

“(1) The Secretary shall establish, not later than December 31, 2008, State renewable energy account program.

“(2) All money collected by the Secretary from the sale of renewable energy credits and the assessment of civil penalties under this section shall be deposited into the renewable energy account established pursuant to this subsection. The State renewable energy account shall be held by the Secretary and shall not be transferred to the Treasury Department.

“(3) Proceeds deposited in the State renewable energy account shall be used by the Secretary, subject to appropriations, for a program to provide grants to the State agency responsible for developing State energy conservation plans under section 363 of the Energy Policy and Conservation Act (42 U.S.C. 6322) for the purposes of promoting renewable energy production, including programs that promote technologies that reduce the use of electricity at customer sites such as solar water heating.

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

“(5) In allocating funds under this program, the Secretary shall give preference to States, in regions which have a disproportionately small share of economically sustainable renewable energy generation capacity; and to State programs to stimulate or enhance innovative renewable energy technologies.

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

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

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

“(2) in Hawaii.

“(g) INFLATION ADJUSTMENT.—Not later than December 31 of each year beginning in 2008, the Secretary shall adjust for inflation the price of a renewable energy credit under subsection (b)(2)(B) and the amount of the civil penalty per kilowatt-hour under subsection (c)(2).

“(h) STATE PROGRAMS.—Nothing in this section shall diminish any authority of a State or political subdivision thereof to adopt or enforce any law or regulation respecting renewable energy, but no such law or regulation shall relieve any person of any requirement otherwise applicable under this section. The Secretary, in consultation with States having such renewable energy programs, shall, to the maximum extent practicable, facilitate coordination between the Federal program and State programs.

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

“(1) The term ‘base amount of electricity’ means the total amount of electricity sold by an electric utility to electric consumers in a calendar year, excluding—

“(A) electricity generated by a hydroelectric facility (except incremental hydropower); and

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

“(2) The term ‘existing renewable energy’ means, except as provided in paragraph (3)(B), electric energy generated at a facility (including a distributed generation facility) placed in service prior to the date of enactment of this section from solar, wind, ocean, current, wave, tidal or geothermal energy; biomass (as defined in section 504(b)); or landfill gas.

“(3) The term ‘new renewable energy’ means—

“(A) electric energy generated at a facility (including a distributed generation facility) placed in service on or after the date of enactment of this section from solar, wind, ocean, current, wave, tidal or geothermal energy; biomass (as defined in section 504(b)); landfill gas; or incremental hydropower; and

“(B) for electric energy generated at a facility (including a distributed generation facility) placed in service prior to the date of enactment of this section—

“(i) the additional energy above the average generation in the 3 years preceding the date of enactment of this section at the facility from solar, wind, or ocean energy; biomass (as defined in section 504(b)); landfill gas or incremental hydropower.

“(ii) the incremental geothermal production.

“(4) The term ‘distributed generation facility’ means a facility at a customer site.

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

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

“(7) INCREMENTAL GEOTHERMAL PRODUCTION.—

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

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

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

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

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

SA 774. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill H.R. 6, Reserved; which was ordered to lie on the table; as follows:

On page 159, after line 23, add the following:

SEC. _____ RURAL AND REMOTE COMMUNITY ELECTRIFICATION GRANTS.

The Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended in title VI by adding at the end the following:

“SEC. 609. RURAL AND REMOTE COMMUNITIES ELECTRIFICATION GRANTS.

“(a) DEFINITIONS.—In this section:

“(1) The term ‘eligible grantee’ means a local government or municipality, peoples’ utility district, irrigation district, and cooperative, nonprofit, or limited-dividend association in a rural area.

“(2) The term ‘incremental hydropower’ means additional generation achieved from increased efficiency after January 1, 2005, at a hydroelectric dam that was placed in service before January 1, 2005.

“(3) The term ‘renewable energy’ means electricity generated from—

“(A) a renewable energy source; or

“(B) hydrogen, other than hydrogen produced from a fossil fuel, that is produced from a renewable energy source.

“(4) The term ‘renewable energy source’ means—

“(A) wind;

“(B) ocean waves;

“(C) biomass;

“(D) solar

“(E) landfill gas;

“(F) incremental hydropower;

“(G) livestock methane; or

“(H) geothermal energy.

“(5) The term ‘rural area’ means a city, town, or unincorporated area that has a population of not more than 10,000 inhabitants.

“(b) GRANTS.—The Secretary, in consultation with the Secretary of Agriculture and the Secretary of the Interior, may provide grants under this section to eligible grantees for the purpose of—

“(1) increasing energy efficiency, siting or upgrading transmission and distribution lines serving rural areas; or

“(2) providing or modernizing electric generation facilities that serve rural areas.

“(c) GRANT ADMINISTRATION.—(1) The Secretary shall make grants under this section based on a determination of cost-effectiveness and the most effective use of the funds to achieve the purposes described in subsection (b).

“(2) For each fiscal year, the Secretary shall allocate grant funds under this section equally between the purposes described in paragraphs (1) and (2) of subsection (b).

“(3) In making grants for the purposes described in subsection (b)(2), the Secretary shall give preference to renewable energy facilities.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$20,000,000 for each of fiscal years 2006 through 2012.”

NOTICE OF HEARINGS/MEETINGS

SUBCOMMITTEE ON NATIONAL PARKS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that the hearing originally scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources for Tuesday, June 14th 2005, at 10 a.m. has been postponed and will be rescheduled for a later date.

For further information, please contact Tom Lillie at (202) 224-5161 or Brian Carlstrom at (202) 224-6293.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Tuesday,

June 21, 2005, at 10 a.m., to examine the issue of voter verification the federal elections process.

For further information regarding this hearing, please contact Susan Wells at the Rules and Administration Committee on 224-6352.

PRIVILEGE OF THE FLOOR

Mr. HAGEL. Mr. President, I ask unanimous consent that Mark Hegerle, a staff member with Senator TALENT, be granted floor privileges during the consideration of the Energy bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RELATIVE TO THE DEATH OF FORMER SENATOR J. JAMES EXON

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 170, which was submitted early today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 170) relative to the death of J. James Exon, former United States Senator for the State of Nebraska.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HAGEL. Mr. President, on Friday, Nebraska lost one of the most dominant political figures in our State's history. Former two-term Governor and three-term U.S. Senator Jim Exon passed away in Lincoln at the age of 83.

Many in this Chamber today served with him and knew him well. Those who served with Jim Exon remember a serious and dedicated public servant who enjoyed life and loved his State.

Jim's voice was strong, and he spoke clearly and directly. No one ever had to guess where Jim Exon stood. As a Governor and a Senator, he fought for balanced budgets and restrained Government spending.

In the Senate, from his seat on the Armed Services Committee, he was a passionate advocate for a strong national defense. As a member of the Commerce Committee, he was a protector of our natural resources, and he had the foresight to author the Communications Decency Act.

Mr. President, today, when politics is too often a race to the lowest political common denominator, Jim Exon was a very effective leader, a partisan leader who always played it straight. He never lost an election. He won five statewide elections in Nebraska, more than any other Nebraskan. Under Jim Exon's leadership, the Democratic Party became the dominant party in Nebraska for 25 years.

Anyone who knows Nebraska understands what a remarkable accomplishment that was. He did it by listening to the people. He did it by being a leader.

I was Jim Exon's replacement in the Senate in 1996. Over the last 9 years, I came to know him well and respect his judgment. We did not always agree, but I always appreciated the opportunities I had to visit with Senator Exon on a wide range of issues. A child of the plains and a veteran of World War II, he is part of a generation of Americans who understood leadership, sacrifice, and war. In his later years, Jim Exon had much to say. And I had an opportunity to listen.

The voice and wisdom of Jim Exon and his generation is slipping away from us at a time of unparalleled change in our world. Just as with Jim Exon, while this great generation is still with us, we need to listen closely to them. I did listen to Jim Exon.

As a small businessman, two-term Governor and three-term Senator, James Exon, along with his wife Pat, served his State, his Nation, and this institution with distinction. He will be missed by the Nebraskans he served so well and loved so much.

Mr. BENNETT. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The resolution (S. Res. 170) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 170

Whereas J. James Exon served in the United States Army Signal Corps from 1942-1945 and in the United States Army Reserve from 1945-1949;

Whereas J. James Exon served as Governor of the State of Nebraska from 1971-1979;

Whereas J. James Exon served the people of Nebraska with distinction for 18 years in the United States Senate where he was a proponent of a strong national defense and knowledgeable source on geopolitical matters;

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable J. James Exon, former member of the United States Senate.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the Honorable J. James Exon.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Calendar No. 150, the nomination of Brian Montgomery to be an Assistant Secretary of Housing and Urban Development. I further ask unanimous consent that the nomina-

tion be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Brian D. Montgomery, of Texas, to be an Assistant Secretary of Housing and Urban Development.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

ORDERS FOR TUESDAY, JUNE 14, 2005

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:45 a.m. on Tuesday, June 14; I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and that the Senate then return to executive session and resume consideration of the nomination of Thomas Griffith to be a U.S. circuit judge for the DC Circuit; provided that at 10 a.m., the Senate proceed to vote on the confirmation as provided under the previous order.

I further ask unanimous consent that the Senate recess from 12:30 p.m. until 2:15 p.m. for the Democratic Party luncheon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BENNETT. Mr. President, tomorrow the Senate will resume consideration of the nomination of Thomas Griffith to be a circuit judge for the DC Circuit. At 10 a.m., the Senate will proceed to a vote on his confirmation. That will be the first vote of tomorrow's session. Following the confirmation vote, the Senate will begin consideration of the Energy bill. This bill was reported out of committee with strong bipartisan support. It is our hope that we can move this legislation forward in a timely manner. We will begin the amending process tomorrow and votes in relation to amendments are possible throughout the day tomorrow. At this time, I encourage those Senators who have amendments to contact the bill's managers so that they can establish an orderly schedule for their consideration.