II

111TH CONGRESS
1ST SESSION

S. 774

To enhance the energy security of the United States by diversifying energy sources for onroad transport, increasing the supply of energy resources, and strengthening energy infrastructure, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 1, 2009

Mr. DORGAN (for himself and Mr. VOINOVICH) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To enhance the energy security of the United States by diversifying energy sources for onroad transport, increasing the supply of energy resources, and strengthening energy infrastructure, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''National Energy Security Act of 2009'' or the ''NESA of 2009''.

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

SEC. 2. FINDINGS.

Congress finds that—

(1)(A) high and volatile international oil prices represent an unsustainable threat to the economic and national security of the United States; and

(B) approximately 40 percent of the primary energy demand of the United States is met by petroleum, the price for which is set in a fungible and opaque international market vulnerable to geopolitical instability and increasingly complex barriers to investment;

(2)(A) it should be the goal of the United States to reduce the oil intensity (the number of barrels of oil required to generate $1 of gross domestic product) of the national economy from 2008 levels by at least 50 percent by calendar year 2030 and by at least 80 percent by calendar year 2050; and

(B) reduced oil intensity is a primary means for improving the resilience of the economy to high and volatile international oil prices;

(3) the transportation sector of the United States is critical to breaking the oil dependence of the United States because the transportation sector—

(A) accounts for nearly 70 percent of total national oil consumption;

(B) is 97 percent reliant on petroleum for the delivered energy needs of the sector; and

(C) remains an industry of vital national significance and importance;

(4)(A) electrification of short-haul transportation represents a likely pathway to reduced oil dependence;

(B) electrified ground transport—

(i) promotes fuel diversity because the electric power sector uses a diverse range of feedstocks; and

(ii) relies on a portfolio of fuels that are largely domestic and have prices that are generally less volatile than oil; and

(C) electricity prices are generally stable relative to oil because the price of fuel in the electric power sector is a small portion of the cost of delivered energy;

(5)(A) electrification of transportation will require a more modern, technologically advanced national electric power system that draws on a variety of location-constrained generation sources sited in a range of geographic areas; and

(B) a national transmission system that efficiently delivers power across long distances to load centers should be a high priority;

(6)(A) widespread deployment of electric vehicles and supporting infrastructure is a long-term process that will require a national commitment over many years;

(B) in the interim, steps can be taken to minimize the danger that oil dependence poses to the economic and national security of the United States; and

(C) it is critical to—

(i) support the continued growth of the domestic biofuels industry;

(ii) foster domestic production of conventional fuels for which infrastructure and technology exist; and

(iii) support deployment of additional renewable, cleaner fossil, and nuclear generating capacity for providing the necessary low emissions, reliable, and dispatchable power that is essential for the electricity supply of the United States;

(7)(A) a robust, dynamic, and diverse biofuels industry is an important component of a secure United States liquid fuels system; and

(B) a stable market for biofuels, including widespread deployment of flexible fuel vehicles, can re-

duce oil consumption as the United States transitions to electrified ground transport;

(8)(A) domestic production of oil and natural gas from the Outer Continental Shelf of the United States is a safe and secure means for increasing energy security in the near-term;

(B) high oil import levels in the United States present an added threat to the economy in addition to general price volatility; and

(C) in 2008, the United States net deficit in petroleum trade amounted to more than $380,000,000,000, or nearly 60 percent of the total trade deficit;

(9) a highly skilled, well trained, and adaptable workforce is vital to the economic and energy security of the United States; and

(10)(A) addressing the twin challenges of energy security and global climate change now and in the future will require the United States to use all instruments of national power, including the military and diplomatic and intelligence services;

(B) the United States must develop short-term policies and strategies that—

(i) protect key energy infrastructure;

(ii) secure critical geographic transit areas;

(iii) mitigate political instability from energy suppliers; and

(iv) strengthen the domestic industrial base required for the development and widespread implementation of clean energy technologies; and

(C) over the long-term, the United States must focus national security organizations on gaining greater clarity on world reserves of energy and strengthening relationships with certain key nations.

SEC. 3. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of Energy.

DIVISION A—TRANSMISSION AND TRANSPORTATION

TITLE I—ELECTRICITY TRANSMISSION

SEC. 101. SITING OF INTERSTATE ELECTRIC TRANSMISSION FACILITIES.

Section 216 of the Federal Power Act (16 U.S.C. 824p) is amended—

(1) by striking subsections (a) through (g) and inserting the following:

''(a) DEFINITIONS.—In this section:

''(1) BENEFICIARY.—The term 'beneficiary' means a wholesale or retail customer, market participant, or other entity that benefits from a transmission upgrade, enhancement, or expansion under a regional transmission plan, including an economic benefit, improvement in service reliability, or reduction in greenhouse gas emissions.

''(2) CLEAN ENERGY SUPERHIGHWAY.—The term 'Clean Energy Superhighway' means the interstate extra-high voltage transmission grid overlay established under this section.

''(3) CLEAN ENERGY SUPERHIGHWAY FACILITY.—The term 'Clean Energy Superhighway facility' means an overhead or underground transmission facility of the Clean Energy Superhighway included in a plan certified under subsection (b)(9) (including conductors, cables, towers, manhole duct systems, phase shifting transformers, reactors, capacitors, and any ancillary facilities and equipment necessary for the proper operation of the facility) that—

''(A) operates at or above a voltage of 345 kilovolt alternating current;

''(B) operates at or above a voltage of 400 kilovolts direct current;

''(C) is a renewable feeder line that transmits electricity directly or indirectly to the Clean Energy Superhighway; or

''(D) is a necessary upgrade to an existing transmission facility.

''(4) GRID-ENABLED VEHICLE.—The term 'grid-enabled vehicle' means an electric drive vehicle, electric hybrid vehicle, or fuel cell vehicle that has the ability to communicate electronically with an electric power provider or localized energy storage system to charge or discharge an on-board energy storage device, such as a battery.

''(5) INTERCONNECTION.—The term 'Interconnection' has the meaning given the term in section 215(a).

''(6) LOAD-SERVING ENTITY.—The term 'load-serving entity' means any person, Federal, State, or local agency or instrumentality, public utility, or electric cooperative (including an entity described in section 201(f)) that delivers electric energy to end-use customers.

''(7) LOCATION-CONSTRAINED RESOURCE.—

''(A) IN GENERAL.—The term 'location-constrained resource' means a low-carbon resource used to produce electricity that is geo-

graphically constrained such that the resource cannot be relocated to an existing transmission line.

''(B) INCLUSIONS.—The term 'location-constrained resource' includes the following types of resources described in subparagraph (A):

''(i) Renewable energy.

''(ii) A fossil fuel electricity plant equipped with carbon capture technology that is located at a site that is appropriate for carbon storage or beneficial reuse.

''(8) RENEWABLE ENERGY.—The term 'renewable energy' means electric energy generated from—

''(A) solar energy, wind, landfill gas, renewable biogas, or geothermal energy;

''(B) new hydroelectric generation capacity achieved from increased efficiency, or an addition of new capacity, at an existing nonhydroelectric project if—

''(i) the hydroelectric project installed on the nonhydroelectric dam—

''(I) is licensed by the Commission; and

''(II) meets all other applicable environmental, licensing, and regulatory requirements, including applicable fish passage requirements;

''(ii) the nonhydroelectric dam—

''(I) was placed in service before the date of enactment of the National Energy Security Act of 2009;

''(II) was operated for flood control, navigation, or water supply purposes; and

''(III) did not produce hydroelectric power as of the date of enactment of the National Energy Security Act of 2009; and

''(iii) the hydroelectric project is operated so that the water surface elevation at any given location and time that would have occurred in the absence of the hydroelectric project is maintained, subject to any license requirements imposed under applicable law that change the water surface elevation for the purpose of improving the environmental quality of the affected waterway, as certified by the Commission;

''(C) hydrokinetic energy, including—

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

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

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

''(iv) differentials in ocean temperature through ocean thermal energy conversion; or

''(D) electricity that is generated from the combustion of the biogenic portion of municipal solid waste materials from facilities that comply with the maximum pollutant emissions standards established by the Administrator of the Environmental Protection Agency.

''(9) RENEWABLE FEEDER LINE.—

''(A) IN GENERAL.—The term 'renewable feeder line' means an electricity transmission line that—

''(i) operates at or above 100 kilovolts alternating current;

"(ii) connects 1 or more renewable energy generators directly or indirectly to the Clean Energy Superhighway; and

"(iii) is identified in the Clean Energy Superhighway plan certified under subsection (b)(9).

"(B) INCLUSION.—The term 'renewable feeder line' includes an upgrade to an existing transmission line necessary for interconnection to a new transmission line described in subparagraph (A).

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

"(11) STATE.—The term 'State' means—

"(A) a State; and

"(B) the District of Columbia.

"(b) PLANNING.—

"(1) PURPOSE.—The purpose of this subsection is to plan for a Clean Energy Superhighway that—

"(A) expands and modernizes the electrical transmission grid of the United States to meet the goals of increasing energy security and protecting the environment;

"(B) integrates location-constrained resources, including renewable and low-carbon electricity generation;

"(C) improves delivery of electricity from location-constrained resources to load centers;

"(D) ensures sufficient transmission capacity for future demand growth, including energy efficiency, distributed generation and storage, and demand response resources;

"(E) integrates smart grid technologies;

"(F) enhances the reliability and efficiency of the electrical transmission grid;

"(G) relieves congestion on the electrical transmission grid;

"(H) plans, to the maximum extent practicable, for at least 50 percent of light-duty vehicles used in the United States by calendar year 2030 to be light-duty grid-enabled vehicles;

"(I) meets any renewable electricity standard established by law; and

"(J) provides the lowest-cost delivered energy to markets.

"(2) PLANNING REQUIREMENT.—

"(A) IN GENERAL.—

"(i) REQUIREMENT.—Not later than 90 days after the date of enactment of the National Energy Security Act of 2009, the Commission shall promulgate regulations consistent with this section for—

"(I) the operation, composition, and selection of the regional planning authorities; and

"(II) the contents of, and certification requirements for, the regional plans produced by regional planning authorities.

"(ii) REQUIREMENT.—The Commission shall certify not less than 1, and not more than 4, regional planning authorities for each of the Eastern and Western Interconnections of the United States.

"(iii) CLEAN ENERGY SUPERHIGHWAY.—Each regional planning authority certified by the Commission shall participate in the development of the Clean Energy Superhighway.

"(iv) NUMBER OF REGIONAL PLANNING AUTHORITIES.—The Commission shall minimize, to the maximum extent

practicable, the number of regional planning authorities in the Eastern and Western Interconnections while ensuring that the entire domestic footprint of the Interconnections is covered.

''(B) CERTIFICATION OF REGIONAL PLANNING AUTHORITIES.—

''(i) IN GENERAL.—To be eligible to be certified as a regional planning authority for a region under this subsection, a regional planning organization shall apply to, and be approved by, the Commission.

''(ii) REQUEST FOR APPLICATIONS.—Not later than 90 days after the date of enactment of National Energy Security Act of 2009, the Commission shall issue a request for from entities seeking to be certified as a regional planning authority for the Eastern or Western Interconnection.

''(iii) ELIGIBILITY.—

''(I) IN GENERAL.—Any group of Regional Transmission Organizations, Independent System Operators, regional entities (as defined in section 215(a)), or other multistate organiza-

tions or entities may apply to be certified as a regional planning authority under this subsection.

''(II) STATE PARTICIPATION.—An organization that applies for certification under subclause (I) shall invite the Governor or the designee of the Governor from each affected State and a representative from each affected Indian tribe to participate in the organization.

''(III) MINIMUM SIZE.—To be certified as a regional planning authority under this subparagraph, an organization shall represent a region that is of sufficient size—

''(aa) to encompass generation resources that are sufficient to meet load requirements in the region, taking into account potential generation from location-constrained resources and projected load growth; and

''(bb) to possess sufficient market scope to produce eco-

nomic and operational efficiencies.

''(iv) PLANNING PRINCIPLES.—The Commission shall establish rules and procedures for the designation of regional planning authorities to ensure that the planning process proposed by an applicant—

''(I) is consistent with the purposes described in paragraph (1);

''(II) is open, transparent, and nondiscriminatory;

''(III) includes consultation with all affected Federal land management agencies, Indian tribes, and States within a region;

''(IV) builds on planning undertaken by States, Indian tribes, Federal transmitting utilities, Regional Transmission Organizations, Independent System Operators, utilities, and others;

''(V) is developed in conformance with Commission requirements for

planning using open access transmission tariffs;

''(VI) solicits input from load-serving and wholesale entities, transmission owners and operators, renewable energy developers, environmental organizations, Indian tribes, and other interested parties;

''(VII) includes an interim process to evaluate expeditiously whether new renewable feeder lines should be added to the plan; and

''(VIII) uses the best available information on resources, load, and demand projections.

''(v) CERTIFICATION.—

''(I) IN GENERAL.—Except as provided in subclauses (II) and (III), not later than 90 days after the date on which the Commission issues a request for applications under clause (ii), the Commission shall certify at least 1 regional planning authority for each of the Eastern and Western Interconnections.

"(II) INSUFFICIENT APPLICATION.—Subclause (I) shall not apply if the Commission—

"(aa) has not received an application from any entity in the applicable Interconnection; or

"(bb) has received applications from entities that do not satisfy the criteria established by the Commission for a regional planning authority.

"(III) COMMISSION RESPONSIBILITY.—If the Commission does not receive sufficient applications as described in subclause (II) for any portion of an Interconnection, the Commission shall—

"(aa) assume the responsibilities of a regional planning authority for the uncovered portion of the Interconnection; and

"(bb) submit to Congress written notification of an intent to assume responsibility under this subclause at least 30 days

before the date that responsibility is assumed.

"(C) OVERSIGHT OF REGIONAL PLANNING AUTHORITIES.—The Commission shall establish procedures to oversee certified regional planning authorities under this subsection.

"(3) DUTIES OF SECRETARY.—

"(A) RESOURCE ASSESSMENTS.—

"(i) IN GENERAL.—The Secretary shall conduct nationwide assessments to identify areas with a significant potential for the development of location-constrained resources.

"(ii) FORMATS.—The resource assessments shall be made available to the public in multiple formats, including in a Geographical Information System compatible format.

"(iii) TIMING.—The Secretary shall—

"(I) make the initial resource assessment required under this subparagraph not later than 180 days after the date of enactment of the National Energy Security Act of 2009; and

"(II) refine the resource assessment on a regular basis that is consistent with regional planning cycles.

"(B) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to regional planning authorities, on request, to assist the authorities in carrying out this section.

"(C) CONGESTION STUDIES.—

"(i) IN GENERAL.—The Secretary shall conduct or update a study of electric transmission congestion and report the results of the study to certified regional planning authorities to assist the authorities in carrying out this section.

"(ii) RECENT STUDY.—The Secretary shall ensure that a congestion study that is not more than 2 years old is available at the time regional planning authorities are certified by the Commission.

"(iii) UPDATES.—The Secretary shall update a congestion study at least once every 2 years, consistent with the planning cycle.

"(4) PLANNING PROCESS.—

''(A) IN GENERAL.—Once certified, a regional planning authority shall establish a regional or Interconnection-wide Clean Energy Superhighway plan that—

''(i) meets the purposes of this subsection; and

''(ii) identifies necessary Clean Energy Superhighway facilities and transmission infrastructure that need to be added or upgraded to achieve the planned Clean Energy Superhighway.

''(B) STAKEHOLDER INVOLVEMENT.—

''(i) IN GENERAL.—In carrying out this section, a regional planning authority shall establish a consultative public process that, to the maximum extent practicable, engages regional stakeholders, including—

''(I) public service commissions and other relevant State agencies;

''(II) load-serving entities and wholesale entities that provide transmission and power supply services;

''(III) representatives of the retail customers of the load-serving entities;

"(IV) transmission owners and operators;

"(V) utilities and merchant generators;

"(VI) renewable energy developers;

"(VII) environmental organizations;

"(VIII) Indian tribes;

"(IX) Federal land use agencies; and

"(X) other interested parties.

"(ii) CRITERIA.—A regional planning authority shall encourage stakeholders, to the maximum extent practicable, to provide input to establish criteria based on paragraphs (1) and (2)(B)(iv) to create a Clean Energy Superhighway plan.

"(iii) PUBLIC MEETINGS.—A regional planning authority shall provide notice and hold public meetings to solicit public input in carrying out this subsection.

"(5) PLANNING.—Not later than 1 year after the certification of a regional planning authority under this subsection, the certified regional planning

authority shall submit to the Commission for approval a Clean Energy Superhighway plan that—

"(A) evaluates potential location-constrained resources;

"(B) provides for long-term planning for both the 10 year- and 20 year-horizons, that takes into account future demand growth and reasonable models of future generation growth, including energy efficiency, demand response, and distributed storage and generation;

"(C) establishes (in consultation with Federal and State land agencies, environmental groups, and Indian tribes) appropriate areas to be avoided in siting of Clean Energy Superhighway facilities, to the maximum extent practicable, including—

"(i) national parks, national marine sanctuaries, reserves, recreation areas, and other similar units of the National Park System;

"(ii) designated wilderness, designated wilderness study areas, and other areas managed for wilderness characteristics;

"(iii) national historic sites and historic parks;

''(iv) inventoried roadless areas and significant noninventoried roadless areas within the National Forest System;

''(v) national monuments;

''(vi) national conservation areas;

''(vii) national wildlife refuges and areas of critical environmental concern;

''(viii) national historic and national scenic trails;

''(ix) areas designated as critical habitat;

''(x) national wild, scenic, and recreational rivers;

''(xi) any area in which Federal law prohibits energy development; and

''(xii) any area in which applicable State law or Indian tribal code enacted prior to the date of enactment of the National Energy Security Act of 2009 prohibits transmission development;

''(D) identifies the transmission infrastructure to be included as Clean Energy Superhighway facilities, taking into consideration—

''(i) that, to the maximum extent practicable—

"(I) areas with the potential for the development of location-constrained resources shall be connected to the Clean Energy Superhighway;

"(II) load centers shall be connected to the Clean Energy Superhighway; and

"(III) areas in subparagraph (C) shall be avoided by the Clean Energy Superhighway; and

"(ii) all other relevant factors;

"(E) performs necessary engineering analyses;

"(F) permits persons to propose to the regional planning authority Clean Energy Superhighway facilities to meet the needs identified in the long-term plan of the regional planning authority; and

"(G) considers staging of projects, including the logical order of building and construction timelines.

"(6) ALLOWANCE OF WAIVERS FOR CERTAIN LINES.—A regional planning authority may petition the Commission to allow the inclusion of 230 kilovolt lines in an approved plan if the regional planning

authority demonstrates to the Commission that unique regional conditions exist that require a lower voltage line.

''(7) MULTIPLE REGIONAL PLANNING AUTHORITIES.—

''(A) IN GENERAL.—If more than 1 regional planning authority is certified in an Interconnection, the regional planning authorities in the Interconnection shall ensure that the submitted plan integrates with the other plans in the Interconnection.

''(B) MODIFICATION.—The Commission shall modify the plans submitted under paragraph (9)(B), as necessary, to ensure that plans established under this section are integrated.

''(8) COORDINATION.—In the development of a Clean Energy Superhighway plan, a regional planning authority shall coordinate, as appropriate, with planning authorities and other interested parties in Canada, Mexico, the Electric Reliability Council of Texas, and other Interconnections.

''(9) NATIONAL PLAN CERTIFICATION.—

''(A) IN GENERAL.—The Commission shall determine whether the plans submitted by the

regional planning authorities under this subsection carry out the purposes of this section.

"(B) ADMINISTRATION.—

"(i) PUBLIC COMMENT.—The Commission shall provide an opportunity for public comment on each plan submitted by a regional planning authority.

"(ii) MODIFICATIONS.—

"(I) IN GENERAL.—The Commission may modify or reject a plan as necessary to achieve the purposes of this section.

"(II) OPINION.—If the Commission modifies or rejects a plan, not later than 60 days after the date the plan is submitted by the regional planning authority, the Commission shall provide a written opinion to the regional planning authority that contains the facts and reasons supporting the action of the Commission.

"(iii) RESUBMISSION.—Subject to paragraph (10)(A)(iii), if the Commission rejects a plan, the regional planning au-

thority may submit a revised plan within 90 days of the Commission's rejection.

"(iv) CERTIFICATION.—If the Commission determines that a plan meets the purposes of this section, the Commission shall certify the plan for establishing a Clean Energy Superhighway.

"(10) BEST PRACTICES.—The Commission shall—

"(A) conduct regular reviews of best practices in planning under this subsection; and

"(B) make available and use those best practices in carrying out this subsection.

"(11) TIMING.—

"(A) IMPLEMENTATION.—

"(i) IN GENERAL.—Not later than 1 year after the date of certification by the Commission, a regional planning authority shall complete the planning process required under this section.

"(ii) WITHHOLDING OF PLANNING FUNDS.—If the Commission has not received a plan from a regional planning authority by the date that is 1 year after the date of the certification of the regional

planning authority by the Commission, the Commission shall—

"(I) determine the cause for the delay; and

"(II) inform the Secretary, who may withhold future planning funds from the regional planning authority under this subsection, if the Commission determines that the process of the regional planning authority is not sufficiently implementing this subsection.

"(iii) ASSUMPTION OF PLANNING RESPONSIBILITY.—If the Commission has not certified the regional plan for a region by the date that is 18 months after the date of the certification of the regional planning authority by the Commission, the Commission shall assume the responsibility for creating a regional plan for the region consistent with the planning process established under paragraph (4).

"(iv) NOTIFICATION.—The Commission shall submit to Congress written notification of an intent to assume responsi-

bility under clause (iii) at least 30 days before the date that responsibility is assumed.

''(B) UPDATES.—Not later than 2 years after the initial establishment of a plan under this section and every 2 years thereafter, a regional planning authority shall (in accordance with procedures required for the initial establishment of a plan) review and (as necessary) modify the plan established under this section to ensure that the plan promotes the purposes of this section.

''(12) RECOVERY OF COSTS ASSOCIATED WITH INTERCONNECTION-WIDE TRANSMISSION GRID PROJECT PLANNING.—

''(A) IN GENERAL.—A regional planning authority and a participating State shall be permitted to recover prudently incurred costs to carry out the planning activities required under this subsection pursuant to a Federal transmission surcharge that will be established by the Commission for the purposes of carrying out this section.

''(B) SURCHARGE.—A regional planning authority shall—

''(i) establish a Federal transmission surcharge based on a formula rate that is submitted to the Commission for approval; and

''(ii) adjust the formula and surcharge on an annual basis.

''(C) COST RESPONSIBILITY.—Cost responsibility under each surcharge shall be assigned based on energy usage to all load-serving entities within each regional planning authority.

''(D) LIMITATION.—The total amount of surcharges that may be imposed or collected nationally under this paragraph shall not exceed $80,000,000 for any calendar year.

''(E) OTHER FUNDS.—Funds made available for transmission planning under the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) may be used to carry out this subsection.

''(c) COST ALLOCATION.—

''(1) PURPOSES.—The purposes of this subsection are—

''(A) to ensure that the costs of the Clean Energy Superhighway are borne widely by all beneficiaries of new transmission and are not

borne disproportionately by ratepayers or generators in specific areas; and

''(B) to promote the national interest in an Clean Energy Superhighway in accordance with the purposes of this part.

''(2) SUBMISSION.—Not later than 1 year after the date of the certification of the last regional planning authority, all regional planning authorities within an Interconnection may submit jointly a single integrated Interconnection-wide cost allocation proposal to the Commission for allocating the costs of Clean Energy Superhighway facilities under this section.

''(3) ACTION BY COMMISSION.—Not later than 120 days after the date of receipt of a cost-allocation plan submitted under paragraph (2), the Commission shall—

''(A) provide notice and an opportunity for a hearing;

''(B) evaluate the plan; and

''(C)(i) approve the plan if the Commission finds that the plan results in just and reasonable rates that promote the purposes of this section (including this subsection); or

''(ii) reject or modify the plan if the Commission finds that the plan does not result in just and reasonable rates that promote the purposes of this section (including this subsection).

''(4) RESUBMISSION OF PLAN.—

''(A) IN GENERAL.—If the Commission rejects the cost allocation plan under paragraph (3)(C)(ii), the Commission shall give guidance to the regional planning authorities on remediation measures.

''(B) RESUBMISSION.—Not later than 90 days after the date of the rejection, the regional planning authorities may submit to the Commission a revised cost allocation plan for the region under this subsection.

''(C) MODIFICATIONS.—

''(i) IN GENERAL.—Not later than 60 days after the date of resubmission of a cost-allocation plan, the Commission shall approve, modify, or reject the plan as necessary to achieve the purposes of this section.

''(ii) OPINION.—If the Commission modifies or rejects a plan, not later than 60 days after the date the plan is resub-

mitted by the regional planning authority, the Commission shall provide a written opinion to the regional planning authority that contains the facts and reasons supporting the action of the Commission.

''(5) COMMISSION ALLOCATION OF COSTS.—If the regional planning authorities do not submit an Interconnection-wide cost allocation plan within the time periods specified in paragraphs (2) and (4) or if the Commission does not approve a cost allocation plan submitted by the regional planning authorities for an Interconnection, the Commission shall allocate the costs of new transmission in the region under this section to all of the load-serving entities in the Interconnection on a load-ratio share basis.

''(6) IMPLEMENTATION.—

''(A) IN GENERAL.—The Commission shall adopt such rules, require inclusion of such provisions in transmission tariffs, and take such other actions as are necessary to efficiently—

''(i) collect the costs for development and operation of Clean Energy Superhighway facilities; and

''(ii) distribute the resultant revenues to owners of the facilities.

''(B) TRANSMISSION CUSTOMER.—The rules or tariffs may consider each load-serving entity in an Interconnection to be a transmission customer under 1 or more of the tariffs established for collection of the costs for development and operation of Clean Energy Superhighway facilities.

''(d) SITING.—

''(1) PURPOSES.—The purpose of the integrated siting process provided for in this subsection is to provide an efficient and timely certification process that ensures participation of Federal land management agencies, States, and Indian tribes, and the appropriate protection of resources, in siting applications before the Commission.

''(2) PREFILING.—

''(A) IN GENERAL.—Not later than 180 days after the date of enactment of the National Energy Security Act of 2009, the Commission shall promulgate regulations to implement an integrated prefiling process for the preparation of an application for the certification of a Clean Energy Superhighway facility.

''(B) PREAPPLICATION INFORMATION.—

"(i) IN GENERAL.—The regulations for the prefiling process shall include the appropriate information required for the Commission to determine if the proposed facility is included in the Clean Energy Superhighway plan certified by the Commission under subsection (b)(9).

"(ii) STEPS.—The regulations shall establish a list of steps that shall be completed before submitting an application for a certificate, including the steps required under this subparagraph.

"(iii) NOTICE OF INTENT TO APPLY.—The applicant shall submit to the Commission a notice of intent to apply for a Clean Energy Superhighway certificate that includes a preliminary routing plan.

"(iv) DETERMINATION OF INCLUSION IN PLAN.—The Commission shall determine whether the proposed facility is included in a Clean Energy Superhighway plan certified under subsection (b)(9).

"(v) NOTIFICATION.—The Commission shall provide notice to the public, affected States, Federal land agencies, and

Indian tribes of a notice of any intent to apply for a certificate.

''(vi) PREFILING SCHEDULE.—The Commission shall establish a prefiling schedule for the applicant, agencies, and Indian tribes.

''(vii) STATE SITING CONSTRAINTS.—The applicant shall consider the State siting constraints identified under paragraph (3).

''(viii) CONSULTATION.—The applicant shall consult with affected States, Federal land agencies, and Indian tribes in carrying out this subsection

''(ix) EARLY SCOPING PROCESS.—The Commission shall conduct an early scoping process that is consistent with the terms and conditions of section 5.8 of title 18, Code of Federal Regulations (or a successor section), as determined by the Commission.

''(x) CONSOLIDATED RECORD.—The Commission shall create and maintain a consolidated record for all decisions made or actions taken by the Commission or by

a Federal, State, Indian tribe administrative agency, or officer under this subsection.

''(xi) SITING DISPUTE RESOLUTION BOARD.—The Commission shall establish a siting dispute resolution board that is consistent with the terms and conditions of section 5.14 of title 18, Code of Federal Regulations and paragraph (3)(B), as determined by the Commission.

''(C) CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.—An applicant shall comply with the prefiling process established under this paragraph before filing an application for a certificate of public convenience and necessity with the Commission.

''(3) STATE SITING CONSTRAINTS.—

''(A) STATE AGENCY.—

''(i) IN GENERAL.—The Governor of a State in which a Clean Energy Superhighway facility is proposed pursuant to paragraph (2) shall designate the appropriate State agency to coordinate with the Commission on siting.

"(ii) SITING CONSTRAINTS AND MITIGATION MEASURES.—

"(I) IN GENERAL.—Applicants shall work with affected States in the prefiling process described in paragraph (2).

"(II) DESIGNATED STATE AGENCY.—At the conclusion of the prefiling process, the designated State agency may identify and communicate to the applicant and the Commission information on siting constraints and mitigation measures (including habitat protection, environmental considerations, cultural site protection, or other factors) for a Clean Energy Superhighway facility within the State.

"(B) SITING DISPUTE RESOLUTION BOARD.—

"(i) IN GENERAL.—During the prefiling process for each Clean Energy Superhighway facility application, the Commission shall establish a siting dispute resolution board to ensure appropriate siting within and across the borders of the State.

''(ii) COMPOSITION.—The board for a Clean Energy Superhighway facility shall be composed of—

''(I) 1 representative of the Commission, who is not otherwise involved in the applicable proceeding;

''(II) 1 representative of each affected State, as designated by the Governor, and who is not otherwise involved in the proceeding; and

''(III) 1 independent person with expertise in the area, selected by the other 2 panelists from a preestablished list of individuals who have that expertise (as established by the Commission).

''(iii) APPEALS.—If the applicant does not agree with the siting constraints and mitigation measures proposed by a State, the applicant may appeal the constraints and measures to the appropriate siting dispute resolution board.

''(iv) DECISION.—The board shall—

''(I) make a decision on any appeal made under clause (iii); and

"(II) submit to the Commission a recommendation for final dispute resolution.

"(C) FEDERAL ACTION.—

"(i) IN GENERAL.—The Commission shall incorporate State siting constraints and mitigation measures in the certificate issued under paragraph (9), unless the Commission finds that any recommendation referred to in subparagraph (A) (based on the recommendation of the applicable sitting dispute resolution board) is inconsistent with the purposes and requirements of this section or other applicable Federal law.

"(ii) FINDINGS.—If (after any proceedings of a siting dispute resolution board) the Commission does not adopt in whole or in part a recommendation of the State agency, the Commission shall publish (together with a description of the basis for each finding)—

"(I) a finding that adoption of the recommendation of the siting dispute resolution board is inconsistent

with the purposes and requirements of this section or with other applicable provisions of Federal law; or

''(II) a finding that adopts the recommendations of the siting dispute resolution board conditions selected by the Commission comply with the State siting constraints and mitigation measures described in subparagraph (A).

''(4) FEDERAL AUTHORITY.—

''(A) IN GENERAL.—Except as otherwise provided in this subsection, the Commission shall have exclusive jurisdiction over the granting of a certificate for the siting of a Clean Energy Superhighway facility.

''(B) RIGHTS OF WAY.—

''(i) IN GENERAL.—The Secretary of the Interior shall provide a route for a Clean Energy Superhighway facility on public land in accordance with the terms and conditions of agency land use plans.

''(ii) INDIAN LAND.—In carrying out this subparagraph, the Secretary of the Interior shall use the process established

under the terms and conditions of section 2604 of the Energy Policy Act of 1992 (25 U.S.C. 3504) and the Act of February 5, 1948 (25 U.S.C. 323 et seq.) (including applicable regulations) to establish a right-of-way for a Clean Energy Superhighway on Indian land, as determined by the Secretary of the Interior.

''(iii) CONNECTION OF INDIVIDUAL LINES.—The Commission shall work with the Secretary of the Interior to ensure that the routing of an individual line across public and private land is appropriately connected.

''(5) SCHEDULE.—

''(A) IN GENERAL.—The Commission shall establish a schedule for all Federal authorizations under this subsection.

''(B) ADMINISTRATION.—In establishing the schedule, the Commission shall—

''(i) ensure expeditious completion of all such proceedings; and

''(ii) comply with applicable schedules established by Federal law.

''(6) EXISTING CORRIDORS.—A route for a Clean Energy Superhighway facility shall, to the maximum extent practicable, use existing corridors, including multiuse and highway corridors.

''(7) ENVIRONMENTAL PROTECTION.—

''(A) IN GENERAL.—Except as otherwise specifically provided in this section, nothing in this section affects any requirements of an environmental law of the United States, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(B) ENVIRONMENTAL REVIEW OF INDIVIDUAL LINES.—In the case of a Clean Energy Superhighway facility, the Commission shall—

''(i) serve as lead agency for the purposes of coordinating the environmental review that is required by law between all relevant Federal agencies;

''(ii) in consultation with the affected Federal and State agencies and Indian tribes, prepare a single environmental review document as required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

"(iii) in the case of a line that traverses Federal land, take any action that is required under the terms and conditions of applicable land use plans.

"(C) DEADLINE.—The environmental reviews described in subparagraph (B) shall be completed not later than 1 year after date of application for a certificate.

"(D) MEMORANDUM OF UNDERSTANDING.—Not later than 1 year after the date of enactment of the National Energy Security Act of 2009, the Commission shall enter into a memorandum of understanding with all applicable Federal land agencies to create a streamlined and consolidated environmental review process to carry out this section.

"(8) CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.—

"(A) IN GENERAL.—No individual or entity (including States and entities described in subsection (f)) shall construct, acquire, or operate any Clean Energy Superhighway facility, or modify a Clean Energy Superhighway facility for which a certificate was previously issued under this subsection, unless there is in force

with respect to the individual or entity a certificate of public convenience and necessity issued by the Commission authorizing such acts or operation.

''(B) APPLICATION FOR CERTIFICATE.—Any individual or entity that seeks to operate, construct, acquire, or modify any Clean Energy Superhighway facility shall—

''(i) complete the prefiling process under paragraph (2);

''(ii) submit to the Commission a written application in such form and containing such information as the Commission may by regulation require; and

''(iii) provide notice of and opportunity for hearing on the application to interested parties in such manner as the Commission shall by regulation require.

''(C) HEARING.—On receipt of an application under this paragraph, the Commission—

''(i) shall—

''(I) provide notice and opportunity to interested persons; and

''(II) include any applicable conditions; and

''(ii) may approve or disapprove the application, in accordance with paragraph (9).

''(9) GRANT OF CERTIFICATE.—

''(A) IN GENERAL.—A certificate shall be issued to a qualified applicant for the certificate authorizing the whole or partial operation, construction, acquisition, or modification covered by the application, only if the Commission determines that—

''(i) the facility is included in the Clean Energy Superhighway plan certified by the Commission;

''(ii) 1 or more applicants are able and willing—

''(I) to carry out the acts and perform the service proposed; and

''(II) to comply with this Act (including regulations); and

''(iii) the proposed operation, construction, acquisition, or modification, to the extent authorized by the certificate, is or will be required by the present or future public convenience and necessity.

"(B) TERMS AND CONDITIONS.—The Commission shall have the power to attach to the issuance of a certificate under this paragraph and to the exercise of the rights granted under the certificate such reasonable terms and conditions as the public convenience and necessity may require, including (as may be required by applicable law) land use plans or applicable rights-of-way.

"(C) EVALUATION OF ABILITIES OF APPLICANT.—

"(i) IN GENERAL.—In evaluating the ability of 1 or more applicants described in subparagraph (A)(ii), the Commission shall consider whether the financial and technical capabilities of the applicant are adequate to support construction and operation of the project proposed in the application.

"(ii) JOINT OWNERSHIP PROJECTS.—In evaluating applications that feature joint ownership projects by multiple load-serving or wholesale entities, the Commission shall consider benefits from the great-

er diversification of financial risk inherent in the applications.

''(D) PUBLIC CONVENIENCE AND NECESSITY.—In making a determination with respect to public convenience and necessity described in subparagraph (A)(iii), the Commission shall presume that there is a public need for a proposed project that is included in the Clean Energy Superhighway plan developed pursuant to this section or that constitutes all of or a portion of a renewable feeder line.

''(10) RIGHT OF EMINENT DOMAIN.—

''(A) IN GENERAL.—If any holder of a certificate issued under paragraph (9) cannot acquire by contract, or is unable to agree with the owner of property on the compensation to be paid for, the right-of-way to construct, operate, and maintain the project to which the certificate relates, and the necessary land or other property necessary to the proper operation of the project, the holder may acquire the right-of-way by the exercise of the right of eminent domain through a proceeding in—

"(i) the United States district court for the district in which the property is located; or

"(ii) a State court, to the extent permitted under State law.

"(B) PRACTICE AND PROCEDURE.—The practice and procedure for any action or proceeding described in subparagraph (A) in a United States district court shall conform, to the maximum extent practicable, to the practice and procedure for similar actions or proceedings in the courts of the State in which the property is located.";

(2) by striking subsections (i), (j), and (k);

(3) by redesignating subsection (h) as subsection (e);

(4) in subsection (e) (as redesignated by paragraph (3))—

(A) in paragraph (2), by striking "Department of Energy" and inserting "Federal Energy Regulatory Commission (referred to in this subsection as the 'Commission')"; and

(B) in paragraph (3), by striking "Secretary" and inserting "Commission"; and

(5) by adding at the end the following:

''(f) APPLICABILITY.—This section does not apply to the State of Alaska or Hawaii or to the Electric Reliability Council of Texas, unless the State or the Council voluntarily elects to be covered by this section.

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

SEC. 102. RECOVERY OF COSTS FOR SMART GRID TECHNOLOGY AND ADVANCED MATERIALS.

Section 219(b)(4) of the Federal Power Act (16 U.S.C. 824s(b)(4)) is amended—

(1) in subparagraph (A), by striking ''and'' after the semicolon at the end;

(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(C) all prudently incurred costs relating to the deployment of smart grid technology for transmission infrastructure (within the meaning of title XIII of the Energy Independence and Security Act of 2007 (42 U.S.C. 17381 et seq.)); and

''(D) all prudently incurred costs relating to the use of advanced materials for the construction of technology transmission facilities if

the advanced materials are at least 25 percent more efficient than standard transmission materials.''.

TITLE II—TRANSPORTATION SECTOR

Subtitle A—Electrification of Transportation Sector

SEC. 201. MINIMUM FEDERAL FLEET REQUIREMENT.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) in subsection (b)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(B) by inserting after paragraph (1) the following:

''(2) PLUG-IN ELECTRIC DRIVE VEHICLES.—Of the total number of vehicles acquired by a Federal fleet under paragraph (1), at least the following percentage of the vehicles shall be plug-in electric drive vehicles (as defined in section 131(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17011(a))):

''(A) 10 percent for fiscal year 2012.

''(B) The applicable percentage for the preceding fiscal year increased by 5 percentage

points (but not to exceed a total of 50 percent) for fiscal year 2013 and each subsequent fiscal year.''; and

(C) in paragraph (3) (as redesignated by subparagraph (A)), by inserting ''or (2)'' after ''paragraph (1)''; and

(2) by striking subsection (c) and inserting the following:

''(c) ALLOCATION OF INCREMENTAL COSTS.—Subject to the availability of funds appropriated to carry out this subsection (to remain available until expended), the General Services Administration shall pay the incremental cost of alternative fueled vehicles over the cost of comparable gasoline vehicles for vehicles that the Administration purchased for the use of the Administration or on behalf of other agencies, in a total amount of not to exceed $300,000,000 for any of fiscal years 2012 through 2016.'';

(3) in subsection (f), by adding at the end the following:

''(4) COMPLIANCE.—Compliance with this subsection shall not relieve the Federal agency of the obligations of the agency under subsection (b).''; and

(4) in subsection (g), by striking ''fiscal years 1993 through 1998'' and inserting ''each fiscal year''.

SEC. 202. USE OF HOV FACILITIES BY LIGHT-DUTY PLUG-IN ELECTRIC DRIVE VEHICLES.

Section 166(b)(5) of title 23, United States Code, is amended—

(1) in subparagraph (A), by striking ''Before'' and inserting ''Except as provided in subparagraph (D), before'';

(2) in subparagraph (B), by striking ''Before'' and inserting ''Except as provided in subparagraph (D), before''; and

(3) by adding at the end the following:

''(D) USE BY PLUG-IN ELECTRIC DRIVE VEHICLES.—

''(i) DEFINITION OF PLUG-IN ELECTRIC DRIVE VEHICLE.—In this subparagraph, the term 'plug-in electric drive vehicle' has the meaning given the term in section 131(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17011(a)).

''(ii) USE OF HOV FACILITIES.—A State agency—

''(I) shall permit vehicles that are certified as low emission and energy-efficient vehicles in accordance with subsection (e) that are light-duty plug-in electric drive vehicles, and that are purchased on or before December 31 of the calendar year described in clause (iii), as determined by the Secretary, to use HOV facilities in the State; and

''(II) shall not impose any toll or other charge on such a vehicle for use of a HOV facility in the State.

''(iii) CALENDAR YEAR.—The calendar year referred to in clause (ii)(I) is the calendar year during which, as determined by the Secretary, the aggregate number of plug-in electric drive vehicles sold in the United States during all calendar years exceeds 2,000,000.

''(iv) PETITION.—A State may petition the Secretary to limit or discontinue the use of a HOV facility by plug-in electric drive vehicles if the State demonstrates to the Secretary that the pres-

ence of the plug-in electric drive vehicles has degraded the operation of the HOV facility.''.

SEC. 203. RECHARGING INFRASTRUCTURE.

(a) DEFINITIONS.—In this section:

(1) LOCAL GOVERNMENT.—The term ''local government'' has the meaning given the term in section 3371 of title 5, United States Code.

(2) PLUG-IN ELECTRIC DRIVE VEHICLE.—The term ''plug-in electric drive vehicle'' has the meaning given the term in section 131(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17011(a)).

(3) RANGE EXTENSION INFRASTRUCTURE.—The term ''range extension infrastructure'' includes equipment, products, or services for recharging plug-in electric drive vehicles that—

(A) are available to retail consumers of electric drive vehicles on a non-discriminatory basis;

(B) provide for extending driving range through battery exchange or rapid recharging; and

(C) are comparable in convenience and price to petroleum-based refueling services.

(b) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of—

(A) the number and distribution of recharging facilities, including range extension infrastructure, that will be required for drivers of plug-in electric drive vehicles to reliably recharge the electric drive vehicles;

(B) minimum technical standards for public recharging facilities in coordination with the National Institute of Standards and Technology; and

(C) the concurrent technical and infrastructure investments that electric utilities and electricity providers will be required to make to support widespread deployment of recharging infrastructure and the estimated costs of the investments.

(2) COMPONENTS.—In conducting the study required under this subsection, the Secretary shall analyze—

(A) the variety and density of recharging infrastructure options necessary to power plug-in electric drive vehicles under diverse scenarios, including—

(i) the ratio of residential, commercial, and public recharging infrastructure options necessary to support 10 percent, 20 percent, and 50 percent penetration of plug-in electric vehicles on a city fleet basis;

(ii) the ratio of residential, commercial, and public recharging infrastructure options necessary to support 10 percent, 20 percent, and 50 percent penetration of plug-in electric vehicles on a national fleet basis; and

(iii) the potential impact of fast charging on penetration rates and utility power management requirements;

(B) whether use of parking spots with access to recharging facilities should be limited to plug-in electric drive vehicles;

(C) whether model building codes should be amended to cover recharging facilities; and

(D) such other issues as the Secretary considers appropriate.

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a

report on the results of the study conducted under this subsection, including any recommendations.

(c) GRANTS AND LOANS TO STATE AND LOCAL GOVERNMENTS FOR RECHARGING INFRASTRUCTURE.—

(1) IN GENERAL.—Effective beginning October 1, 2010, the Secretary shall establish a program under which the Secretary shall provide grants and loans to local governments to assist in the installation of recharging facilities for electric drive vehicles in areas under the jurisdiction of the local governments. The Secretary shall provide funding under this section to State or local governments to pay not more than fifty percent of the recharging infrastructure cost.

(2) ELIGIBILITY.—To be eligible to obtain a grant or loan under this subsection, a local government shall—

(A) demonstrate to the Secretary that the applicant has taken into consideration the findings of the report submitted under subsection (b)(3), unless the local government demonstrates to the Secretary that an alternative variety and density of recharging infrastructure options would better meet the purposes of this section; and

(B) agree not to charge a premium for use of a parking space used to recharge an electric drive vehicle other than a charge for electric energy.

(3) GUIDELINES.—The Secretary shall establish guidelines for carrying out this subsection that are consistent with the report submitted under subsection (b)(3).

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this subsection a total of $250,000,000 for grants and a total of $250,000,000 for loans, to remain available until expended.

SEC. 204. LOAN GUARANTEES FOR ADVANCED BATTERY PURCHASES.

Subtitle B of title I of the Energy and Independence and Security Act of 2007 (42 U.S.C. 17011 et seq.) is amended by adding at the end the following:

"SEC. 137. LOAN GUARANTEES FOR ADVANCED BATTERY PURCHASES.

''(a) DEFINITIONS.—In this section:

''(1) PLUG-IN ELECTRIC DRIVE VEHICLE.—The term 'plug-in electric drive vehicle' has the meaning given the term in section 131(a).

''(2) RANGE EXTENSION INFRASTRUCTURE.—The term 'range extension infrastructure' includes equipment, products, or services for recharging plug-in electric drive vehicles that—

''(A) are available to retail consumers of electric drive vehicles on a nondiscriminatory basis;

''(B) provide for extended driving range through battery exchange or rapid recharging; and

''(C) are comparable in convenience and price to petroleum-based refueling services.

''(b) LOAN GUARANTEES.—The Secretary shall guarantee loans made to eligible entities for the aggregate purchase by an eligible entity of not less than 5,000 batteries that use advanced battery technology within a calendar year.

''(c) ELIGIBLE ENTITIES.—To be eligible to obtain a loan guarantee under this section, an entity shall be—

''(1) an original equipment manufacturer;

''(2) a vehicle manufacturer;

''(3) an electric utility;

''(4) any provider of range extension infrastructure; or

''(5) any other qualified entity, as determined by the Secretary.

''(d) REGULATIONS.—The Secretary shall promulgate such regulations as are necessary to carry out this section.

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

SEC. 205. STUDY OF END-OF-USEFUL LIFE OPTIONS FOR MOTOR VEHICLE BATTERIES.

(a) IN GENERAL.—In combination with the research, demonstration, and deployment activities conducted under section 641(k) of the Energy and Independence and Security Act of 2007 (42 U.S.C. 17231(k)), the Secretary shall conduct a study on the end-of-useful life options for motor vehicle batteries, including recommendations for stationary storage applications and recyclability design specifications.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report on the results of the study conducted under subsection (a), including any recommendations.

Subtitle B—Medium- and Heavy-Duty Vehicles

SEC. 211. MAXIMUM WEIGHT STUDY.

(a) IN GENERAL.—The Secretary of Transportation, in consultation with the Administrator of the National Highway Traffic Safety Administration, shall conduct a study to investigate whether oil savings goals can be achieved in the trucking industry without adverse safety consequences by determining the safety impacts and other effects of increasing the maximum allowable gross weight for vehicles using the Interstate System to allow for larger, more fuel-efficient tractor-trailers.

(b) STUDY COMPONENTS.—In conducting the study under this section, the Secretary of Transportation shall—

(1) determine whether a vehicle with a supplementary sixth axle and a gross weight of up to 97,000 pounds that is traveling at 60 miles per hour is capable of stopping at a distance of 355 feet or less;

(2) determine whether the use of the Interstate System by vehicles described in paragraph (1) would require a fundamental alteration of the vehicle architecture that is commonly used for the transportation of goods as of the day before the date of the enactment of this Act;

(3) analyze the safety impacts of allowing vehicles described in paragraph (1) to use the Interstate System; and

(4) consider the potential impact on highway safety of applying lower speed limits on such vehicles than the speed limits in effect on the day before the date of the enactment of this Act.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress that contains the results of the study conducted under this section, including a determination by the Secretary as to whether permitting vehicles with a supplementary sixth axle and a gross weight of not more than 97,000 pounds to use the Interstate System would have an adverse impact on highway safety.

(d) DEFINITION.—In this section, the term ''Interstate System'' has the meaning given that term in section 101(a) of title 23, United States Code.

SEC. 212. FUEL ECONOMY.

Section 32912(e)(1) of title 49, United States Code, is amended by inserting ''provide equipment and facilities for the program established under section 32902(k), and to'' after ''shall be used by the Secretary to''.

Subtitle C—Alternative Transportation Technologies

SEC. 221. FLEXIBLE FUEL AUTOMOBILES.

(a) IN GENERAL.—Chapter 329 of title 49, United States Code, is amended—

(1) in section 32901(a)—

(A) by redesignating paragraphs (10) through (19) as paragraphs (11) through (20), respectively; and

(B) by inserting after paragraph (9) the following:

''(10) 'flexible fuel automobile' means an automobile that has been warranted by the manufacturer of the automobile to operate on gasoline and fuel mixtures containing 15 percent gasoline and 85 percent ethanol or methanol.''; and

(2) by inserting after section 32902 the following:

''§ 32902A. Requirement to manufacture flexible fuel automobiles

''(a) IN GENERAL.—For each model year listed in the following table, each manufacturer shall ensure that the percentage of automobiles manufactured by the manufacturer for sale in the United States that are flexible fuel

automobiles is not less than the percentage set forth for that model year in the following table:

"Model Year	Percentage
Model year 2012	50 percent
Model year 2013	60 percent
Model year 2014	70 percent
Model year 2015	80 percent
Model year 2016	90 percent
Model year 2017	100 percent.

''(b) AUTOMOBILES EXCLUDED.—The requirement under subsection (a) shall not apply to any automobile that operates on diesel, natural gas, hydrogen, or electricity.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 329 of title 49, United States Code, is amended by inserting after the item relating to section 32902 the following:

''32902A. Requirement to manufacture flexible fuel automobiles.''.

(c) RULEMAKING.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Transportation shall prescribe regulations to carry out section 32902A of title 49, United States Code, as added by subsection (a).

SEC. 222. TRANSPORTATION ROADMAP STUDY.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall—

(1) conduct a comprehensive analysis of energy use by automobiles; and

(2) use the analysis to conduct an integrated assessment of the technological options that could lead to reduced petroleum consumption and greenhouse gas emissions.

(b) COMPONENTS.—The study required under this section shall—

(1) assess the status of technology options, including—

(A) prospects of future fuels and pathways;

(B) the infrastructure and other barriers for increased market penetration;

(C) potential timing of market adoption;

(D) potential reductions of petroleum consumption and greenhouse gas emissions; and

(E) improvements in and priorities for Federal research and development program activities;

(2) consider issues relating to duty cycles, regional distinctions, and technological development timelines;

(3) build on and integrate applicable research conducted in recent years, including by the Academy;

(4) evaluate technical options and assess the extent to which the United States can employ the options to reduce oil intensity by 80 percent by calendar year 2050 and reduce carbon dioxide emissions at a rate that is consistent with national goals; and

(5) recommend policies to help facilitate the United States to meet national goals.

(c) REPORT.—Not later than 21 months after funds are first made available to carry out this section, the Secretary shall submit to the appropriate committees of Congress a report on the results of the study conducted under subsection (a), including any recommendations.

(d) UPDATES.—

(1) IN GENERAL.—Not later than 5 years after the initial study is conducted under this section and every 5 years thereafter, the Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall update the study required under this section.

(2) REPORT.—Not later than 21 months after the date an arrangement is entered into under paragraph (1), the Secretary shall submit to the appropriate committees of Congress a report on the re-

sults of the updated study conducted under paragraph (1), including any recommendations.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,200,000.

DIVISION B—DOMESTIC PRODUCTION AND WORKFORCE DEVELOPMENT

TITLE I—INCREASING SUPPLY

Subtitle A—Increasing Production From Domestic Resources

SEC. 300. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

PART I—INVESTMENT IN RENEWABLE ENERGY

SEC. 301. EXTENSION OF RENEWABLE ELECTRICITY PRODUCTION CREDIT.

(a) IN GENERAL.—Subsection (d) of section 45 is amended—

(1) by striking ''January 1, 2013'' in paragraph (1) and inserting ''January 1, 2015'', and

(2) by striking ''January 1, 2014'' each place it appears in paragraphs (2), (3), (4), (6), (7), (9), and (11)(B) and inserting ''January 1, 2015''.

(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. 302. EXPANSION AND EXTENSION OF NEW CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Paragraph (2) of section 54C(c) is amended by inserting '', for calendar years 2011, 2012, 2013, and 2014, an additional $500,000,000 for each year, and, except as provided in paragraph (5) for years after 2014, zero,'' after ''$800,000,000''.

(b) CARRYOVER OF UNUSED LIMITATION.—Subsection (c) of section 54C is amended by adding at the end the following new paragraph:

''(5) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(A) the amount allocated under paragraph (2) for such calendar year, exceeds

''(B) the amount of bonds issued during such year which are designated under subsection (a) pursuant to such allocation,

then the limitation amount under paragraph (2) for the following calendar year shall be increased by the amount of such excess.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 2010.

SEC. 303. EXTENSION OF INVESTMENT TAX CREDIT FOR CERTAIN ENERGY PROPERTY.

(a) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) are each amended by striking ''January 1, 2017'' and inserting ''January 1, 2019''.

(b) FUEL CELL PROPERTY.—Subparagraph (E) of section 48(c)(1) is amended by striking ''December 31, 2016'' and inserting ''December 31, 2018''.

(c) QUALIFIED SMALL WIND ENERGY PROPERTY.—Subparagraph (D) of section 48(c)(4) is amended by striking ''December 31, 2016'' and inserting ''December 31, 2018''.

(d) GEOTHERMAL HEAT PUMP SYSTEMS.—Clause (vii) of section 48(a)(3)(A) is amended by striking ''January 1, 2017'' and inserting ''January 1, 2019''.

(e) 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. 304. INCREASE IN CREDIT FOR INVESTMENT IN ADVANCED ENERGY FACILITIES.

(a) IN GENERAL.—Subparagraph (B) of section 48C(d)(1) is amended by striking ''$2,300,000,000'' and inserting ''$4,000,000,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 1302 of the American Recovery and Reinvestment Tax Act of 2009.

PART II—INVESTMENT IN ALTERNATIVE FUEL PROPERTY

SEC. 311. EXTENSION OF CREDITS FOR ALCOHOL FUELS.

(a) IN GENERAL.—Sections 40, 6426(b)(6), and 6427(e)(6)(A) are amended by striking ''2010'' each place it appears and inserting ''2011''.

(b) CONFORMING AMENDMENT.—Section 40(e)(1)(B) is amended by striking ''2011'' and inserting ''2012''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and uses after the date of the enactment of this Act.

SEC. 312. EXTENSION OF CREDITS FOR BIODIESEL AND RENEWABLE DIESEL.

(a) IN GENERAL.—Sections 40A(g), 6426(c)(6), and 6427(e)(6)(B) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and uses after the date of the enactment of this Act.

PART III—INVESTMENT IN ELECTRIC DRIVE AND ADVANCED VEHICLES

SEC. 321. EXTENSION OF CREDIT AND EXTENSION OF TEMPORARY INCREASE IN CREDIT FOR ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Subsection (g) of section 30C is amended by striking ''service—'' and all that follows and inserting ''service after December 31, 2018.''.

(b) EXTENSION OF TEMPORARY INCREASE.—Paragraph (6) of section 30C(e) is amended—

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2019'', and

(2) by striking ''AND 2010'' in the heading and inserting ''THROUGH 2018''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 322. EXTENSION AND EXPANSION OF CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

(a) EXTENSION.—Section 30D is amended by adding at the end the following new subsection:

''(g) TERMINATION.—This section shall not apply to any property purchased after December 31, 2018.''.

(b) RESTORATION OF CREDIT FOR LARGE NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES WEIGHING OVER 14,000 POUNDS.—

(1) IN GENERAL.—The last sentence of section 30D(b)(3) is amended to read as follows: ''The amount determined under this paragraph shall not exceed—

''(A) $5,000, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of not more than 14,000 pounds,

''(B) $10,000, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

''(C) $12,500, in the case of any new qualified plug-in electric drive motor vehicle

with a gross vehicle weight rating of more than 26,000 pounds.''.

(2) CONFORMING AMENDMENTS.—Paragraph (1) of section 30D(d) is amended by adding ''and'' at the end of subparagraph (D), by striking subparagraph (E), and by redesignating subparagraph (F) as subparagraph (E).

(c) INCREASE IN PER MANUFACTURER CAP.—Paragraph (2) of section 30D(e) is amended by striking ''200,000'' and inserting ''400,000''.

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

SEC. 323. EXTENSION OF CREDIT FOR CERTAIN PLUG-IN ELECTRIC VEHICLES.

(a) IN GENERAL.—Subsection (f) of section 30 is amended by striking ''December 31, 2011'' and inserting ''December 31, 2018''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to vehicles acquired after the date of the enactment of this Act.

SEC. 324. EXTENSION OF CREDIT FOR MEDIUM AND HEAVY DUTY HYBRID VEHICLES.

(a) IN GENERAL.—Paragraph (3) of section 30B(k) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2014''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to vehicles acquired after the date of the enactment of this Act.

SEC. 325. CREDIT FOR HEAVY DUTY NATURAL GAS VEHICLES.

(a) IN GENERAL.—Paragraph (4) of section 30B(k) is amended by inserting ''(December 31, 2018, in the case of such a vehicle which has a gross vehicle weight rating of more than 26,000 pounds and which operates on compressed natural gas or liquified natural gas)'' after ''December 31, 2010''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to vehicles acquired after the date of the enactment of this Act.

PART IV—LOW CARBON LOAN GUARANTEE PROGRAM

SEC. 331. INNOVATIVE LOW-CARBON LOAN GUARANTEE PROGRAM.

Section 1703 of the Energy Policy Act of 2005 (42 U.S.C. 16513) is amended—

(1) in subsection (b), by adding at the end the following:

''(11) Innovative low-carbon technology projects in accordance with subsection (f).''; and

(2) by adding at the end the following:

''(f) INNOVATIVE LOW-CARBON TECHNOLOGY PROJECTS.—

''(1) IN GENERAL.—The Secretary may make guarantees to carry out innovative low-carbon technologies projects.

''(2) FUNDING.—

''(A) IN GENERAL.—Subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), the total principal amount of loans guaranteed to carry out projects under this subsection shall not exceed $50,000,000,000, to remain available until committed.

''(B) ADDITIONAL AMOUNTS.—Amounts made available to carry out this subsection shall be in addition to any other authority provided for fiscal year 2010 or any previous fiscal year.

''(C) SOURCE OF FUNDS.—

''(i) IN GENERAL.—Amounts made available to carry out this subsection shall be—

''(I) derived from amounts received from borrowers pursuant to section 1702(b)(2) for fiscal year 2010 or any previous fiscal year; and

''(II) collected in accordance with the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

''(ii) TREATMENT.—The source of payment received from borrowers described in clause (i) shall be not considered a loan or other debt obligation that is guaranteed by the Federal Government.

''(D) SUBSIDY COST.—In accordance with section 1702(b)(2), no appropriations to carry out this subsection shall be available to pay the subsidy cost of guarantees.''.

PART V—INVESTMENT IN ETHANOL

SEC. 341. RESEARCH AND DEVELOPMENT OF FUNGIBLE BIOFUELS.

There is authorized to be appropriated for advanced biofuels research, development, and demonstration that will create fuels that are fungible in existing infrastructure $100,000,000.

PART VI—STUDIES ON MARKET PENETRATION OF RENEWABLE RESOURCES

SEC. 351. STUDIES ON MARKET PENETRATION OF RENEWABLE RESOURCES.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall conduct—

(1) a study on the quantity of solar energy (including photovoltaic and solar thermal energy) that can reasonably be expected to be deployed in the United States by calendar year 2030 and the requirements and costs associated with that deployment;

(2) a study on the quantity of geothermal energy (including regular and advanced geothermal energy) that can reasonably be expected to be deployed in the United States by calendar year 2030 and the requirements and costs associated with that deployment;

(3) a study on the quantity of hydrokinetic energy that can reasonably be expected to be deployed in the United States by calendar year 2030 and the requirements and costs associated with that deployment; and

(4) in consultation with the Secretary of Agriculture, a study on the quantity of renewable bio-

mass energy that can reasonably be expected to be deployed in the United States by calendar year 2030, including consideration of—

(A) the needs of biofuels, biomass-based electricity, and thermal applications;

(B) the highest efficiency energy use of biomass resources; and

(C) the requirements and costs associated with deployment.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress, and make publicly available, a report that integrates the results of the studies conducted under subsection (a), and other relevant studies, including an analysis and recommendations on—

(1) the best areas and rates for deployment of solar, geothermal, wind, biomass, and hydrokinetic energy by calendar year 2030 (based on multiple alternative scenarios); and

(2) the levels of market penetration that can be accomplished by calendar year 2030 (based on multiple alternative scenarios).

Subtitle B—Increasing Production From Fossil Resources

PART I—OUTER CONTINENTAL SHELF

SEC. 361. INVENTORY OF OUTER CONTINENTAL SHELF OIL AND GAS RESOURCES.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act and subject to subsection (b), the Secretary of the Interior (referred to in this subtitle as the ''Secretary'') shall complete an inventory of oil and natural gas resources in areas of the Outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)) with the greatest potential for containing oil or gas reserves.

(b) REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall carry out the inventory under subsection (a) in stages, focusing first on areas that the Secretary identifies as having the greatest potential for oil and gas reserves.

(2) PUBLIC COMMENTS.—To assist the Secretary in identifying areas that have the greatest potential for oil and gas reserves under paragraph (1), the Secretary shall, not later than 60 days after the date of enactment of this Act, issue a notice in the Federal Register requesting comments from the pub-

lic on areas of the Outer Continental Shelf that may contain the most significant oil and gas deposits.

(3) INITIATION OF CERTAIN INVENTORIES.—Not later than 90 days after the date of enactment of this Act, the Secretary shall begin conducting any inventories in the Atlantic and Pacific areas of the Outer Continental Shelf.

(4) BEST AVAILABLE TECHNOLOGY.—In conducting the inventory under subsection (a), the Secretary shall—

(A) use the best technology available to obtain accurate resource estimates; and

(B) include the results of geological and geophysical explorations carried out—

(i) under existing or expired leases; or

(ii) under part 251 of title 30, Code of Federal Regulations (or successor regulations).

(5) REPORTS.—On completion of any independent reports prepared as part of an inventory under this section, the Secretary shall make the independent reports immediately available to the public.

(c) ENVIRONMENTAL STUDIES.—Not later than 180 days after the date of enactment of this Act, the Secretary

shall complete any environmental studies necessary to gather information essential to an accurate inventory, including geological and geophysical explorations under part 251 of title 30, Code of Federal Regulations (or successor regulations).

(d) REPORTS.—

(1) IN GENERAL.—On completion of an inventory under this section, the Secretary shall submit to Congress and the Governors of any affected coastal States a report that describes the results of the inventory.

(2) ASSESSMENT.—A report submitted under paragraph (1) shall include an assessment of the economic, energy, environmental, and national security impacts on the United States, any affected coastal States, and any affected local units of government if the oil and natural gas resources identified by the inventory were developed and produced, including estimates of any direct and indirect revenues that would be available to the Federal Government, the affected coastal State governments, and units of local government.

(e) EFFECT ON OIL AND GAS LEASING.—No inventory that is conducted under this section or any other Fed-

eral law (including regulations) shall restrict, limit, delay, or otherwise adversely affect—

(1) the development of any Outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); or

(2) any leasing, exploration, development, or production of any Federal offshore oil and gas leases.

(f) FUNDING.—

(1) IN GENERAL.—The Secretary of the Treasury shall make a 1-time transfer to the Secretary, from royalties collected in conjunction with the production of oil and gas, such sums as are necessary to carry out this section, including the completion of environmental studies necessary to conduct geological and geophysical explorations in all of the Outer Continental Shelf areas of the Atlantic and the Pacific under part 251 of title 30, Code of Federal Regulations (or successor regulations).

(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

(3) LIMITATION.—The amounts transferred under paragraph (1) shall not exceed $150,000,000.

SEC. 362. LEASING OF OFFSHORE AREAS ESTIMATED TO CONTAIN COMMERCIALLY RECOVERABLE OIL OR GAS RESOURCES.

(a) DEFINITION OF POTENTIAL PRODUCING AREA.—In this section, the term ''potential producing area'' means any area in an Outer Continental Shelf planning area, as defined by the Minerals Management Service, that a seismic survey or other geologic study identifies as exhibiting geologic characteristics similar to the characteristics found in other commercial oil and gas producing regions in the Outer Continental Shelf or other oil and gas producing areas.

(b) LEASING OF POTENTIAL PRODUCING AREAS.—Not later than 1 year after the date of the release of an inventory or report under section 361 that identifies a potential producing area, the Secretary may make the potential producing area available for oil and gas leasing under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.).

(c) LEASING PLAN.—The omission of a potential producing area from the applicable 5-year plan developed by the Secretary pursuant to section 18 of the Outer Conti-

nental Shelf Lands Act (43 U.S.C. 1344) may allow the leasing of a potential producing area under subsection (b).

SEC. 363. ENVIRONMENTAL STEWARDSHIP AND ALLOWABLE ACTIVITIES.

(a) IN GENERAL.—The Secretary shall promulgate regulations that establish appropriate environmental safeguards for the exploration and production of oil and natural gas on the Outer Continental Shelf.

(b) MINIMUM REQUIREMENTS.—At a minimum, the regulations shall include—

(1) provisions requiring surety bonds of sufficient value to ensure the mitigation of any reasonably foreseeable incident that could be directly caused by persons engaged in oil and natural gas development, in accordance with subpart A of part 256 of title 30, Code of Federal Regulations (or successor regulations);

(2) provisions assigning liability to responsible parties of environmental damage to the Outer Continental Shelf to the extent that the damage is not otherwise implicitly or explicitly authorized or permitted by Federal law (including regulations);

(3) provisions no less stringent than the regulations promulgated under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.); and

(4) provisions ensuring that—

(A) no surface facility is installed for the purpose of production of oil or gas resources in any area visible to the unassisted eye from any shore of any coastal State in any areas in the Outer Continental Shelf that have not previously been made available for oil and gas leasing;

(B) only temporary surface facilities are installed for areas that are—

(i) beyond the area described in subparagraph (A); and

(ii) located not more than 25 miles from the shore of any coastal State in any areas in the Outer Continental Shelf that have not previously been made available for oil and gas leasing; and

(C) the impact of offshore production facilities on coastal vistas is otherwise mitigated.

(c) EXCLUSIONS.—No regulations promulgated under this section shall apply to the development, construction, or operation of renewable energy facilities on the Outer Continental Shelf.

(d) CONFORMING AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related

Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 521) (as amended by section 103(d) of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432)) is amended by inserting ''and any other area that the Secretary of the Interior may offer for leasing, preleasing, or any related activity under section 104 of that Act'' after ''2006)''.

SEC. 364. MORATORIUM OF OIL AND GAS LEASING IN CERTAIN AREAS OF THE GULF OF MEXICO.

(a) MORATORIUM.—Section 104 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—Effective during the period beginning on the date of enactment of this Act and ending on June 30, 2022, the Secretary shall not offer for leasing, preleasing, or any related activity any area east of 85 degrees, 50 minutes West Longitude in the Eastern Planning Area that is within 45 miles of the coastline of the State of Florida.''.

(b) NATIONAL DEFENSE AREA.—Section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)) is amended—

(1) by striking ''The United States'' and inserting the following:

''(1) IN GENERAL.—The United States''; and

(2) by adding at the end the following:

''(2) REVIEW.—Annually, the Secretary of Defense shall review the areas of the outer Continental Shelf that have been designated as restricted from exploration and operation to determine whether the areas should remain under restriction.''.

(c) LEASING OF MORATORIUM AREAS.—

(1) IN GENERAL.—As soon as practicable, after the date of enactment of this Act, the Secretary shall offer for leasing under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), any areas made available for leasing as a result of the amendment made by subsection (a).

(2) ADMINISTRATION.—Any areas made available for leasing under paragraph (1) shall be offered for lease under this section—

(A) notwithstanding the omission of any of these respective areas from the applicable 5-year plan developed by the Secretary pursuant to section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(B) in a manner consistent with section 363.

SEC. 365. TREATMENT OF REVENUES.

Section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)) is amended—

(1) in paragraph (2), by striking ''Notwithstanding'' and inserting ''Except as provided in paragraph (6), and notwithstanding'';

(2) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(3) by inserting after paragraph (5) the following:

''(6) RENEWABLE ENERGY RESERVE FUND.—

''(A) DEFINITIONS.—In this paragraph:

''(i) FUND.—The term 'fund' means the Renewable Energy Reserve Fund established by subparagraph (B).

''(ii) QUALIFIED LEASE.—The term 'qualified lease' means a natural gas or oil lease granted under this Act after the date of enactment of the National Energy Security Act of 2009 for an area that is made available for leasing under part I of subtitle B of title I of division B of that Act.

''(B) ESTABLISHMENT.—There is established in the Treasury of the United States a reserve account, to be known as the 'Renewable Energy Reserve Account', consisting of such

amounts as are appropriated to the Fund under subparagraph (C).

''(C) TRANSFERS TO FUND.—There are appropriated to the Fund, out of funds of the Treasury not otherwise appropriated, amounts equivalent to amounts received by the United States after September 30, 2009, as bonus bids, royalties, or rentals from, or otherwise collected under, any qualified lease on submerged land made available for leasing under this Act by the National Energy Security Act of 2009 (including any amendment made by that Act).

''(D) USE OF FUND.—Subject to subparagraph (E), amounts in the Fund shall be used to offset the costs of carrying out the National Energy Security Act of 2009.

''(E) TERMINATION OF FUND.—

''(i) IN GENERAL.—The Fund shall terminate on the date on which the Secretary determines that the costs of carrying out the National Energy Security Act of 2009 have been repaid.

''(ii) TRANSFER.—On termination of the Fund under clause (i), the remaining

balance in the Fund shall be transferred to the appropriate fund of the Treasury.''.

PART II—OTHER FOSSIL RESOURCES

SEC. 371. AUTHORIZATION OF ACTIVITIES AND EXPORTS INVOLVING HYDROCARBON RESOURCES.

(a) DEFINITION.—In this section, the term ''United States person'' means—

(1) any United States citizen or alien lawfully admitted for permanent residence in the United States; and

(2) any person other than an individual, if 1 or more individuals described in paragraph (1) own or control at least 51 percent of the securities or other equity interest in the person.

(b) AUTHORIZATION.—Notwithstanding any other provision of law (including a regulation), United States persons (including agents and affiliates of those United States persons) may—

(1) engage in any transaction necessary for the exploration for and extraction of hydrocarbon resources from any portion of any foreign exclusive economic zone that is contiguous to the exclusive economic zone of the United States; and

(2) export without license authority all equipment necessary for the exploration for or extraction of hydrocarbon resources described in paragraph (1).

SEC. 372. TRAVEL IN CONNECTION WITH AUTHORIZED HYDROCARBON EXPLORATION AND EXTRACTION ACTIVITIES.

Section 910 of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7209) is amended by adding at the end the following:

''(c) GENERAL LICENSE AUTHORITY FOR TRAVEL-RELATED EXPENDITURES BY PERSONS ENGAGING IN HYDROCARBON EXPLORATION AND EXTRACTION ACTIVITIES.—

''(1) IN GENERAL.—The Secretary of the Treasury shall authorize under a general license the travel-related transactions listed in section 515.560(c) of title 31, Code of Federal Regulations, for travel to, from, or within Cuba in connection with exploration for and the extraction of hydrocarbon resources in any part of a foreign maritime Exclusive Economic Zone that is contiguous to the United States' Exclusive Economic Zone.

''(2) PERSONS AUTHORIZED.—Persons authorized to travel to Cuba under this section include full-time employees, executives, agents, and consultants

of oil and gas producers, distributors, and shippers.''.

SEC. 373. ALASKA OCS JOINT LEASE AND PERMITTING PROCESSING OFFICE.

(a) ESTABLISHMENT.—The Secretary of the Interior (referred to in this section as the ''Secretary'') shall establish a regional joint outer Continental Shelf lease and permit processing office for the Alaska Outer Continental Shelf region.

(b) MEMORANDUM OF UNDERSTANDING.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding for the purposes of carrying out this section with—

(1) the Secretary of Commerce;

(2) the Chief of Engineers;

(3) the Administrator of the Environmental Protection Agency; and

(4) any other Federal agency that may have a role in permitting activities.

(c) DESIGNATION OF QUALIFIED STAFF.—

(1) IN GENERAL.—Not later than 30 days after the date of the signing of the memorandum of understanding under subsection (b), each Federal signatory party shall, if appropriate, assign to the of-

fice described in subsection (a) an employee who has expertise in the regulatory issues administered by the office in which the employee is employed relating to leasing and the permitting of oil and gas activities on the Outer Continental Shelf.

(2) DUTIES.—An employee assigned under paragraph (1) shall—

(A) not later than 90 days after the date of assignment, report to the office described in subsection (a);

(B) be responsible for all issues relating to the jurisdiction of the home office or agency of the employee; and

(C) participate as part of the team of personnel working on proposed oil and gas leasing and permitting, including planning and environmental analyses.

SEC. 374. ALASKA NATURAL GAS PIPELINE.

Section 116(c)(2) of the Alaska Natural Gas Pipeline Act (15 U.S.C. 720n(c)(2)) is amended by striking ''$18,000,000,000'' and inserting ''$30,000,000,000''.

TITLE II—CLEAN ENERGY TECHNOLOGY WORKFORCE DEVELOPMENT

SEC. 401. CLEAN ENERGY TECHNOLOGY WORKFORCE.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary shall award competitive, merit-based grants to institutions of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))) for the establishment of programs providing training and education for vocational workforce development through centers of excellence for a broad range of clean energy sector needs in the clean energy technology workforce of the United States, as determined by the Secretary.

(2) OTHER INSTITUTIONS.—In carrying out this subsection, the Secretary shall accept proposals for centers from institutions of higher education that have or are prepared to develop a meaningful curriculum and program described in paragraph (1).

(b) NATIONAL MERIT SCHOLARSHIP PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a national merit scholarship program that provides scholarships each fiscal year for at least 1,000 undergraduate and 500 graduate students that are

studying engineering, geosciences, and other energy-related fields.

(2) ELIGIBILITY.—To be eligible to obtain a scholarship under this subsection, a student shall be enrolled in a program offered by an institution of higher education that provides training and education for a clean energy workforce described in subsection (a)(1).

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

DIVISION C—GLOBAL RISK MANAGEMENT

SEC. 501. SENSE OF CONGRESS ON GEOPOLITICAL CONSEQUENCES OF OIL DEPENDENCE.

(a) FINDINGS.—Congress finds that—

(1) it is imperative to the national security, economic prosperity, and environmental integrity of the United States to have reliable, diverse, and affordable energy supplies;

(2)(A) the United States faces a multifaceted and growing threat to energy security;

(B) State-owned energy companies, especially those of adversarial governments, are using the en-

ergy supplies of the companies as leverage to promote foreign policies of states; and

(C) politically motivated domestic groups, pirates, and terrorists further present an increasing risk to critical energy infrastructure and key corridors of international energy supplies;

(3) efforts to develop a long-term energy policy for the United States is partially hindered by the lack of consistent and accurate information on world energy reserves;

(4) the United States should develop short-term policies and strategies that—

(A) protect key energy infrastructure;

(B) secure critical geographic transit routes; and

(C) mitigate political instability from energy suppliers;

(5) over the long-term, the United States should focus national security organizations on obtaining better information on world reserves of energy and strengthening relationships with certain key nations;

(6) addressing the challenge of energy security now and in the future will require the United States to use all instruments of national power, including

the military, diplomatic, and intelligence services; and

(7) the United States should make it a priority to engage key developing nations such as China and India on fossil fuel use in order to address global energy security and climate change challenges.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) sufficient resources should be provided to United States national security agencies to enable the agencies to protect tankers and other vessels, critical infrastructure, and supply routes;

(2) the President should work with Congress—

(A) to coordinate efforts between the Department of State and the Department of Justice to bolster programs to train national police and domestic security forces tasked with defending energy infrastructure in key countries;

(B) to promote initiatives by the Department of State and the Department of Defense—

(i) to provide allied nations with the technical expertise to minimize the consequences of an infrastructure accident or attack;

(ii) to engage the North Atlantic Treaty Organization (NATO) and other allies in negotiations on creating a security architecture to protect the strategic terrain; and

(iii) to work with the Coast Guard to strengthen the capacity of local, national, and regional maritime security forces;

(C) to mobilize the Department of Defense and the Department of Energy, in conjunction with the intelligence community, to conduct detailed scenario planning exercises on the repercussions of attacks on critical energy infrastructure; and

(D)(i) to authorize the Department of State to provide the President with diplomatic options, including the imposition of sanctions, for addressing states that use energy as a political weapon; and

(ii) to improve the capacity of the Department of State to provide diplomatic support to resolve conflicts that impact the energy security of the United States; and

(3) the intelligence community should be given an integral role in bolstering United States national energy security interests by—

(A) completing a comprehensive national intelligence estimate on energy security that assesses the most vulnerable aspects of critical energy infrastructure and the future stability of major energy suppliers;

(B) improving warning time to prevent attacks on key energy infrastructure;

(C) expanding the collection of intelligence on national energy companies and the energy reserves of those companies; and

(D) bolstering collection and analysis of potential strategic conflicts that could disrupt key energy supplies.

SEC. 502. STUDY OF FOREIGN FUEL SUBSIDIES.

(a) IN GENERAL.—The Secretary of Energy, in consultation with the Secretary of State and the Secretary of Commerce, shall conduct a study of foreign fuel subsidies, including—

(1) the impact of the subsidies on global energy supplies, global energy demand, and global economic impacts; and

(2) recommendations on actions that should be taken to reduce the impact of the subsidies.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report that describes the results of the study conducted under this section, including any recommendations.

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