsection (d).

(b) FEDERAL PURCHASING REQUIREMENT.—Subject to subsection (c), if an Agency purchases an eligible product, the Agency shall purchase—

(1) an eligible product that uses not more than 1 watt in the standby power consuming mode of the eligible product; or

(2) if an eligible product described in paragraph (1) is not available, the eligible product with the lowest available standby power

wattage in the standby power consuming mode of the eligible product.

(c) LIMITATION.—The requirements of subsection (b) shall apply to a purchase by an Agency only if—

(1) the lower-wattage eligible product is—

(A) lifecycle cost-effective; and

(B) practicable; and

(2) the utility and performance of the eligible product is not compromised by the lower wattage requirement.

(d) ELIGIBLE PRODUCTS.—The Secretary of Energy, in consultation with the Secretary of Defense and the Administrator of General Services, shall compile a publicly accessible list of cost-effective eligible products that shall be subject to the purchasing requirements of subsection (b).

SA 1552. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, to provide the necessary authority to the Secretary of Commerce for the establishment and implementation of a regulatory system for offshore aquaculture in the United States Exclusive Economic Zone, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

Strike paragraph (2)(A) of section 4(b) and insert the following:

(A) An offshore aquaculture permit holder shall be—

(i) a citizen or resident of the United States; or

(ii a corporation, partnership, or other entity organized and existing under the laws of a State or the United States.

SA 1553. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, to provide the necessary authority to the Secretary of Commerce for the establishment and implementation of a regulatory system for offshore aquaculture in the United States Exclusive Economic Zone, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

Strike subparagraph (C) of section 4(a)(1) and insert the following:

(C) procedures for evaluating and minimizing the potential adverse environmental, socio-economic, and cultural impacts of offshore aquaculture, including the establishment of permit conditions;

Strike paragraph (2) of section 4(a) and insert the following:

(2) The Secretary shall prepare a programmatic environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the development and operation of offshore aquaculture facilities. The environmental impact statement required by this paragraph shall be in addition to, and not to the exclusion of, the application of that Act to other aspects of any offshore aquaculture program established under this Act, including with respect to the issuance of individual permits.

In section 4(A)(4) strike ''aquaculture, to the extent necessary.'' and insert ''aquaculture.''.

Strike subparagraphs (E) and (F) of section 4(a)(4) and insert the following:

(E) requirements that marine species propagated and reared through offshore aquaculture be species of the local genotype native to the geographic regions; and

(F) maintaining record systems to track inventory and movement of fish or other marine species propagated and reared through offshore aquaculture, and, to the maximum extent practicable, tagging, marking or otherwise identifying such fish or other species.

Strike ''Subject to the provisions of subsection (e),'' in section 4(b) and insert ''Subject to the other provisions of this Act and rulemaking under this Act,''.

SA 1554. Mr. INOUYE (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1609, to provide the necessary authority to the Secretary of Commerce for the establishment and implementation of a regulatory system for offshore aquaculture in the United States Exclusive Economic Zone, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

Strike section 5 and insert the following:

SEC. 5. RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary, in consultation with other Federal agencies, coastal States, regional fishery management councils, academic institutions and other interested stakeholders shall establish and conduct a research and development program to further marine aquaculture technologies that are compatible with the protection of marine ecosystems.

(b) COMPONENTS.—The program shall include research to reduce the use of wild fish in offshore aquaculture feeds, engineering innovations to reduce the environmental impacts of offshore aquaculture facilities, nonharmful measures for avoiding interactions with marine mammals, methods for minimizing the use of antibiotics, and improvements in environmental monitoring techniques.

(c) ELIGIBLE ENTITIES.—The Secretary may conduct research and development in partnership with offshore aquaculture permit holders.

SA 1555. Mr. STEVENS (for himself and Mr. INOUYE) submitted an amendment intended to be proposed by him to the bill S. 1609, to provide the necessary authority to the Secretary of Commerce for the establishment and implementation of a regulatory system for offshore aquaculture in the United States Exclusive Economic Zone, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

At the appropriate place, insert the following:

SEC. ___. NO FINFISH AQUACULTURE SEAWARD OF ALASKA.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may not issue a permit for finfish acquaculture in Alaska's seaward portion of the Exclusive Economic Zone offshore of Alaska.

(b) ALASKA'S SEAWARD PORTION OF THE EXCLUSIVE ECONOMIC ZONE.—

(1) IN GENERAL.—In this section, the term ''Alaska's seaward portion of the Exclusive Economic Zone'' shall be determined by extending the seaward boundary (as defined in section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b))) of Alaska seaward to the edge of the Exclusive Economic Zone.

(B) LIMITATION.—Nothing in paragraph (1) shall be construed to give Alaska any right, title, authority, or jurisdiction over that portion of the Exclusive Economic Zone described in paragraph (1).

SA 1556. Mrs. LINCOLN (for herself Mr. DOMENICI, Mr. PRYOR, Mr. CRAIG, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. ANIMAL WASTE.

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) a purpose of this Act is to promote, through consistent policy incentives, the increased commercial use of renewable energy technologies;

(B) the underlying technologies promoted by those policies include biomass, and specifically animal manure as important renewable energy supplies;

(C) stores of that useful animal agriculture byproduct—

(i) are available in all regions of the United States; and

(ii) could be used to help diversify the energy generation needs of the United States;

(D) expanded commercial adoption of the technologies described in subparagraph (B) could contribute to the essential reduction over time of United States reliance on fossil fuels for the predominant supply of our energy generation needs;

(E) the marketplace has been affected by regulatory uncertainty stemming from misinterpretations of punitive, strict, joint, and severable liability regulatory schemes originally formed for purposes of environmental regulation and recovery of damages from industrial pollutants and toxic waste;

(F) those regulatory schemes specifically exclude from punitive liability petroleum and petroleum byproducts;

(G) the uncertainty regarding livestock and poultry manure threatens to undermine Federal policy objectives and taxpayer-backed incentives to promote renewable energy production from those sources; and

(H) misapplication of punitive regulatory schemes threatens to erode commercial and financial market investment to implement the objectives and incentives described in subparagraph (G).

(2) PURPOSE.—The purpose of this section is to provide policy and market certainty by clarifying that the regulatory scheme under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is not intended to cover the application, transportation, or storage of livestock manure or poultry litter.

(b) AMENDMENT OF SUPERFUND.—Title III of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9651 et seq.) is amended by adding at the end the following:

''SEC. 313. EXCEPTION FOR MANURE.

''(a) DEFINITION OF MANURE.—In this section, the term 'manure' means—

''(1) digestive emissions, feces, urine, urea, and other excrement from livestock (as defined in section 10403 of the Farm Security

and Rural Investment Act of 2002 (7 U.S.C. 8302));

''(2) any associated bedding, compost, raw materials, or other materials commingled with such excrement from livestock (as so defined);

''(3) any process water associated with any item referred to in paragraph (1) or (2); and

''(4) any byproduct, constituent, or substance contained in or originating from, or any emission relating to, an item described in paragraph (1), (2), or (3).

''(b) EXEMPTION.—Upon the date of enactment of this section, manure shall not be included in the meaning of—

''(1) the term 'hazardous substance', as defined in section 101(14); or

''(2) the term 'pollutant or contaminant', as defined in section 101(33).

''(c) EFFECT ON OTHER LAW.—Nothing with respect to the enactment of this subsection shall—

''(1) impose any liability under the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11001 et seq.) with respect to manure;

''(2) abrogate or otherwise affect any provision of the Air Quality Agreement entered into between the Administrator and operators of animal feeding operations (70 Fed. Reg. 4958 (January 31, 2005)); or

''(3) affect the applicability of any other environmental law as such a law relates to—

''(A) the definition of manure; or

''(B) the responsibilities or liabilities of any person regarding the treatment, storage, or disposal of manure.''.

(c) AMENDMENT OF SARA.—Section 304(a)(4) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 11004(a)(4)) is amended—

(1) by striking ''This section'' and inserting the following:

''(A) IN GENERAL.—This section''; and

(2) by adding at the end the following:

''(B) MANURE.—The notification requirements under this subsection do not apply to releases associated with manure (as defined in section 313 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980).''.

SA 1557. Ms. KLOBUCHAR (for herself, Ms. SNOWE, and Mr. BINGAMAN) submitted an amendment intended to be proposed by her to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting, new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

Subtitle D—National Greenhouse Gas Registry

SEC. 161. PURPOSE.

The purpose of this subtitle is to establish a national greenhouse gas registry that—

(1) is complete, consistent, transparent, and accurate; and

(2) will provide reliable and accurate data that can be used by public and private entities to design efficient and effective energy security initiatives and greenhouse gas emission reduction strategies.

SEC. 162. DEFINITIONS.

In this subtitle:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) AFFECTED FACILITY.—

(A) IN GENERAL.—The term ''affected facility'' means—

(i) a major emitting facility (as listed in section 169 of the Clean Air Act (42 U.S.C. 7479));

(ii) a petroleum refinery;

(iii) a coal mine that produces more than 10,000 short tons of coal during calendar year 2004 or any subsequent calendar year;

(iv) a natural gas processing plant;

(v) an importer of refined petroleum products, residual fuel oil, petroleum coke, liquefied petroleum gas, coal, coke, or natural gas (including liquefied natural gas);

(vi) a facility that imports or manufactures a greenhouse gas, including a facility that—

(I) imports or manufactures hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, or nitrous oxide, or a product containing any of those gases;

(II) emits nitrous oxide associated with the manufacture of adipic acid or nitric acid; or

(III) emits hydrofluorocarbon-23 as a byproduct of hydrochlorofluorocarbon-22; and

(vii) any other facility that emits a greenhouse gas, as determined by the Administrator.

(B) EXCLUSIONS.—The term ''affected facility'' does not include any small business (as described in part 121 of title 13, Code of Federal Regulations (or a successor regulation)) that generates fewer than 10,000 metric tons of greenhouse gas emissions during a calendar year, or a facility below the thresholds established by the Administrator under section 165(b)(9), unless that small business or facility elects to voluntarily report to the registry under section 163 as an affected facility.

(3) CARBON CONTENT.—The term ''carbon content'' means the quantity of carbon (in carbon dioxide equivalent) contained in a fuel.

(4) FEEDSTOCK FOSSIL FUEL.—The term ''feedstock fossil fuel'' means fossil fuel used as raw material in a manufacturing process.

(5) GREENHOUSE GAS.—The term ''greenhouse gas'' means—

(A) carbon dioxide;

(B) methane;

(C) nitrous oxide;

(D) hydrofluorocarbons;

(E) perfluorocarbons;

(F) sulfur hexafluoride; and

(G) any other anthropogenically-emitted gas that the Administrator, after notice and comment, determines to contribute to climate change.

(6) PROCESS EMISSIONS.—The term ''process emissions'' means emissions generated during a manufacturing process.

SEC. 163. REPORTING REQUIREMENTS.

(a) IN GENERAL.—An affected facility shall—

(1) report the quantity and type of fossil fuels and non-carbon dioxide greenhouse gases produced, refined, imported, exported, and consumed;

(2) report greenhouse gas emissions (in accordance with section 164(a)(1)(C)), in metric tons of each greenhouse gas emitted and in metric tons of carbon dioxide equivalent of each greenhouse gas emitted, measured using monitoring systems for fuel flow or emissions that use—

(A) continuous emission monitoring; or

(B) an equivalent system of comparable rigor, accuracy, and quality;

(3) report the quantity and type of—

(A) feedstock fossil fuel consumption; and

(B) process emissions;

(4) report other data necessary for accurate accounting of greenhouse gas emissions, as determined by the Administrator;

(5) include an appropriate certification, as determined by the Administrator; and

(6) report the information required under this section electronically to the Administrator in such form and to such extent as may be required by the Administrator.

(b) VERIFICATION OF REPORT REQUIRED.—Before including the information from a report required under this section in the registry, the Administrator shall verify the completeness and accuracy of the report using information provided under this section or under other provisions of law.

(c) TIMING.—

(1) CALENDAR YEARS 2004 THROUGH 2007.—For a baseline period of calendar years 2004 through 2007, each affected facility shall submit required annual data described in this section to the Administrator not later than March 31, 2009.

(2) SUBSEQUENT CALENDAR YEARS.—For subsequent calendar years, each affected facility shall submit quarterly data described in this section to the Administrator not later than 30 days after the end of the applicable quarter.

(d) NO EFFECT ON OTHER REQUIREMENTS.—Nothing in this title affects any requirement in effect as of the date of enactment of this Act relating to reporting of—

(1) fossil fuel production, refining, importation, exportation, or consumption data;

(2) greenhouse gas emission data; or

(3) other relevant data.

SEC. 164. DATA QUALITY AND VERIFICATION.

(a) PROTOCOLS AND METHODS.—

(1) IN GENERAL.—The Administrator shall establish protocols and methods to ensure completeness, consistency, transparency, and accuracy of data on fossil fuel production, refining, importation, exportation, and consumption, and greenhouse gas emissions submitted to the registry that include—

(A) accounting and reporting standards for fossil fuel production, refining, importation, exportation, and consumption;

(B) standardized methods for calculating carbon content or greenhouse gas emissions in specific industries from other readily available and reliable information, such as fuel consumption, materials consumption, production data, or other relevant activity data;

(C) standardized methods of monitoring greenhouse gas emissions (along with information on the accuracy of the data) for cases in which the Administrator determines that rigorous and accurate monitoring is feasible;

(D) methods to avoid double-counting of greenhouse gas emissions;

(E) protocols to prevent an affected facility from avoiding the reporting requirements of this title; and

(F) protocols for verification of data submitted by affected facilities.

(2) BEST PRACTICES.—The protocols and methods developed under paragraph (1) shall conform, to the maximum extent practicable, to the best practices available to ensure accuracy and consistency of the data.

(b) VERIFICATION; INFORMATION BY REPORTING ENTITIES.—Each affected facility shall—

(1) provide information sufficient for the Administrator to verify, in accordance with the protocols and methods developed under subsection (a), that the fossil fuel data and greenhouse gas emission data of the affected facility have been completely and accurately reported; and

(2) ensure the submission or retention, for the 5-year period beginning on the date of provision of the information, of data sources, information on internal control activities, information on assumptions used in reporting emissions and fuels, uncertainty analyses, and other relevant data and information to facilitate the verification of reports submitted to the registry.

(c) WAIVER OF REPORTING REQUIREMENTS.—The Administrator may waive reporting requirements for specific facilities if sufficient data are available under other provisions of law.

(d) MISSING DATA.—If information, satisfactory to the Administrator, is not provided for an affected facility, the Administrator shall prescribe methods that create incentives for accurate reporting to estimate emissions for the facility for each quarter for which data are missing.

SEC. 165. NATIONAL GREENHOUSE GAS REGISTRY.

(a) ESTABLISHMENT.—The Administrator (in consultation with the Secretary of Energy, the Secretary of Commerce, States, the private sector, and nongovernmental organizations) shall establish a mandatory national greenhouse gas registry.

(b) ADMINISTRATION.—The Administrator shall—

(1) design and operate the registry;

(2) establish an advisory body with that is broadly representative of industry, agriculture, environmental groups, and State and local governments to guide the development and management of the registry;

(3) provide coordination and technical assistance for the development of proposed protocols and methods to be published by the Administrator;

(4) develop forms for reporting under guidelines established under section 164(a)(1), and make the forms available to reporting entities;

(5) verify and audit the data submitted by reporting entities;

(6) establish consistent policies for calculating carbon content, expressed in units of carbon dioxide equivalent, for each type of fossil fuel reported under section 163;

(7) calculate carbon content, in units of carbon dioxide equivalent, of fossil fuel data reported by reporting entities;

(8) ensure coordination, to the maximum extent practicable, between the national greenhouse gas registry and greenhouse gas registries in existence as of the date of the coordination;

(9) establish, as soon as practicable after the date of enactment of this Act, threshold levels of greenhouse gas emissions from a facility, or sector-specific production levels at a facility, that require reporting under section 163 such that, at a minimum, the registry shall cover 80 percent of the human-induced greenhouse gas emissions in the United States; and

(10) publish on the Internet all information contained in the registry, except in any case in which publishing the information would result in a disclosure of—

(A) information vital to national security, as determined by the Administrator; or

(B) confidential business information that cannot be derived from information that is otherwise publicly available and that would cause significant calculable competitive harm if published.

(c) THIRD-PARTY VERIFICATION.—The Administrator may ensure that reports required under section 163 are certified by a third-party entity.

(d) REGULATIONS.—The Administrator shall—

(1) propose regulations to carry out this title not later than 180 days after the date of enactment of this Act; and

(2) promulgate final regulations to carry out this title not later than December 31, 2008.

(e) REPORT TO CONGRESS.—Not later than 180 days after the date on which reporting is required under this title, the Administrator shall submit to Congress a report that describes the need for harmonization of legal requirements within the United States relating to greenhouse gas reporting.

SEC. 166. ENFORCEMENT.

(a) CIVIL ACTIONS.—The Administrator may bring a civil action in United States district court against the owner or operator of an affected facility that fails to comply with this title.

(b) PENALTY.—Any person that violates this title shall be subject to a civil penalty of not more than $25,000 for each day the violation continues.

SA 1558. Mr. OBAMA submitted an amendment intended to be proposed to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE __—HEALTH CARE FOR HYBRIDS

SEC. __00. FINDINGS.

Congress makes the following findings:

(1) More than 50 percent of the oil consumed in the United States is imported.

(2) If present trends continue, foreign oil will represent 68 percent of the oil consumed in the United States by 2025.

(3) The United States has only 3 percent of the world's known oil reserves and the Nation's economic health is dependent on world oil prices.

(4) World oil prices are overwhelmingly dictated by other countries, which endangers the economic and national security of the United States.

(5) A major portion of the world's oil supply is controlled by unstable governments and countries that are known to finance, harbor, or otherwise support terrorists and terrorist activities.

(6) American automakers have lagged behind their foreign competitors in producing hybrid and other energy-efficient automobiles.

(7) Legacy health care costs associated with retiree workers are an increasing burden on the global competitiveness of American industries.

(8) Innovative uses of new technology in automobiles manufactured in the United States will—

(A) help retain American jobs;

(B) support health care obligations for retiring workers in the automotive sector;

(C) decrease our Nation's dependence on foreign oil; and

(D) address pressing environmental concerns.

Subtitle A—Retired Employee Health Benefits Reimbursement Program

SEC. __01. COORDINATING TASK FORCE.

(a) ESTABLISHMENT.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Energy, the Secretary of Health and Human Services, the Secretary of Transportation, and the Secretary of the Treasury shall establish a task force (referred to in this title as the ''task force'') to administer the program established under section __02 (referred to in this title as the ''program'').

(b) MEMBERSHIP.—The task force shall be composed representatives of the departments headed by the officials referred to in subsection (a), who shall be appointed by such officials in equal numbers.

SEC. __02. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the task force shall establish a program to reimburse eligible domestic automobile manufacturers for the costs incurred in providing health benefits to their retired employees. The task force shall determine compliance with the assurances under subsection (c)(4) through accepted measurements of fuel savings.

(b) CONSULTATION.—In establishing the program, the task force shall consult with representatives from—

(1) eligible domestic automobile manufacturers;

(2) unions representing employees of such manufacturers; and

(3) consumer and environmental groups.

(c) ELIGIBILITY REQUIREMENTS.—A domestic automobile manufacturer seeking reimbursement under the program shall—

(1) submit an application to the task force at such time, in such manner, and containing such information as the task force shall require;

(2) certify that such manufacturer is providing full health care coverage to all of its employees;

(3) provide assurances to the task force that the manufacturer will invest, in an amount equal to not less than 50 percent of the amount saved by the manufacturer through the reimbursement of its retiree health care costs under the program, in—

(A) the domestic manufacture and commercialization of petroleum fuel reduction technologies, including alternative or flexible fuel vehicles, hybrids, and other state-of-the-art fuel saving technologies;

(B) retraining workers and retooling assembly lines for the activities described in subparagraph (A);

(C) researching, developing, designing, and commercializing high-performance, fuel-efficient vehicles, and other activities related to diversifying the domestic production of automobiles; and

(D) assisting domestic automobile component suppliers to retool their domestic manufacturing plants to produce components for petroleum fuel reduction technologies, including alternative or flexible fuel vehicles and hybrid, advanced diesel, and other state-of-the-art fuel saving technologies; and

(4) provide assurances to the task force that average adjusted fuel economy savings achieved under paragraph (3) will not result in fuel economy decreases in other automobiles manufactured in the United States; and

(5) provide additional assurances and information as the task force may require, including information needed by the task force to audit the manufacturer's compliance with the requirements of the program.

(d) LIMITATION.—Not more than 10 percent of the annual retiree health care costs of any domestic automobile manufacturer may be reimbursed under the program in any year.

(e) TERMINATION OF PROGRAM.—The program shall terminate on December 31, 2017.

SEC. __03. REPORTING.

(a) REIMBURSEMENT REPORTS.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the task force shall submit a report to Congress that—

(1) identifies the reimbursements paid under the program; and

(2) describes the changes in the manufacture and commercialization of fuel saving technologies implemented by automobile manufacturers as a result of such reimbursements.

(b) CONSUMER INCENTIVES.—Not later than 1 year after the date of the enactment of this Act, the task force shall submit a report to Congress that—

(1) indicates the effectiveness of financial incentives available to consumers for the

purchase of hybrid vehicles in encouraging such purchases; and

(2) recommends whether such incentives should be expanded.

SEC. _04. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary in each of fiscal years 2008 through 2018 to carry out this subtitle.

Subtitle B—Tax Provisions

SEC. _11. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) IN GENERAL.—Section 7701 of the Internal Revenue Code of 1986 is amended—

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

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

''(p) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.—

''(1) GENERAL RULES.—

''(A) IN GENERAL.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

''(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A):

''(i) IN GENERAL.—A transaction has economic substance only if—

''(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

''(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

''(ii) SPECIAL RULE WHERE TAXPAYER RELIES ON PROFIT POTENTIAL.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

''(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

''(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

''(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

''(2) SPECIAL RULES FOR TRANSACTION WITH TAX-INDIFFERENT PARTIES.—

''(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

''(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

''(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

''(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

''(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection:

''(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

''(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

''(C) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

''(D) TREATMENT OF LESSORS.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

''(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

''(I) depreciation,

''(II) any tax credit, or

''(III) any other deduction as provided in guidance by the Secretary, and

''(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

''(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

''(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. _12. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE.

(a) IN GENERAL.—Subchapter A of chapter 68 of the Internal Revenue Code of 1986 is amended by inserting after section 6662A the following:

''SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

''(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

''(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

''(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

''(A) there is a lack of economic substance (within the meaning of section 7701(p)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(p)(2), or

''(B) the transaction fails to meet the requirements of any similar rule of law.

''(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

''(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

''(2) APPLICABLE RULES.—The rules of paragraphs (2) and (3) of section 6707A(d) shall apply for purposes of paragraph (1).

''(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

''(f) CROSS REFERENCES.—

''(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

''(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).''.

(b) COORDINATION WITH OTHER UNDERSTATEMENTS AND PENALTIES.—

(1) The second sentence of section 6662(d)(2)(A) of the Internal Revenue Code of 1986 is amended by inserting ''and without regard to items with respect to which a penalty is imposed by section 6662B'' before the period at the end.

(2) Subsection (e) of section 6662A of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (1), by inserting ''and noneconomic substance transaction understatements'' after ''reportable transaction understatements'' both places it appears,

(B) in paragraph (2)(A), by inserting ''and a noneconomic substance transaction understatement'' after ''reportable transaction understatement'',

(C) in paragraph (2)(B), by inserting ''6662B or'' before ''6663'',

(D) in paragraph (2)(C)(i), by inserting ''or section 6662B'' before the period at the end,

(E) in paragraph (2)(C)(ii), by inserting ''and section 6662B'' after ''This section'',

(F) in paragraph (3), by inserting ''or noneconomic substance transaction understatement'' after ''reportable transaction understatement'', and

(G) by adding at the end the following new paragraph:

''(3) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).''.

(3) Paragraph (2) of section 6707A(e) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''or'' at the end of subparagraph (B), and

(B) by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction, or

''(D) is required to pay a penalty under section 6662(h) with respect to any transaction and would (but for section 6662A(e)(2)(C)) have been subject to penalty under section 6662A at a rate prescribed under section 6662A(c) or under section 6662B,''.

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6662A the following:

''Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. _13. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) IN GENERAL.—Section 163(m) of the Internal Revenue Code of 1986 (relating to interest on unpaid taxes attributable to nondisclosed reportable transactions) is amended—

(1) by striking ''attributable'' and all that follows and inserting the following: ''attributable to—

''(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

''(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).''; and

(2) by inserting ''and noneconomic substance transactions'' after ''transactions''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act in taxable years ending after such date.

SA 1559. Mr. HAGEL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, develop greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

Subtitle F—Energy-Related Regulatory Reform

SEC. 281. PROCESS COORDINATION AND RULES OF PROCEDURE.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) CHAIRPERSON.—The term ''Chairperson'' means the Chairperson of the Nuclear Regulatory Commission.

(3) FEDERAL ENERGY AUTHORIZATION.—

(A) IN GENERAL.—The term ''Federal energy authorization'' means any authorization required under Federal law (including regulations), regardless of whether the law is administered by a Federal or State administrative agency or official, with respect to the siting, construction, expansion, or operation of an energy facility, including—

(i) a coal-fired electric generating plant;

(ii) a nuclear power electric generating plant;

(iii) a natural gas-fired electric generating plant;

(iv) a waste-to-energy facility;

(v) a geothermal electric generating facility;

(vi) a wind or solar electric generating facility;

(vii) a petroleum refinery;

(viii) a biorefinery;

(ix) a biogas conversion unit;

(x) a shale-oil production site; or

(xi) an oil or gas exploration and production lease.

(B) INCLUSIONS.—The term ''Federal energy authorization'' includes any permit, special use authorization, certification, opinion, or other approval required under Federal law (including regulations) with respect to the siting, construction, expansion, or operation of an energy facility referred to in subparagraph (A).

(b) DESIGNATION AS LEAD AGENCY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Environmental Protection Agency shall act as the lead agency for the purposes of coordinating all Federal energy authorizations and related environmental reviews.

(2) EXCEPTION.—In the case of a nuclear power electric generating facility, the Nuclear Regulatory Commission shall act as the lead agency for purposes of coordinating all Federal nuclear energy authorizations.

(3) OTHER AGENCIES.—Each Federal or State agency or official required to provide a Federal energy authorization shall cooperate with the Administrator or the Chairperson, as applicable, including by complying with any applicable deadline relating to the Federal energy authorization established by the Administrator or Chairperson under subsection (c).

(c) SCHEDULE.—

(1) AUTHORITY OF ADMINISTRATOR.—The Administrator shall establish a schedule for all Federal energy authorizations as the Administrator determines to be appropriate—

(A) to ensure expeditious completion of all proceedings relating to Federal energy authorizations; and

(B) to accommodate any applicable related schedules established by Federal law (including regulations).

(2) AUTHORITY OF CHAIRPERSON.—The Chairperson shall collaborate with the Administrator to establish an appropriate schedule for all environmental authorizations required with respect to facilities described in subsection (b)(2) that—

(A) takes into consideration the longer lead time required by the permitting process for nuclear power electric generating facilities; and

(B) allows for simultaneous environmental and security reviews of potential sites to provide for joint authorization of the sites by the Administrator and the Chairperson.

(3) FAILURE TO MEET SCHEDULE.—If a Federal or State administrative agency or official fails to complete a proceeding for any approval required for a Federal energy authorization in accordance with the schedule established under paragraph (1) or (2), any affected applicant for the Federal energy authorization may seek judicial review of the failure under subsection (e).

(d) CONSOLIDATED RECORD.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Administrator, in cooperation with Federal and State administrative agencies and officials, shall maintain a complete consolidated record of all decisions made and all actions carried out by the Administrator or a Federal or State administrative agency or officer with respect to any Federal energy authorization.

(2) EXCEPTION.—The Chairperson, in cooperation with the Administrator and other Federal and State administrative agencies and officials, shall maintain a complete consolidated record of all decisions made and all actions carried out by the Commissioner or a Federal or State administrative agency or officer with respect to any Federal authorization of a nuclear power electric generating facility.

(3) TREATMENT.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the records under paragraphs (1) and (2) shall serve as the record for a decision or action for purposes of judicial review of the decision or action under subsection (e).

(B) EXCEPTION.—If the United States Court of Appeals for the District of Columbia determines that a record under paragraph (1) or (2) contains insufficient information, the court may remand the proceeding to the Administrator for development of the record.

(e) JUDICIAL REVIEW.—

(1) IN GENERAL.—The United States Court of Appeals for the District of Columbia shall have original and exclusive jurisdiction over any civil action for the review of—

(A) an order or action by a Federal or State administrative agency or official relating to a Federal energy authorization; or

(B) an alleged failure to act by a Federal or State administrative agency or official with respect to a Federal energy authorization.

(2) REMAND.—

(A) IN GENERAL.—The court shall remand a proceeding to the applicable agency or official in any case in which the court determines under paragraph (1) that—

(i)(I) an order or action described in paragraph (1)(A) is inconsistent with the Federal law applicable to the Federal energy authorization;

(II) a failure to act described in paragraph (1)(B) has occurred; or

(III) a Federal or State administrative agency or official failed to meet an applicable deadline under subsection (c) with respect to a Federal energy authorization; and

(ii) the order, action, or failure to act would prevent the siting, construction, expansion, or operation of an energy facility referred to in subsection (a)(2)(A).

(B) SCHEDULE.—On remand of an order, action, or failure to act under subparagraph (A), the court shall establish a reasonable schedule and deadline for the agency or official to act with respect to the remand.

(3) ACTION BY LEAD AGENCY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), for any civil action brought under this subsection, the Administrator shall promptly file with the court the consolidated record compiled by the Administrator pursuant to subsection (d)(1).

(B) EXCEPTION.—For any civil action brought under this subsection with respect to a nuclear power electric generating facility, the Chairperson shall promptly file with the court the consolidated record compiled by the Chairperson pursuant to subsection (d)(2).

(4) EXPEDITED CONSIDERATION.—The Court shall provide expedited consideration of any civil action brought under this subsection.

(5) ATTORNEY'S FEES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in any action challenging a Federal energy authorization that has been granted, reasonable attorney's fees and other expenses of the litigation shall be awarded to the prevailing party.

(B) EXCEPTION.—Subparagraph (A) shall not apply to any action seeking a remedy for—

(i) denial of a Federal energy authorization; or

(ii) failure to act on an application for a Federal energy authorization.

SEC. 282. ENERGY SECURITY AND REGULATORY REFORM.

(a) ENERGY-RELATED REGULATORY REFORM.—Title V of the National Energy Conservation Policy Act (42 U.S.C. 8241 et seq.) is amended by adding at the end the following:

''PART 5—ENERGY-RELATED REGULATORY REFORM

''SEC. 571. DEFINITIONS.

''In this part:

''(1) ADVISORY COMMITTEE.—The term 'advisory committee' means an advisory committee established under section 572(a).

''(2) APPLICABLE AGENCY.—The term 'applicable agency' means any Federal department or agency that, during the 10-year period ending on the date on which an advisory committee is established, promulgated a major rule.

''(3) BENEFIT.—The term 'benefit', with respect to a rule, means any reasonably identifiable, significant, and favorable effect (whether quantifiable or unquantifiable), including a social, health, safety, environmental, economic, energy, or distributional effect, that is expected to result, directly or indirectly, from the implementation of, or compliance with, the rule.

''(4) COST.—The term 'cost', with respect to a rule, means any reasonably identifiable and significant adverse effect (whether quantifiable or unquantifiable), including a social, health, safety, environmental, economic, energy, or distributional effect, that is expected to result, directly or indirectly, from the implementation of, or compliance with, the rule.

''(5) ENERGY RULE.—The term 'energy rule' means a major rule that has a direct impact on the production, distribution, or consumption of energy, as determined by the Secretary of Energy.

''(6) FLEXIBLE REGULATORY OPTION.—

''(A) IN GENERAL.—The term 'flexible regulatory option' means an option at a point in the regulatory process that provides flexibility to any person subject to an applicable rule with respect to complying with the rule.

''(B) INCLUSION.—The term 'flexible regulatory option' includes any option described in subparagraph (A) that uses—

''(i) a market-based mechanism;

''(ii) an outcome-oriented, performance-based standard; or

''(iii) any other option that promotes flexibility, as determined by the head of the applicable agency.

''(7) MAJOR RULE.—The term 'major rule' means a rule or group of closely related rules—

''(A) the reasonably quantifiable increased direct and indirect costs of which are likely to have a gross annual effect on the United States economy of at least $100,000,000, or that has a significant impact on a sector of the economy, as determined by—

''(i) the head of the agency proposing the rule; or

''(ii) the President (or a designee); or

''(B) that is otherwise designated as a major rule by the head of the agency proposing the rule or the President (or a designee), based on a determination that the rule is likely to result in—

''(i) a substantial increase in costs for—

''(I) consumers;

''(II) an industrial sector;

''(III) nonprofit organizations;

''(IV) any Federal, State, or local governmental agency; or

''(V) a geographical region;

''(ii) a significant adverse effect on—

''(I) competition, employment, investment, productivity, innovation, health, safety, or the environment; or

''(II) the ability of enterprises with principal places of business in the United States to compete in domestic or international markets;

''(iii) a serious inconsistency or interference with an action carried out or planned to be carried out by another Federal agency;

''(iv) the material alteration of the budgetary impact of—

''(I) entitlements, grants, user fees, or loan programs; or

''(II) the rights and obligations of recipients of such a program; or

''(v) disproportionate costs to a class of regulated persons, including relatively severe economic consequences for that class.

''(8) RULE.—

''(A) IN GENERAL.—The term 'rule' has the meaning given the term in section 551 of title 5, United States Code.

''(B) INCLUSION.—The term 'rule' includes any statement of general applicability that alters or creates a right or obligation of a person not employed by the applicable regulatory agency.

''(C) EXCLUSIONS.—The term 'rule' does not include—

''(i) a rule of particular applicability that approves or prescribes—

''(I) future rates, wages, prices, services, corporate or financial structures, reorganizations, mergers, acquisitions, or accounting practices; or

''(II) any disclosure relating to an item described in subclause (I);

''(ii) a rule relating to monetary policy or to the safety or soundness of an institution (including any affiliate, branch, agency, commercial lending company, or representative office of the institution (within the meaning of the International Banking Act of 1956 (12 U.S.C. 1841 et seq.)) that is—

''(I) a federally-insured depository institution or any affiliate of such an institution (as defined in section 2(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(k));

''(II) a credit union;

''(III) a Federal home loan bank;

''(IV) a government-sponsored housing enterprise;

''(V) a farm credit institution; or

''(VI) a foreign bank that operates in the United States; or

''(iii) a rule relating to—

''(I) the payment system; or

''(II) the protection of—

''(aa) deposit insurance funds; or

''(bb) the farm credit insurance fund.

''SEC. 572. ADVISORY COMMITTEES FOR ENERGY RULES.

''(a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this part, and every 5 years thereafter, the head of each applicable agency shall establish an advisory committee to review all energy rules promulgated by the applicable agency during the 10-calendar-year period ending on the date on which the advisory committee is established.

''(b) MEMBERSHIP.—

''(1) IN GENERAL.—The head of an applicable agency shall appoint not more than 15 members to serve on an advisory committee.

''(2) REQUIREMENT.—In appointing members to serve on an advisory committee under paragraph (1), the head of the applicable agency shall ensure that the membership of the advisory committee reflects a balanced cross-section of public and private parties affected by energy rules issued by the applicable agency, including—

''(A) small businesses;

''(B) units of State and local government; and

''(C) public interest groups.

''(3) PROHIBITION ON FEDERAL GOVERNMENT EMPLOYMENT.—A member of an advisory committee appointed under paragraph (1) shall not be an employee of the applicable agency for which the advisory committee is established.

''(c) TERM; VACANCIES.—

''(1) TERM.—A member shall be appointed for the life of an advisory committee.

''(2) VACANCIES.—A vacancy on an advisory committee—

''(A) shall not affect the powers of the advisory committee; and

''(B) shall be filled in the same manner as the original appointment was made.

''(d) CHAIRPERSON; PANELS.—The head of an applicable agency—

''(1) shall select a Chairperson from among the members of an advisory committee; and

''(2) may establish such panels as the head determines to be necessary to assist an advisory committee in carrying out duties of the advisory committee.

''(e) DUTIES.—

''(1) IN GENERAL.—An advisory committee shall review all energy rules promulgated by the applicable agency for which the advisory committee is established during the 10-calendar-year period ending on the date on which the advisory committee is established, in accordance with section 573.

''(2) PUBLIC PARTICIPATION.—An advisory committee shall solicit public comment with respect to energy rules reviewed by the advisory committee through appropriate means, including—

''(A) hearings;

''(B) written comments;

''(C) public meetings; and

''(D) electronic mail.

''(f) TRAVEL EXPENSES.—A member of an advisory committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the advisory committee.

''(g) TERMINATION.—An advisory committee shall terminate on the date that is 5 years after the date on which the advisory committee is established.

''SEC. 573. REVIEW OF ENERGY RULES.

''(a) LIST.—

''(1) IN GENERAL.—An advisory committee shall develop a list describing each energy rule promulgated during the preceding 10-year period by the applicable agency for which the advisory committee is established that, as determined by the advisory committee—

''(A) should be reviewed by the head of the applicable agency; and

''(B) reasonably could be subject to such a review during the 5-calendar-year period beginning on the date on which the energy rule is included on the list.

''(2) FACTORS FOR CONSIDERATION.—In developing a list under paragraph (1), an advisory committee shall take into consideration—

''(A) the cost of an energy rule with respect to energy production or energy efficiency of any individual or entity subject to the energy rule;

''(B) the extent to which an energy rule could be revised to substantially increase net benefits of the energy rule, including through flexible regulatory options;

''(C) the relative importance of an energy rule, as compared to other energy rules considered for inclusion on the list; and

''(D) the discretion of the applicable agency under an applicable authorizing law or regulation to modify or repeal the energy rule.

''(3) SUBMISSION.—Not later than 1 year after the date on which an advisory committee is established and annually thereafter, the advisory committee shall submit

to the head of the applicable agency for which the advisory committee is established the list developed under paragraph (1), with each energy rule represented on the list in descending order of importance, in accordance with the priority assigned to review of the energy rule by the advisory committee.

''(4) ACTION BY APPLICABLE AGENCY.—As soon as practicable after receipt of a list under paragraph (3), the head of an applicable agency shall—

''(A) publish the list in the Federal Register; and

''(B) submit to Congress a copy of the list.

''(b) SCHEDULES FOR REVIEW.—

''(1) PRELIMINARY SCHEDULE.—

''(A) IN GENERAL.—Not later than 60 days after the date of receipt of a list under subsection (a)(3), the head of an applicable agency shall develop and publish in the Federal Register a preliminary schedule for review by the applicable agency of the energy rules included on the list, including an explanation for each modification of the list by the applicable agency.

''(B) NOTICE AND COMMENT.—The head of an applicable agency shall provide notice and an opportunity for public comment on a preliminary schedule for a period of not less than 60 days after the date of publication of the preliminary schedule under subparagraph (A).

''(2) FINAL SCHEDULE.—

''(A) IN GENERAL.—Not later than 60 days after the date of expiration of the applicable comment period under paragraph (1)(B), the head of the applicable agency shall develop and publish in the Federal Register a final schedule for review of the energy rules by the applicable agency.

''(B) CONTENTS.—

''(i) IN GENERAL.—A final schedule under subparagraph (A) shall include a deadline by which the applicable agency shall review each energy rule included on the list.

''(ii) REQUIREMENT.—A deadline described in clause (i) shall be not later than 5 years after the date of publication of the final schedule.

''(3) REQUIREMENT.—In developing a preliminary or final schedule under this subsection, the head of an applicable agency—

''(A) shall defer, to the maximum extent practicable, to the recommendations of the advisory committee; but

''(B) may modify the list of the advisory committee, taking into consideration—

''(i) the factors described in subsection (a)(2); and

''(ii) any limitation on resources or authority of the applicable agency.

''(c) REVIEW.—

''(1) REQUIRED PUBLICATIONS.—For each energy rule included on the final schedule of an applicable agency under subsection (b)(2), the head of the applicable agency shall publish in the Federal Register—

''(A) not later than the date that is 2 years before the deadline applicable to the energy rule under the final schedule, a notice that solicits public comment regarding whether the energy rule should be continued in effect, modified, or repealed;

''(B) not later than the date that is 1 year before the deadline applicable to the energy rule under the final schedule, a notice that—

''(i) addresses public comments received as a result of the notice under subparagraph (A);

''(ii) contains a preliminary analysis by the applicable agency relating to the energy rule;

''(iii) contains a preliminary determination of the applicable agency regarding whether the energy rule should be continued in effect, modified, or repealed; and

''(iv) solicits public comment on that preliminary determination; and

''(C) not later than the date that is 60 days before the deadline applicable to the energy rule under the final schedule, a final notice relating to the energy rule that—

''(i) addresses public comments received as a result of the notice under subparagraph (B);

''(ii) contains—

''(I) a determination of the applicable agency regarding whether to continue in effect, modify, or repeal the energy rule; and

''(II) an explanation of the determination; and

''(iii) if the applicable agency determines to modify or repeal the energy rule, a notice of proposed rulemaking under section 553 of title 5, United States Code, as applicable.

''(2) DETERMINATIONS.—

''(A) IN GENERAL.—Not later than the deadline applicable to an energy rule under the final schedule under subsection (b)(2), the head of the applicable agency shall make a determination—

''(i) to continue the energy rule in effect;

''(ii) to modify the energy rule; or

''(iii) to repeal the energy rule.

''(B) CONTINUING IN EFFECT.—A determination by the head of an applicable agency under subparagraph (A)(i) to continue an energy rule in effect—

''(i) shall be published in the Federal Register; and

''(ii) shall be considered to be a final agency action effective beginning on the date that is 60 days after the date of publication of the determination.

''(C) MODIFICATION OR REPEAL.—On a determination by the head of an applicable agency to modify or repeal an energy rule under clause (ii) or (iii) of subparagraph (A), the applicable agency shall complete final agency action with respect to the modification or repeal by not later than 2 years after the deadline applicable to the energy rule under the final schedule under subsection (b)(2).

''(d) JUDICIAL REVIEW.—

''(1) IN GENERAL.—No preliminary or final schedule under this section shall be subject to judicial review.

''(2) DETERMINATION TO CONTINUE IN EFFECT.—

''(A) DEFINITION OF REASONABLE ALTERNATIVE.—

''(i) IN GENERAL.—In this paragraph, the term 'reasonable alternative', with respect to an option at a point in the regulatory process, means an option that—

''(I) would achieve the purpose of the applicable rule; and

''(II) the head of the applicable Federal agency has the authority to elect.

''(ii) INCLUSION.—The term 'reasonable alternative' includes a flexible regulatory option.

''(B) ACTION BY COURT.—A court of competent jurisdiction may remand a determination to continue an energy rule in effect under subsection (c)(2)(B) only on clear and convincing evidence that a reasonable alternative was available to the energy rule.

''(3) FAILURE TO ACT.—A failure of the head of an applicable agency to carry out an action required under this section shall be subject to judicial review only as provided in section 706(1) of title 5, United States Code.

''(e) EFFECT OF SECTION.—

''(1) IN GENERAL.—Nothing in this section limits the discretion of an applicable agency, on making a determination described in clause (ii) or (iii) of subsection (c)(2)(A), to elect not to modify or repeal the applicable energy rule.

''(2) TREATMENT.—An election of an applicable agency described in paragraph (1) shall be considered to be a final agency action for purposes of judicial review.

''SEC. 574. PROSPECTIVE CONSIDERATION OF ENERGY RULES.

''(a) DETERMINATION.—

''(1) IN GENERAL.—In promulgating any rule, the head of an applicable agency shall determine whether the rule is an energy rule.

''(2) TREATMENT.—The head of an applicable agency may determine under paragraph (1) that a set of related rules proposed to be promulgated by the applicable agency shall be considered to be an energy rule.

''(b) REGULATORY IMPACT ANALYSIS.—

''(1) IN GENERAL.—In promulgating an energy rule, the head of an applicable agency shall prepare—

''(A) by not later than the date that is 60 days before the date of publication of notice of the proposed rulemaking, a preliminary regulatory impact analysis relating to the energy rule; and

''(B) a final regulatory impact analysis relating to the energy rule, which shall be submitted together with the final energy rule by not later than the date that is 30 days before the date of publication of the final energy rule.

''(2) CONTENTS.—A preliminary or final regulator impact analysis relating to an energy rule under paragraph (1) shall contain—

''(A) a description of the potential benefits of the energy rule, including a description of—

''(i) any beneficial effects that cannot be quantified in monetary terms; and

''(ii) an identification of individuals and entities likely to receive the benefits;

''(B) an explanation of the necessity, legal authority, and reasonableness of the energy rule together with a description of the condition that the energy rule is intended to address;

''(C) a description of the potential costs of the energy rule, including a description of—

''(i) any costs that cannot be quantified in monetary terms; and

''(ii) an identification of the individuals and entities likely to bear the costs;

''(D)(i) an analysis of any alternative approach, including market-based mechanisms, that could substantially achieve the regulatory goal of the energy rule at a lower cost; and

''(ii) an explanation of the reasons why the alternative approach was not adopted, together with a demonstration that the energy rule provides the least-costly approach with respect to the regulatory goal;

''(E)(i) an analysis of the benefits and costs of the energy rule to the national energy supply and national energy security; and

''(ii) an explanation in any case in which the energy rule will cause undue harm to the energy stability of any region;

''(F) a statement that, as applicable—

''(i) the energy rule does not conflict with, or duplicate, any other rule; or

''(ii) describes the reasons why such a conflict or duplication exists; and

''(G) a statement that describes whether the energy rule will require—

''(i) any onsite inspection; or

''(ii) any individual or entity—

''(I) to maintain records that will be subject to inspection; or

''(II) to obtain any license, permit, or other certification, including a description of any associated fees or fines.

''(3) COMBINATION WITH FLEXIBILITY ANALYSIS.—An energy rule regulatory impact analysis under paragraph (1) may be prepared together with the regulatory flexibility analysis relating to the energy rule under sections 603 and 604 of title 5, United States Code.

''(c) REVIEW OF REGULATORY IMPACT ANALYSES.—

''(1) IN GENERAL.—The head of an applicable agency shall review, and prepare comments regarding—

''(A) each notice of proposed rulemaking relating to an energy rule of the applicable agency;

''(B) each preliminary and final regulatory impact analysis relating to an energy rule of the applicable agency under this section; and

''(C) each final energy rule of the applicable agency.

''(2) CONSULTATION.—On receipt of a request of a head of an applicable agency, any officer or employee of another applicable agency shall consult with the head regarding a review under paragraph (1).

''(3) REQUIREMENT.—The head of an applicable agency shall not promulgate an energy rule until the date on which the final regulatory impact analysis relating to the energy rule is published in the Federal Register.

''(4) REVIEW OF OTHER APPLICABLE AGENCIES.—

''(A) IN GENERAL.—On receipt of a request of a head of an applicable agency, another applicable agency—

''(i) shall permit the head to review, and prepare comments regarding—

''(I) a notice of proposed rulemaking relating to an energy rule of the applicable agency; or

''(II) a preliminary or final regulatory impact analysis relating to an energy rule of the applicable agency under this section; and

''(ii) shall not publish the notice of proposed rulemaking or preliminary or final regulatory impact analysis until the earlier of—

''(I) the date on which—

''(aa) the head completes the review; and

''(bb) the applicable agency submits to the head a response to any comments of the head and includes in the comments of the applicable agency the response, in accordance with subparagraph (B)(ii); and

''(II) the expiration of the deadline described in subparagraph (B)(i).

''(B) DEADLINES.—

''(i) REVIEW AND COMMENT BY HEAD.—A head of an applicable agency shall complete a review of a notice of proposed rulemaking or preliminary or final regulatory impact analysis of another applicable agency under subparagraph (A) by not later than 90 days after the date on which the head submits a request for the review.

''(ii) RESPONSE BY APPLICABLE AGENCY.—An applicable agency shall submit to the head of another applicable agency that conducted a review and submitted comments regarding an energy rule under subparagraph (A) a response to those comments by not later than 90 days after the date on which the comments are received.

''(d) PLAIN LANGUAGE REQUIREMENT.—The head of an applicable agency shall ensure, to the maximum extent practicable, that each energy rule and each regulatory impact analysis relating to an energy rule—

''(1) is written in plain language; and

''(2) provides adequate notice of the requirements of the rule to affected individuals and entities.

''(e) NONAPPLICABILITY TO CERTAIN RULES AND AGENCIES.—

''(1) DEFINITION OF EMERGENCY SITUATION.—In this subsection, the term 'emergency situation' means a situation that—

''(A) is immediately impending and extraordinary in nature; or

''(B) demands attention due to a condition, circumstance, or practice that, if no action is taken, would be reasonably expected to cause—

''(i) death, serious illness, or severe injury to an individual; or

''(ii) substantial danger to private property or the environment.

''(2) NONAPPLICABILITY.—This section shall not apply to—

''(A) a major rule promulgated in response to an emergency situation, if a report describing the major rule and the emergency situation is submitted to the head of each affected applicable agency as soon as practicable after promulgation of the major rule;

''(B) a major rule proposed or promulgated in connection with the implementation of monetary policy or to ensure the safety and soundness of—

''(i) a federally-insured depository institution or an affiliate of such an institution;

''(ii) a credit union; or

''(iii) a government-sponsored housing enterprise regulated by the Office of Federal Housing Enterprise Oversight;

''(C) an action by an applicable agency that the head of the applicable agency certifies is limited to interpreting, implementing, or administering the internal revenue laws of the United States, including any regulation proposed or issued in connection with ensuring the collection of taxes from a subsidiary of a foreign company doing business in the United States; or

''(D) a major rule proposed or promulgated pursuant to section 553 of title 5, United States Code, in connection with imposing a trade sanction against any country that engages in illegal trade activities against the United States that are injurious to United States technology, jobs, pensions, or general economic well-being.''.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to Congress a report that contains an analysis of—

(1) rulemaking procedures of Federal departments and agencies; and

(2) the impact of those procedures on—

(A) the public; and

(B) the regulatory process.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply only to final rules of Federal departments and agencies the rulemaking process for which begins after the date of enactment of this Act.

(d) OTHER POLICIES AND GOALS.—

(1) DECLARATION OF POLICY.—Section 101 of the National Environmental Policy Act of 1969 (42 U.S.C. 4331) is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following:

''(c) ENERGY SECURITY.—Congress recognizes that, because the production and consumption of energy has a profound impact on the environment, and the availability of affordable energy resources is essential to continued national security and economic security of the United States, it is the policy of the United States to ensure that—

''(1) each proposed Federal action should be analyzed with respect to the impact of the proposed Federal action on the energy security of the United States; and

''(2) an analysis under paragraph (1) should be taken into consideration in developing Federal plans, rules, programs, and actions.''.

(2) REPORTS.—Section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is amended—

(A) by redesignating clauses (iii) through (v) as clauses (iv) through (vi), respectively; and

(B) by inserting after clause (ii) the following:

''(iii) the impact on the energy security of the United States in terms of the effects to the production, distribution, and consumption of energy of the proposal or Federal action;''.

SA 1560. Mr. HAGEL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE VIII—TAX INCENTIVES FOR PRODUCTION AND CONSERVATION OF ENERGY

SEC. 801. INCOME AND GAINS FROM ELECTRICITY TRANSMISSION SYSTEMS TREATED AS QUALIFYING INCOME FOR PUBLICLY TRADED PARTNERSHIPS.

(a) IN GENERAL.—Section 7704(d)(1) of the Internal Revenue Code of 1986 (defining qualifying income) is amended by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively, and by inserting after subparagraph (E) the following new subparagraph:

''(F) income and gains from the transmission of electricity at 69 or more kilovolts through any property the original use of which commences after December 31, 2006,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

SEC. 802. FIVE-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED ENERGY MANAGEMENT DEVICES.

(a) IN GENERAL.—Section 168(e)(3)(B) of the Internal Revenue Code of 1986 (defining 5-year property) is amended by striking ''and'' at the end of clause (v), by striking the period at the end of clause (vi)(III) and inserting '', and'', and by inserting after clause (vi) the following new clause:

''(vii) any qualified energy management device.''.

(b) DEFINITION OF QUALIFIED ENERGY MANAGEMENT DEVICE.—Section 168(i) of such Code (relating to definitions and special rules) is amended by inserting at the end the following new paragraph:

''(18) QUALIFIED ENERGY MANAGEMENT DEVICE.—

''(A) IN GENERAL.—The term 'qualified energy management device' means any energy management device which is placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services.

''(B) ENERGY MANAGEMENT DEVICE.—For purposes of subparagraph (A), the term 'energy management device' means any time-based meter and related communications equipment which is capable of being used by the taxpayer as part of a system that—

''(i) measures and records electricity usage data on a time-differentiated basis in at least 24 separate time segments per day,

''(ii) provides for the exchange of information between supplier or provider and the customer's energy management device in support of time-based rates or other forms of demand response, and

''(iii) provides data to such supplier or provider so that the supplier or provider can provide energy usage information to customers electronically.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service in taxable years ending after the date of the enactment of this Act.

SEC. 803. SPECIAL DEPRECIATION ALLOWANCE FOR CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following:

''(l) SPECIAL ALLOWANCE FOR CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified cellulosic biomass ethanol plant property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of such property, and

''(B) the adjusted basis of such property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified cellulosic biomass ethanol plant property' means property of a character subject to the allowance for depreciation—

''(i) which is used in the United States solely to produce cellulosic biomass ethanol,

''(ii) the original use of which commences with the taxpayer after the date of the enactment of this subsection,

''(iii) which has a nameplate capacity of 100,000,000 gallons per year of cellulosic biomass ethanol,

''(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after the date of the enactment of this subsection, but only if no written binding contract for the acquisition was in effect on or before the date of the enactment of this subsection, and

''(v) which is placed in service by the taxpayer before January 1, 2013.

''(B) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—Such term shall not include any property described in section 168(k)(2)(D)(i).

''(ii) TAX-EXEMPT BOND-FINANCED PROPERTY.—Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103.

''(iii) ELECTION OUT.—If a taxpayer makes an election under this subparagraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(3) CELLULOSIC BIOMASS ETHANOL.—For purposes of this subsection, the term 'cellulosic biomass ethanol'—

''(A) means ethanol derived from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including—

''(i) dedicated energy crops and trees,

''(ii) wood and wood residues,

''(iii) plants,

''(iv) grasses,

''(v) agricultural residues,

''(vi) fibers,

''(vii) animal wastes and other waste materials, and

''(viii) municipal and solid waste, and

''(B) includes any ethanol produced in facilities where animal wastes or other waste materials are digested or otherwise used to displace 90 percent or more of the fossil fuel normally used in the production of ethanol.

''(4) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of subparagraph (E) of section 168(k)(2) shall apply, except that such subparagraph shall be applied—

''(A) by substituting 'the date of the enactment of subsection (l)' for 'September 10, 2001' each place it appears therein,

''(B) by substituting 'January 1, 2013' for 'January 1, 2005' in clause (i) thereof, and

''(C) by substituting 'qualified cellulosic biomass ethanol plant property' for 'qualified property' in clause (iv) thereof.

''(5) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(G) shall apply.

''(6) RECAPTURE.—For purposes of this subsection, rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified cellulosic biomass ethanol plant property which ceases to be qualified cellulosic biomass ethanol plant property.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 804. SPECIAL DEPRECIATION ALLOWANCE FOR COAL-TO-LIQUID FACILITIES.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system), as amended by this Act, is amended by adding at the end the following:

''(m) SPECIAL ALLOWANCE FOR COAL-TO-LIQUID PLANT PROPERTY.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified coal-to-liquid plant property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of such property, and

''(B) the adjusted basis of such property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED COAL-TO-LIQUID PLANT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified coal-to-liquid plant property' means property of a character subject to the allowance for depreciation—

''(i) which is part of a commercial-scale project that converts coal to 1 or more liquid or gaseous transportation fuel that demonstrates the capture, and sequestration or disposal or use of, the carbon dioxide produced in the conversion process, and that, on the basis of carbon dioxide sequestration plan prepared by the applicant, is certified by the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Energy, as producing fuel with life cycle carbon dioxide emissions at or below the average life-cycle carbon dioxide emissions for the same type of fuel produced at traditional petroleum based facilities with similar annual capacities,

''(ii) which is used in the United States solely to produce coal-to-liquid fuels,

''(iii) the original use of which commences with the taxpayer after the date of the enactment of this subsection,

''(iv) which has a nameplate capacity of 30,000 barrels per day production of coal-to-liquid fuels;

''(v) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after the date of the enactment of this subsection, but only if no written binding contract for the acquisition was in effect on or before the date of the enactment of this subsection, and

''(vi) which is placed in service by the taxpayer before January 1, 2013.

''(B) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—Such term shall not include any property described in section 168(k)(2)(D)(i).

''(ii) TAX-EXEMPT BOND-FINANCED PROPERTY.—Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103.

''(iii) ELECTION OUT.—If a taxpayer makes an election under this subparagraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(3) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of subparagraph (E) of section 168(k)(2) shall apply, except that such subparagraph shall be applied—

''(A) by substituting 'the date of the enactment of subsection (l)' for 'September 10, 2001' each place it appears therein,

''(B) by substituting 'January 1, 2013' for 'January 1, 2005' in clause (i) thereof, and

''(C) by substituting 'qualified coal-to-liquid plant property' for 'qualified property' in clause (iv) thereof.

''(4) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(G) shall apply.

''(5) RECAPTURE.—For purposes of this subsection, rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified coal-to-liquid plant property which ceases to be qualified coal-to-liquid plant property.''.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 805. DEDICATED ETHANOL PIPELINES TREATED AS 15-YEAR PROPERTY.

(a) IN GENERAL.—Section 168(e)(3)(E) of the Internal Revenue Code of 1986 (defining 15-year property), is amended by striking ''and'' at the end of clause (vii), by striking the period at the end of clause (viii) and by inserting '', and'', and by adding at the end the following new clause:

''(ix) any dedicated ethanol distribution line the original use of which commences with the taxpayer after August 1, 2007, and which is placed in service before January 1, 2013.''.

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of such Code (relating to special rule for certain property assigned to classes) is amended by inserting after the item relating to subparagraph (E)(viii) the following new item:

''(E)(ix) ..... 35.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to property placed in service after August 1, 2007.

(2) EXCEPTION.—The amendments made by this section shall not apply to any property with respect to which the taxpayer or related party has entered into a binding contract for the construction thereof on or before August 1, 2007, or, in the case of self-constructed property, has started construction on or before such date.

SEC. 806. CREDIT FOR POLLUTION ABATEMENT EQUIPMENT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 45N the following new section:

''SEC. 45O. CREDIT FOR POLLUTION ABATEMENT EQUIPMENT.

''(a) GENERAL RULE.—For purposes of section 38, the pollution abatement equipment credit for any taxable year is an amount equal to 30 percent of the costs of any qualified pollution abatement equipment property placed in service by the taxpayer during the taxable year.

''(b) LIMITATION.—The credit allowed under subsection (a) for any taxable year with respect to any qualified pollution abatement equipment property shall not exceed—

''(1) $50,000,000 in the case of a property of a character subject an allowance for depreciation provided in section 167, and

''(2) $30,000,000 in any other case.

''(c) QUALIFIED POLLUTION ABATEMENT EQUIPMENT PROPERTY.—For purposes of this section, the term 'qualified pollution abatement equipment property' means pollution abatement equipment—

''(1) which is part of a unit or facility which either—

''(A) utilizes technologies that meet relevant Federal and State clean air requirements applicable to the unit or facility, including being adequately demonstrated for purposes of section 111 of the Clean Air Act (42 U.S.C. 7411), achievable for purposes of section 169 of that Act (42 U.S.C. 7479), or achievable in practice for purposes of section 171 of that Act (42 U.S.C. 7501, or

''(B) utilizes equipment or processes that exceed relevant Federal or State clean air requirements applicable to the unit or facility by achieving greater efficiency or environmental performance,

''(2) which is installed on a voluntary basis and not as a result of an agreement with a Federal or State agency or required as a decree from a judicial decision, and

''(3) with respect to which an election under section 169 is not in effect.''.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of such Code is amended by striking ''plus'' at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting '', plus'', and by adding at the end the following new paragraph:

''(32) the pollution abatement equipment credit determined under section 45O(a).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 45N the following new item:

''Sec. 45O. Credit for pollution abatement equipment.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 807. MODIFICATIONS RELATING TO CLEAN RENEWABLE ENERGY BONDS.

(a) CLEAN RENEWABLE ENERGY BOND.—Paragraph (1) of section 54(d) of the Internal Revenue Code of 1986 (defining clean renewable energy bond) is amended—

(1) in subparagraph (A), by striking ''pursuant'' and all that follows through ''subsection (f)(2)'',

(2) in subparagraph (B), by striking ''95 percent or more of the proceeds'' and inserting ''90 percent or more of the net proceeds'', and

(3) in subparagraph (D), by striking ''subsection (h)'' and inserting ''subsection (g)''.

(b) QUALIFIED PROJECT.—Subparagraph (A) of section 54(d)(2) of such Code (defining qualified project) is amended to read as follows:

''(A) IN GENERAL.—The term 'qualified project' means any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and to any placed in service requirement) owned by a qualified borrower and also without regard to the following:

''(i) In the case of a qualified facility described in section 45(d)(9) (regarding incremental hydropower production), any determination of incremental hydropower production and related calculations shall be determined by the qualified borrower based on a methodology that meets Federal Energy Regulatory Commission standards.

''(ii) In the case of a qualified facility described in section 45(d)(9) (regarding hydropower production), the facility need not be licensed by the Federal Energy Regulation Commission if the facility, when constructed, will meet Federal Energy Regulatory Commission licensing requirements and other applicable environmental, licensing, and regulatory requirements.''.

(c) REIMBURSEMENT.—Subparagraph (C) of section 54(d)(2) of such Code (relating to reimbursement) is amended to read as follows:

''(C) REIMBURSEMENT.—For purposes of paragraph (1)(B), proceeds of a clean renewable energy bond may be issued to reimburse a qualified borrower for amounts paid after the date of the enactment of this subparagraph in the same manner as proceeds of State and local government obligations the interest upon which is exempt from tax under section 103.''.

(d) CHANGE IN USE.—Subparagraph (D) of section 54(d)(2) of such Code (relating to treatment of changes in use) is amended by striking ''or qualified issuer''.

(e) MAXIMUM TERM.—Paragraph (2) of section 54(e) of such Code (relating to maximum term) is amended by striking ''without regard to the requirements of subsection (1)(6) and''.

(f) REPEAL OF LIMITATION ON AMOUNT OF BONDS DESIGNATED.—Section 54 of such Code is amended by striking subsection (f) (relating to repeal of limitation on amount of bonds designated).

(g) SPECIAL RULES RELATING TO EXPENDITURES.—Subsection (h) of section 54 of such Code (relating to special rules relating to expenditures) is amended—

(1) in paragraph (1)(A), by striking ''95 percent of the proceeds'' and inserting ''90 percent of the net proceeds'',

(2) in paragraph (1)(B)—

(A) by striking ''10 percent of the proceeds'' and inserting ''5 percent of the net proceeds'', and

(B) by striking ''the 6-month period beginning on'' both places it appears and inserting ''1 year of'',

(3) in paragraph (1)(C), by inserting ''net'' before ''proceeds'', and

(4) in paragraph (3), by striking ''95 percent of the proceeds'' and inserting ''90 percent of the net proceeds''.

(h) REPEAL OF SPECIAL RULES RELATING TO ARBITRAGE.—Section 54 of such Code is amended by striking subsection (i) (relating to repeal of special rules relating to arbitrage).

(i) PUBLIC POWER ENTITY.—Subsection (j) of section 54 of such Code (defining cooperative electric company; qualified energy tax credit bond lender; governmental body; qualified borrower) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively,

(2) by inserting after paragraph (3) the following new paragraph:

''(4) PUBLIC POWER ENTITY.—The term 'public power entity' means a State utility with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of enactment of this paragraph).'',

(3) in paragraph (5), as so redesignated—

(A) by striking ''or'' at the end of subparagraph (B),

(B) by striking the period at the end of subparagraph (C) and inserting '', or'', and

(C) by adding at the end the following new subparagraph:

''(D) a public power entity.'', and

(4) in paragraph (6), as so redesignated—

(A) by striking ''or'' at the end of subparagraph (A),

(B) by striking the period at the end of subparagraph (B) and inserting '', or'', and

(C) by adding at the end the following new subparagraph:

''(C) a public power entity.''.

(j) REPEAL OF RATABLE PRINCIPAL AMORTIZATION REQUIREMENT.—Subsection (l) of section 54 of such Code (relating to other definitions and special rules) is amended by striking paragraph (5) and redesignating paragraph (6) as paragraph (5).

(k) NET PROCEEDS.—Subsection (l) of section 54 of such Code (relating to other definitions and special rules), as amended by subsection (j), is amended by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (4), (5), (6), and (7), respectively, and by inserting after paragraph (1) the following new paragraphs:

''(2) NET PROCEEDS.—The term 'net proceeds' means, with respect to an issue, the proceeds of such issue reduced by amounts in a reasonably required reserve or replacement fund.

''(3) LIMITATION ON AMOUNT IN RESERVE OR REPLACEMENT FUND WHICH MAY BE FINANCED BY ISSUE.—A bond issued as part of an issue shall not be treated as a clean renewable energy bond if the amount of the proceeds from the sale of such issue which is part of any reserve or replacement fund exceeds 10 percent of the proceeds of the issue (or such higher amount which the issuer establishes is necessary to the satisfaction of the Secretary).''.

(l) OTHER SPECIAL RULES.—Subsection (l) of section 54 of such Code ((relating to other definitions and special rules), as amended by subsections (j) and (k), is amended by adding at the end the following new paragraphs:

''(8) CREDITS MAY BE SEPARATED.—There may be a separation (including at issuance) of the ownership of a clean renewable energy bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(9) TREATMENT FOR ESTIMATED TAX PURPOSES.—Solely for the purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a qualified energy tax credit bond on a credit allowance date (or the credit in the case of a separation as provided in paragraph (8)) shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

''(10) CARRYBACK AND CARRYFORWARD OF UNUSED CREDITS.—If the sum of the credit exceeds the limitation imposed by subsection (c) for any taxable year, any credits may be applied in a manner similar to the rules set forth in section 39.''.

(m) TERMINATION.—Subsection (m) of section 54 of such Code (relating to termination) is amended by striking ''2008'' and inserting ''2013''.

(n) CLERICAL REDESIGNATIONS.—Section 54 of such Code, as amended by the preceding provisions of this section, is amended by redesignating subsections (g), (h), (j), (k), (l), and (m) as subsections (f), (g), (h), (i), (j), and (k), respectively.

(o) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 808. EXTENSION OF RENEWABLE ENERGY PRODUCTION TAX CREDIT.

(a) IN GENERAL.—Section 45 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''10-year period beginning on the date the facility was originally placed in service,'' in subsection (a)(2)(A)(ii) and inserting ''5-year period beginning on the date

the facility was originally placed in service,'',

(2) by striking ''in subsection (a)(2)(A)(ii).'' in subsection (b)(4)(B)(i) and inserting ''beginning on the date the facility was originally placed in service.'',

(3) by striking ''in subsection (a)(2)(A)(ii).'' in subsection (b)(4)(B)(ii) and inserting ''beginning on the date the facility was originally placed in service.'', and

(4) by striking ''January 1, 2009'' each place it appears in subsection (d) and inserting ''January 1, 2014''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 809. ENERGY CREDIT EXTENDED TO GREEN BUILDINGS.

(a) IN GENERAL.—Section 48(a)(3)(A) of the Internal Revenue Code of 1986 (defining energy property) is amended—

(1) by striking ''or'' at the end of clause (iii),

(2) by inserting after clause (iv) the following new clauses:

''(v) thermal storage system determined by the Secretary of Energy through a site specific feasibility study which allows for a reduction in energy use of 10 percent per year compared with conventional technologies, or

''(vi) daylight dimming technologies determined by the Secretary of Energy,''.

(b) CREDIT RATE.—Section 48(a)(2)(A) of such Code (relating to energy percentage) is amended—

(1) by striking ''and'' at the end of clause (i)(III),

(2) by redesignating clause (ii) as clause (iii), and

(3) by inserting after clause (i) the following new clause:

''(ii) 50 percent in the case of energy property described in clause (v) or (vi) of paragraph (3)(A), and''.

(c) LIMITATIONS.—Section 48 of such Code is amended by adding at the end the following new subsection:

''(d) ENERGY PROPERTY FOR GREEN BUILDINGS.—

''(1) THERMAL STORAGE UNIT.—In the case of energy property described in paragraph (3)(A)(v) placed in service during the taxable year, the credit otherwise determined under subsection (a)(1) for such year with respect to such property shall not exceed $500,000.

''(2) DAYLIGHT DIMMING TECHNOLOGIES.—In the case of energy property described in paragraph (3)(A)(vi) placed in service during the taxable year, the credit otherwise determined under subsection (a)(1) for such year with respect to such property shall not exceed $500,000.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SA 1561. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 1502 proposed by Mr. REID to the bill H.R. 6, to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—MISCELLANEOUS

SEC. 801. SHORT TITLE.

This title may be cited as the ''Strategic Refinery Reserve Act of 2007''.

SEC. 802. DEFINITIONS.

In this title:

(1) RESERVE.—The term ''Reserve'' means the Strategic Refinery Reserve established under section 803.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 803. STRATEGIC REFINERY RESERVE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish and operate a Strategic Refinery Reserve in the United States.

(2) AUTHORITIES.—To carry out this section, the Secretary may contract for—

(A) the construction or operation of new refineries; or

(B) the acquisition or reopening of closed refineries.

(b) OPERATION.—The Secretary shall operate the Reserve—

(1) to provide petroleum products to—

(A) the Federal Government (including the Department of Defense); and

(B) any State governments and political subdivisions of States that opt to purchase refined petroleum products from the Reserve; and

(2) to provide petroleum products to the general public during any period described in subsection (c).

(c) EMERGENCY PERIODS.—The Secretary shall make petroleum products from the Reserve available under subsection (b)(2) only if the President determines that—

(1) there is a severe energy supply interruption (as defined in section 3 of the Energy Policy and Conservation Act (42 U.S.C. 6202)); or

(2)(A) there is a regional petroleum product supply shortage of significant scope and duration; and

(B) action taken under subsection (b)(2) would directly and significantly assist in reducing the adverse impact of the shortage.

(d) LOCATIONS.—In determining the location of a refinery for inclusion in the Reserve, the Secretary shall take into account—

(1) the impact of the refinery on the local community, as determined after requesting and reviewing any comments from State and local governments and the public;

(2) regional vulnerability to—

(A) natural disasters; and

(B) terrorist attacks;

(3) the proximity of the refinery to the Strategic Petroleum Reserve;

(4) the accessibility of the refinery to energy infrastructure and Federal facilities (including facilities under the jurisdiction of the Department of Defense);

(5) the need to minimize adverse public health and environmental impacts; and

(6) the energy needs of the Federal Government (including the Department of Defense).

(e) INCREASED CAPACITY.—The Secretary shall ensure that refineries in the Reserve are designed to provide a rapid increase in production capacity during periods described in subsection (c).

(f) IMPLEMENTATION PLAN.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a plan for the establishment and operation of the Reserve under this section.

(2) REQUIREMENTS.—The plan required under paragraph (1) shall—

(A)(i)(I) provide for, within 2 years after the date of enactment of this Act, a capacity within the Reserve equal to 5 percent of the total United States daily demand for gasoline, diesel, and aviation fuel; and

(II) provide for a capacity within the Reserve such that not less than 75 percent of the gasoline and diesel fuel produced by the Reserve contain an average of 10 percent renewable fuel (as defined in 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1))); or

(ii) if the Secretary finds that achieving the capacity described in subclause (I) or (II) of clause (i) is not feasible within 2 years after the date of enactment of this Act, include—

(I) an explanation from the Secretary of the reasons why achieving the capacity within the timeframe is not feasible; and

(II) provisions for achieving the required capacity as soon as practicable; and

(B) provide for adequate delivery systems capable of providing Reserve product to the entities described in subsection (b)(1).

(g) COORDINATION.—The Secretary shall carry out this section in coordination with the Secretary of Defense.

(h) COMPLIANCE WITH FEDERAL ENVIRONMENTAL REQUIREMENTS.—Nothing in this section affects any requirement to comply with Federal or State environmental or other laws.

SEC. 804. REPORTS ON REFINERY CLOSURES.

(a) REPORTS TO SECRETARY.—

(1) IN GENERAL.—Not later than 180 days before permanently closing a refinery in the United States, the owner or operator of the refinery shall submit to the Secretary notice of the closing.

(2) REQUIREMENTS.—The notice required under paragraph (1) with respect to a refinery to be closed shall include an explanation of the reasons for the closing of the refinery.

(b) REPORTS TO CONGRESS.—The Secretary shall, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Federal Trade Commission and as soon as practicable after receipt of a report under subsection (a), submit to Congress—

(1) the report; and

(2) an analysis of the effects of the proposed closing covered by the report on—

(A) in accordance with the Clean Air Act (42 U.S.C. 7401 et seq.), supplies of clean fuel;

(B) petroleum product prices;

(C) competition in the refining industry;

(D) the economy of the United States;

(E) regional economies;

(F) regional supplies of refined petroleum products;

(G) the supply of fuel to the Department of Defense; and

(H) energy security.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mrs. FEINSTEIN. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, June 20, 2007, at 10 a.m., to conduct a hearing to receive testimony on S. 1285, the ''Fair Elections Now Act,'' to reform the finance of Senate elections, and on the high cost of broadcasting campaign advertisements.

For further information regarding this hearing, please contact Howard Gantman at the Rules and Administration Committee, 224–6352.