106TH CONGRESS 1ST SESSION

H.R.3384

To strengthen provisions in the Energy Policy Act of 1992 with respect to potential Climate Change.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 1999

Mr. Barton of Texas introduced the following bill; which was referred to the Committee on Commerce

A BILL

To strengthen provisions in the Energy Policy Act of 1992 with respect to potential Climate Change.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Energy and Climate
- 5 Policy Act of 1999".
- 6 SEC. 2. FINDINGS AND PURPOSES.
- 7 (a) FINDINGS.—Congress finds that—
- 8 (1) although there are significant uncertainties
- 9 surrounding the science of climate change, human
- activities may contribute to increasing global con-

- centrations of greenhouse gases in the atmosphere, which in turn may ultimately contribute to global climate change beyond that resulting from natural variability;
 - (2) the characteristics of greenhouse gases and the physical nature of the climate system require that any stabilization of atmospheric greenhouse gas concentrations must be a long-term effort undertaken on a global basis;
 - (3) since developing countries will constitute the major source of greenhouse gas emissions early in the 21st century, all nations must share in an effective international response to potential climate change;
 - (4) environmental progress and economic prosperity are interrelated;
 - (5) effective greenhouse gas management efforts depend on the development of long-term, cost-effective technologies and practices that can be developed, refined, and deployed commercially in an orderly manner in the United States and around the world;
 - (6) in its present form as signed by the Administration, the Kyoto Protocol to the United Nations Framework Convention on Climate Change fails to

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- 1 meet the minimum conditions of Senate Resolution
- 2 98, 105th Congress, which was adopted by the Sen-
- 3 ate on July 25, 1997, by a vote of 95–0;
- 4 (7) the President has not submitted the Kyoto
- 5 protocol to the Senate for debate and advice and
- 6 consent to ratification under article II, section 2,
- 7 clause 2 of the United States Constitution and has
- 8 indicated that the Administration has no intention
- 9 to do so in the foreseeable future, or to implement
- any portion of the Kyoto protocol prior to its ratifi-
- 11 cation in the Senate.
- 12 (b) Purpose.—The purpose of this Act is to
- 13 strengthen provisions of the Energy Policy Act of 1992
- 14 (42 U.S.C. 13381 et seq.) to—
- 15 (1) further promote voluntary efforts to reduce
- or avoid greenhouse gas emissions and improve en-
- ergy efficiency; and
- 18 (2) focus Department of Energy efforts in this
- 19 area.
- 20 SEC. 3. OFFICE OF GLOBAL CLIMATE CHANGE.
- 21 Section 1603 of the Energy Policy Act of 1992 (42
- 22 U.S.C. 13383) is amended—
- (1) in the section heading, by striking "**DI**-
- 24 **RECTOR OF CLIMATE PROTECTION**"

1	and inserting "OFFICE OF GLOBAL CLI-
2	MATE CHANGE"; and
3	(2) by striking the first sentence and inserting
4	the following:
5	"(a) Establishment.—There is established by this
6	Act in the Department of Energy an Office of Global Cli-
7	mate Change.
8	"(b) Function.—The Office shall serve as a focal
9	point for coordinating for the Secretary and Congress al
10	departmental issues and policies regarding climate change
11	and related matters.
12	"(c) DIRECTOR.—The Secretary shall appoint a di-
13	rector of the Office, who—
14	"(1) shall be compensated at no less than level
15	IV of the Executive Schedule;
16	"(2) shall report to the Secretary; and
17	"(3) at the request of the Committees of the
18	Senate and House of Representatives with appro-
19	priation and legislative jurisdiction over programs
20	and activities of the Department of Energy, shall re-
21	port to Congress on the activities of the Office.";
22	(3) in the second sentence, by striking "The Di-
23	rector" and inserting the following:
24	"(d) Duties —The Director": and

1	(4) in subsection (c) (as designated by para-
2	graph (2)), by striking paragraphs (2) and (3) and
3	inserting the following:
4	"(2) participate, in cooperation with other fed-
5	eral agencies, in the development and monitoring of
6	domestic and international policies for their effects
7	on any kind of climate change globally and domesti-
8	cally and on the generation, reduction, avoidance,
9	and sequestration of greenhouse gases;
10	"(3) develop and implement a balanced, sci-
11	entifically sound, nonadvocacy educational and in-
12	formative public awareness program on—
13	"(A) potential global climate change, in-
14	cluding any known adverse and beneficial ef-
15	fects on the United States and the economy of
16	the United States and the world economy, tak-
17	ing into consideration whether those effects are
18	known or expected to be temporary, long-term,
19	or permanent; and
20	"(B) voluntary means and measures to
21	mitigate or minimize significant adverse effects
22	and, where appropriate, to adapt, to the great-
23	est extent practicable, to climate change;
24	"(4) provide, consistent with applicable provi-
25	sions of law (including section 1605 (b)(3)), public

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assess to all information on climate change, effects of climate change, and adaptation to climate change;

"(5) promote and cooperate in the research, development, demonstration, and diffusion of environmentally sound, cost-effective and commercially practicable technologies, practices and processes that avoid, sequester, control, or reduce anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol for all relevant economic sectors, including, where appropriate, the transfer of environmentally sound, cost-effective and commercially practicable technologies, practices, and processes developed with Federal funds by the Department of Energy or any of its facilities and laboratories to interested persons in the United States and to developing country Parties to the United Nations Framework Convention on Climate Change, and Parties thereto with economies in transition to market-based economies, consistent with, and subject to, any applicable Federal law, including patent and intellectual property laws, and any applicable contracts, and taking into consideration the provisions and purposes of section 1608; and

1	"(6) have the authority to participate in the
2	planning activities of relevant Department of Energy
3	programs.".
4	SEC. 4. NATIONAL INVENTORY AND VOLUNTARY REPORT-
5	ING OF GREENHOUSE GASES.
6	(a) Updating.—Section 1605 of the Energy Policy
7	Act of 1992 (42 U.S.C. 13385) is amended—
8	(1) by amending the second sentence of sub-
9	section (a) to read as follows—
10	"The Administrator of the Energy Infor-
11	mation Administration shall annually update
12	and analyze such inventory using available data,
13	including beginning in calendar year 2001, in-
14	formation collected as a result of voluntary re-
15	porting under subsection (b). The inventory
16	shall identify for calendar year 2001 and there-
17	after the amount of emissions reductions attrib-
18	uted to those reported under subsection (b).";
19	(2) by amending subsection (b)(1)(B) and (C)
20	to read as follows—
21	"(B) annual reductions or avoidance of green-
22	house gas emissions and sequestration and carbon
23	fixation achieved through any measures, including
24	agricultural activities, cogeneration, appliance effi-
25	ciency, energy efficiency, forestry activities that in-

crease carbon sequestration stocks (including the use of forest products), fuel switching, management of grasslands and drylands, manufacture or use of vehicles with reduced greenhouse gas emissions, methane recovery, ocean seeding, use of renewable energy, chlorofluorocarbon capture and replacement,

and power plant heat rate improvement; and

- "(C) reductions in, or avoidance of, greenhouse gas emissions achieved as a result of voluntary activities domestically, or internationally, plant or facility closings, and State or Federal requirements.";
- (3) by striking in the first sentence of subsection (b)(2) the word "entities" and inserting "persons or entities" and in the second sentence of such subsection, by inserting after "Persons" the words "or entities";
- (4) by inserting in the second sentence of subsection (b)(4) the words "persons or" before "entity"; and
- 20 (5) by adding after subsection (b)(4) the fol-21 lowing new paragraphs—
- "(5) Recognition of voluntary reductions or 23 Avoided Emissions of Greenhouse Gases.—In order 24 to encourage and facilitate new and increased voluntary 25 efforts on a continuing basis, particularly by persons and

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- 1 entities in the private sector, to reduce global emissions
- 2 of greenhouse gases, including voluntary efforts to limit,
- 3 control, sequester, and avoid such emissions, the Secretary
- 4 shall promptly develop and establish, after an opportunity
- 5 for public comment of at least 60 days, a program of giv-
- 6 ing annual public recognition, beginning not later than
- 7 January 31, 2001, to all reporting persons and entities
- 8 demonstrating, pursuant to the voluntary collections and
- 9 reporting guidelines issued under this section, voluntarily
- 10 achieved greenhouse gases reductions, including such in-
- 11 formation reported prior to the enactment of this para-
- 12 graph. Such recognition shall be based on the information
- 13 certified, subject to 18 U.S.C. 1001, by such persons or
- 14 entities for accuracy as provided in paragraph 2 of this
- 15 subsection. At a minimum such recognition shall annually
- 16 be published in the Federal Register.
- 17 "(6) Changes in Guidelines to improve accu-
- 18 RACY AND RELIABILITY.—The Secretary of Energy,
- 19 through the Administrator of the Energy Information Ad-
- 20 ministration, shall conduct a review, which shall include
- 21 an opportunity for public comment, of what, if any,
- 22 changes should be made to the guidelines established
- 23 under this section regarding the accuracy and reliability
- 24 of greenhouse gas reductions and related information re-
- 25 ported under this section. Any such review shall give con-

- 1 siderable weight to the voluntary nature of this section
- 2 and to the purpose of encouraging voluntary greenhouse
- 3 gas emission reductions by the private sector. Changes to
- 4 be reviewed shall include the need for, and the appro-
- 5 priateness of—
- 6 "(A) a random or other verification process
- 7 using the authorities available to the Administrator
- 8 under other provisions of law;
- 9 "(B) a range of reference cases for reporting of
- project-based activities in sectors, including, but not
- limited to, the measures specified in subparagraph
- 12 (1)(B) of this subsection, and the inclusion of bench-
- mark and default methodologies for use in the ref-
- erence cases for 'greenfield' projects; and
- 15 "(C) provisions to address the possibility of re-
- porting, inadvertently or otherwise, of some or all of
- the same greenhouse gas emissions reductions by
- more than one reporting entity or person and to
- make corrections where necessary.
- The review should consider the costs and benefits of
- 21 any such changes, the impacts on encouraging participa-
- 22 tion in this section, including by farmers and small busi-
- 23 nesses, and the need to avoid creating undue economic ad-
- 24 vantages or disadvantages for persons or entities of the
- 25 private sector. The review should provide, where appro-

- 1 priate, a range of reasonable options that are consistent
- 2 with the voluntary nature of this section and that will help
- 3 further the purposes of this section. The review should be
- 4 available in draft form for public comment at least 45 days
- 5 before it is submitted to the Committee on Energy and
- 6 Natural Resources of the Senate and the Committee on
- 7 Commerce of the House of Representatives. Such sub-
- 8 mittal should be made by December 31, 2000. If the Sec-
- 9 retary, in consultation with the Administrator, finds,
- 10 based on the study results, that such changes are likely
- 11 to be beneficial and cost effective in improving the accu-
- 12 racy and reliability of reported greenhouse gas reductions
- 13 and related information, are consistent with the voluntary
- 14 nature of this section, and furthers the purposes of this
- 15 section, the Secretary shall propose and promulgate, con-
- 16 sistent with such finding, such guidelines, together with
- 17 such findings. In carrying out the provisions of this para-
- 18 graph, the Secretary shall consult with the Secretary of
- 19 Agriculture and the Administrator of the Small Business
- 20 Administration to facilitate greater participation by small
- 21 business and farmers in this subsection for the purpose
- 22 of addressing greenhouse gas emission reductions and re-
- 23 porting such reductions.".
- 24 (6) in subsection (c), by inserting "the Sec-
- 25 retary of the Department of Agriculture, the Sec-

- 1 retary of the Department of Commerce, the Admin-
- 2 istrator of the Energy Information Administration,
- and" before "the Administrator".
- 4 (b) Guidelines.—The Secretary shall revise, after
- 5 opportunity for public comment, the guidelines issued
- 6 under section 1605(b) of the Energy Policy Act of 1992
- 7 to reflect the amendments made to such section 1605(b)
- 8 by subsection (a)(2) through (4) of this section not later
- 9 than 18 months after the date of enactment of this Act.
- 10 Such revised guidelines shall specify their effective date.
- 11 (c) Effective Date.—The provisions of subsection
- 12 (a) (5) and (6) of this section shall be effective on the
- 13 date of enactment of this Act.
- 14 SEC. 5. DEFINITIONS.
- 15 For the purpose of this Act and the provisions of the
- 16 Energy Policy Act of 1992 (42 U.S.C. 13381, et seq.)
- 17 amended by this Act, the following terms are defined as
- 18 follows:
- 19 "(1) AGRICULTURAL ACTIVITY.—The term 'ag-
- 20 ricultural activity' means livestock production, crop-
- 21 land cultivation, biogas recovery and nutrient man-
- agement.
- 23 "(2) CLIMATE CHANGE.—The term 'climate
- change' means a change of climate which is attrib-
- 25 uted directly or indirectly to human activity which is

- in addition to natural climate variability observed
 over comparable time periods.
- "(3) CLIMATE SYSTEM.—The term 'climate system' means the totality of the atmosphere, hydrosphere, biosphere and geosphere and their interactions.
 - "(4) Greenhouse gases.—The term 'greenhouse gases' means those gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation.
 - "(5) GREENHOUSE GAS REDUCTION.—The term 'greenhouse gas reduction' means 1 metric ton of greenhouse gas (expressed in terms of carbon dioxide equivalent) that is voluntarily certified to have been achieved under section 1605 of the Energy Policy Act of 1992 (42 U.S.C. 13385).
 - "(6) Greenhouse gas sequestration' means extracting one or more greenhouse gases from the atmosphere or an emissions stream through a technological process designed to extract and isolate those gases from the atmosphere or an emissions stream; or the natural process of photosynthesis that extracts carbon dioxide from the atmosphere and

stores it as carbon in trees, roots, stems, soils, foliage, and durable wood products.

"(7) FOREST PRODUCTS.—The term 'forest products' means all products or goods manufactured from trees.

"(8) Forestry activity.—

"(A) IN GENERAL.—The term 'forestry activity' means any ownership or management action that has a discernible impact on the use and productivity of forests.

"(B) Inclusions.—Forestry activities include, but are not limited to, the establishment of trees on an area previously forested, the establishment of trees on an area previously forested if a net carbon benefit can be demonstrated, enhanced forest management (e.g., thinning, stand improvement, fire protection, weed control, nutrient application, pest management, other silvicultural practices), forest protection or conservation if a net carbon benefit can be demonstrated, and biomass energy (using wood, grass or other biomass in lieu of fossil fuel).

1	"(C) Exclusions.—The term 'forest ac-
2	tivity' does not include a land use change asso-
3	ciated with—
4	"(i) an act of war; or
5	"(ii) an act of nature, including
6	floods, storms, earthquakes, fires, hurri-
7	canes, and tornadoes.
8	"(9) Management of Grasslands and
9	DRYLANDS.—The term 'management of grasslands
10	and drylands' means seeding, cultivation, and nutri-
11	ent management.
12	"(10) OCEAN SEEDING.—The term 'ocean seed-
13	ing' means adding nutrients to oceans to enhance
14	the biological fixation of carbon dioxide.".