

107TH CONGRESS  
2D SESSION

# S. 2716

To modify the authority of the Federal Energy Regulatory Commission to conduct investigations, to increase the criminal penalties for violations of the Federal Power Act and the Natural Gas Act, and to authorize the Chairman of the Federal Energy Regulatory Commission to contract for consultant services.

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## IN THE SENATE OF THE UNITED STATES

JULY 10, 2002

Mrs. FEINSTEIN introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To modify the authority of the Federal Energy Regulatory Commission to conduct investigations, to increase the criminal penalties for violations of the Federal Power Act and the Natural Gas Act, and to authorize the Chairman of the Federal Energy Regulatory Commission to contract for consultant services.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. INVESTIGATIONS BY THE FEDERAL ENERGY**  
 2 **REGULATORY COMMISSION UNDER THE NAT-**  
 3 **URAL GAS ACT AND FEDERAL POWER ACT.**

4 (a) INVESTIGATIONS UNDER THE NATURAL GAS  
 5 ACT.—Section 14(c) of the Natural Gas Act (15 U.S.C.  
 6 717m(c)) is amended—

7 (1) by striking “(c) For the purpose of” and in-  
 8 serting the following:

9 “(c) TAKING OF EVIDENCE.—

10 “(1) IN GENERAL.—For the purpose of”;

11 (2) by striking “Such attendance” and inserting  
 12 the following:

13 “(2) NO GEOGRAPHIC LIMITATION.—The at-  
 14 tendance”;

15 (3) by striking “Witnesses summoned” and in-  
 16 serting the following:

17 “(3) EXPENSES.—Any witness summoned”;  
 18 and

19 (4) by adding at the end the following:

20 “(4) EXCLUSIVE AUTHORITY.—Notwith-  
 21 standing any other provision of law, the exercise of  
 22 the authorities of the Commission under this sub-  
 23 section shall not be subject to the consent of the Of-  
 24 fice of Management and Budget or any other Fed-  
 25 eral agency.”.

1 (a) INVESTIGATIONS UNDER THE FEDERAL POWER  
2 ACT.—Section 307(b) of the Federal Power Act (16  
3 U.S.C. 825f(b)) is amended—

4 (1) by striking “(b) For the purpose of” and in-  
5 serting the following:

6 “(b) TAKING OF EVIDENCE.—

7 “(1) IN GENERAL.—For the purpose of”;

8 (2) by striking “Such attendance” and inserting  
9 the following:

10 “(2) NO GEOGRAPHIC LIMITATION.—The at-  
11 tendance”;

12 (3) by striking “Witnesses summoned” and in-  
13 serting the following:

14 “(3) EXPENSES.—Any witness summoned”;  
15 and

16 (4) by adding at the end the following:

17 “(4) EXCLUSIVE AUTHORITY.—Notwith-  
18 standing any other provision of law, the exercise of  
19 the authorities of the Commission under this sub-  
20 section shall not be subject to the consent of the Of-  
21 fice of Management and Budget or any other Fed-  
22 eral agency.”.

1 **SEC. 2. INCREASE IN CRIMINAL PENALTIES UNDER THE**  
2 **NATURAL GAS ACT AND FEDERAL POWER**  
3 **ACT.**

4 (a) CRIMINAL PENALTIES UNDER THE NATURAL  
5 GAS ACT.—Section 21 of the Natural Gas Act (15 U.S.C.  
6 717t) is amended—

7 (1) in subsection (a), by striking “punished by  
8 a fine of not more than \$5,000 or by imprisonment  
9 for not more than two years, or both” and inserting  
10 “imprisoned not more than 5 years, fined not more  
11 than \$1,000,000, or both”; and

12 (2) in subsection (b), by striking “\$500 for  
13 each and every day during which such offense oc-  
14 curs” and inserting “\$50,000 for each day of each  
15 violation”.

16 (b) CRIMINAL PENALTIES UNDER THE FEDERAL  
17 POWER ACT.—

18 (1) GENERAL PENALTIES.—Section 316 of the  
19 Federal Power Act (16 U.S.C. 825o) is amended—

20 (A) in subsection (a), by striking “pun-  
21 ished by a fine of not more than \$5,000 or by  
22 imprisonment for not more than two years or  
23 both” and inserting “imprisoned not more than  
24 5 years, fined not more than \$1,000,000, or  
25 both”; and

1 (B) in subsection (b), by striking “\$500  
 2 for each and every day during which such of-  
 3 fense occurs” and inserting “\$50,000 for each  
 4 day of each violation”.

5 (2) ENFORCEMENT OF CERTAIN PROVISIONS.—  
 6 Section 316A of the Federal Power Act (16 U.S.C.  
 7 825o–1) is amended—

8 (A) by striking subsection (a) and insert-  
 9 ing the following:

10 “(a) VIOLATIONS.—It shall be unlawful for any  
 11 person—

12 “(1) to violate any provision of part II (includ-  
 13 ing any rule or order issued under a provision of  
 14 that part); or

15 “(2) to fail to comply, within a time period  
 16 specified by the Commission, with—

17 “(A) any written request by the Commis-  
 18 sion or a member of the staff of the Commis-  
 19 sion for information; or

20 “(B) a formal investigation or proceeding  
 21 under this part.”; and

22 (B) in subsection (b)—

23 (i) by striking “section 211, 212, 213  
 24 or 214 or any provision of any rule or  
 25 order thereunder” and inserting the fol-

lowing: “part II (including any rule or order issued under a provision of that part) or fails to comply in a timely manner with any written request for information by the Commission or a member of the staff of the Commission or in a formal investigation or proceeding under this part”; and

(ii) by striking “\$10,000 for each day that such violation continues” and inserting “\$50,000 for each day of each violation”.

**SEC. 3. CONSULTING SERVICES.**

Title IV of the Department of Energy Organization Act (42 U.S.C. 7171 et seq.) is amended by adding at the end the following:

**“SEC. 408. CONSULTING SERVICES.**

“(a) IN GENERAL.—The Chairman may contract for the services of consultants to assist the Commission in carrying out any responsibilities of the Commission under this Act, the Federal Power Act (16 U.S.C. 791a et seq.), or the Natural Gas Act (15 U.S.C. 717 et seq.).

“(b) APPLICABLE LAW.—In contracting for consultant services under subsection (a), if the Chairman deter-

1 mines that the contract is in the public interest, the Chair-  
2 man, in entering into a contract, shall not be subject to—

3 “(1) section 5, 253, 253a, or 253b of title 41,  
4 United States Code; or

5 “(2) any law (including a regulation) relating to  
6 conflicts of interest.”.

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