

(C) Sinn Fein must work in good faith with the Police Service of Northern Ireland;

(D) the leadership of Sinn Fein must insist that those responsible for the murder of Robert McCartney and those who were witnesses to the murder—

(i) cooperate directly with the Police Service of Northern Ireland; and

(ii) be protected fully from any retaliation by the Irish Republican Army; and

(E) the Government of the United Kingdom must—

(i) permanently restore the democratic institutions of Northern Ireland;

(ii) complete the process of demilitarization in Northern Ireland; and

(iii) advance equality and human rights agendas in Northern Ireland.

SENATE RESOLUTION 174—RECOGNIZING BURMESE DEMOCRACY ACTIVIST AND NOBEL PEACE LAUREATE AUNG SAN SUU KYI AS A SYMBOL OF THE STRUGGLE FOR FREEDOM IN BURMA

Mr. MCCONNELL (for himself, Mrs. FEINSTEIN, Mr. MCCAIN, Mr. FRIST, Mr. LUGAR, and Mr. REID) submitted the following resolution; which was considered and agreed to:

S. RES. 174

Whereas June 19, 2005 marks the 60th birthday of Burmese democracy activist and Nobel Peace Prize Laureate Aung San Suu Kyi;

Whereas Burma is misruled by the State Peace and Development Council, an illegitimate, repressive military junta led by General Than Shwe;

Whereas although the main opposition party in Burma, the National League for Democracy, won a landslide victory in national elections in 1990, the State Peace and Development Council has refused to honor the results of that election and peacefully transfer power in Burma;

Whereas the State Peace and Development Council as a matter of policy carries out a campaign of violence and intimidation against the people of Burma and ethnic minorities that includes the use of rape, torture, and terror;

Whereas hundreds of democracy activists, including Aung San Suu Kyi who is the leader of the National League for Democracy, remain imprisoned by the repressive State Peace and Development Council; and

Whereas the United States and other democratic countries recognize and applaud the dedication and commitment to freedom demonstrated by Aung San Suu Kyi and the people of Burma: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes Burmese democracy activist and Nobel Peace Prize Laureate Aung San Suu Kyi as a symbol of the spirit and dedication of the people of Burma who are courageously and nonviolently struggling for freedom, human rights, and justice;

(2) calls for the immediate and unconditional release of Aung San Suu Kyi and all other prisoners of conscience who are held by the State Peace and Development Council, the illegitimate, repressive military junta in power in Burma; and

(3) strongly urges Secretary of State Condoleezza Rice to initiate a discussion of the repressive practices of the State Peace and Development Council during the 12th Association of Southeast Asian Nations regional forum and post-ministerial meeting scheduled to take place in Vientiane, Laos on July 29, 2005.

SENATE RESOLUTION 175—COMMENDING THE UNIVERSITY OF MICHIGAN SOFTBALL TEAM FOR WINNING THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION DIVISION I CHAMPIONSHIP ON JUNE 8, 2005

Mr. LEVIN (for himself and Ms. STABENOW) submitted the following resolution; which was considered and agreed to:

S. RES. 175

Whereas the top-ranked University of Michigan softball team defeated the University of California-Los Angeles (UCLA) Bruins in the Women's College World Series 2 games to 1, becoming only the eighth team to win the National Collegiate Athletic Association (NCAA) Softball Championship and the first Big Ten Conference team to claim a national title in softball or baseball since 1966;

Whereas the University of Michigan softball team clinched the 2005 Women's College World Series in an exciting extra-innings game with a 3-run homer in the 10th inning to win 4 to 1;

Whereas the University of Michigan softball team hit a home run in 57 of 65 games during the 2005 season and is just 1 of 3 schools in NCAA history to hit 100 home runs in a season;

Whereas in 2005, the University of Michigan softball team earned its first Number 1 ranking in school history and won its tenth Big Ten Conference championship and seventh Big Ten Tournament title en route to advancing to its eighth Women's College World Series;

Whereas the NCAA championship title marks the 52nd national championship for a sports program at the University of Michigan, the second for a women's athletic program at Michigan, and the first for a softball program east of the Mississippi River;

Whereas the University of Michigan softball team mounted an impressive season record of 65 wins and 7 losses;

Whereas Coach Carol Hutchins eclipsed the 900 win mark, capping a stellar 21 year career at Michigan that has seen her become the most victorious coach in University of Michigan history, currently ranking among the top 10 Division I active coaches, with 940 career wins and a .729 winning percentage;

Whereas 2 University of Michigan softball players, shortstop Jessica Merchant and pitcher Jennie Ritter, were finalists for the USA Softball Collegiate Player of the Year Award;

Whereas a record-tying 8 players from the University of Michigan softball team were named to the Big Ten All-Conference Team, and 6 players were named to the Spring 2005 Academic All-Big Ten Conference Team;

Whereas the University of Michigan softball team was led by the solid coaching of Carol Hutchins, Bonnie Tholl, Jennifer Brundage, and Jennifer Teague;

Whereas players on the University of Michigan softball team included Stephanie Bercaw, Angie Danis, Samantha Findlay, Alessandra Giampaolo, Tiffany Haas, Lauren Holland, Jennifer Kreinbrink, Grace Leutele, Becky Marx, Jessica Merchant, Rebekah Milian, Nicole Motycka, Jennie Ritter, Lauren Talbot, Michelle Teschler, Michelle Weatherdon, Lorilyn Wilson, Stephanie Winter, and Tiffany Worthy; and

Whereas Michigan had tremendous support from its hometown fans during their season, setting a home attendance record in 2005, and bringing in the 5 largest crowds in program history: Now, therefore, be it

Resolved, That the Senate—

(1) commends the University of Michigan softball team for winning the 2005 National Collegiate Athletic Association Division I Championship on June 8, 2005;

(2) recognizes all of the players and coaches who were instrumental in this achievement; and

(3) directs the Secretary of the Senate to transmit an enrolled copy of this resolution to the University of Michigan athletic department for appropriate display.

AMENDMENTS SUBMITTED AND PROPOSED

SA 790. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 6, Reserved; which was ordered to lie on the table.

SA 791. Mr. BINGAMAN (for himself, Mr. COLEMAN, Mr. JEFFORDS, Ms. COLLINS, Mr. DORGAN, Mrs. FEINSTEIN, Ms. CANTWELL, Mr. REID, Mr. SALAZAR, Mr. OBAMA, Mrs. CLINTON, Mr. KERRY, Mr. LAUTENBERG, Mr. JOHNSON, and Ms. SNOWE) proposed an amendment to the bill H.R. 6, *supra*.

SA 792. Mr. WYDEN (for himself and Mr. DORGAN) submitted an amendment intended to be proposed by him to the bill H.R. 6, *supra*; which was ordered to lie on the table.

SA 793. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 6, *supra*; which was ordered to lie on the table.

SA 794. Mr. DOMENICI (for himself and Mr. BINGAMAN) proposed an amendment to the bill H.R. 6, *supra*.

SA 795. Mr. BAYH submitted an amendment intended to be proposed by him to the bill H.R. 6, *supra*; which was ordered to lie on the table.

SA 796. Mr. FEINGOLD (for himself and Mr. BROWNBACK) submitted an amendment intended to be proposed by him to the bill H.R. 6, *supra*; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 790. Mr. DAYTON 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. 211. ETHANOL CONTENT OF GASOLINE.

(a) **DEFINITIONS.**—In this section:

(1) **CELLULOSIC BIOMASS ETHANOL.**—The term “cellulosic biomass ethanol” means ethanol derived from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including—

(A) dedicated energy crops and trees;

(B) wood and wood residues;

(C) plants;

(D) grasses;

(E) agricultural residues; and

(F) fibers.

(2) **WASTE DERIVED ETHANOL.**—The term “waste derived ethanol” means ethanol derived from—

(A) animal wastes, including poultry fats and poultry wastes, and other waste materials; or

(B) municipal solid waste.

(3) **ETHANOL.**—The term “ethanol” means cellulosic biomass ethanol and waste derived ethanol.

(b) **RENEWABLE FUEL PROGRAM.**—Notwithstanding any other provision of law, not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations ensuring that each gallon of gasoline sold or dispensed to consumers in

the contiguous United States contains 10 percent ethanol by 2015.

SA 791. Mr. BINGAMAN (for himself, Mr. COLEMAN, Mr. JEFFORDS, Ms. COLLINS, Mr. DORGAN, Mrs. FEINSTEIN, Ms. CANTWELL, Mr. REID, Mr. SALAZAR, Mr. OBAMA, Mrs. CLINTON, Mr. KERRY, Mr. LAUTENBERG, Mr. JOHNSON, and Ms. SNOWE) proposed an amendment to the bill H.R. 6, Reserved; as follows:

At the end of title II, add the following:

Subtitle F—Renewable Portfolio Standard

SEC. 271. RENEWABLE PORTFOLIO STANDARD.

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

“SEC. 609. FEDERAL RENEWABLE PORTFOLIO STANDARD.

“(a) RENEWABLE ENERGY REQUIREMENT.—

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

“Calendar year:	Minimum annual percentage:
2008 through 2011	2.5
2012 through 2015	5.0
2016 through 2019	7.5
2020 through 2030	10.0

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

“(A) generating electric energy using new renewable energy or existing renewable energy;

“(B) purchasing electric energy generated by new renewable energy or existing renewable energy;

“(C) purchasing renewable energy credits issued under subsection (b); or

“(D) a combination of the foregoing.

“(b) RENEWABLE ENERGY CREDIT TRADING PROGRAM.—

“(1) Not later than January 1, 2007, the Secretary shall establish a renewable energy credit trading program to permit an electric utility that does not generate or purchase enough electric energy from renewable energy to meet its obligations under subsection (a)(1) to satisfy such requirements by purchasing sufficient renewable energy credits.

“(2) As part of such program the Secretary shall—

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

“(B) sell renewable energy credits to electric utilities at the rate of 1.5 cents per kilowatt-hour (as adjusted for inflation under subsection (g));

“(C) ensure that a kilowatt hour, including the associated renewable energy credit, shall be used only once for purposes of compliance with this section; and

“(D) allow double credits for generation from facilities on Indian Lands, and triple credits for generation from small renewable distributed generators (meaning those no larger than 1 megawatt).

“(3) Credits under paragraph (2)(A) may only be used for compliance with this section for 3 years from the date issued.

“(c) ENFORCEMENT.—

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

“(2) AMOUNT OF PENALTY.—The amount of the civil penalty shall be determined by mul-

tiplying the number of kilowatt-hours of electric energy sold to electric consumers in violation of subsection (a) by the greater of 1.5 cents (adjusted for inflation under subsection (g)) or 200 percent of the average market value of renewable energy credits during the year in which the violation occurred.

“(3) MITIGATION OR WAIVER.—The Secretary may mitigate or waive a civil penalty under this subsection if the electric utility was unable to comply with subsection (a) for reasons outside of the reasonable control of the utility. The Secretary shall reduce the amount of any penalty determined under paragraph (2) by an amount paid by the electric utility to a State for failure to comply with the requirement of a State renewable energy program if the State requirement is greater than the applicable requirement of subsection (a).

“(4) PROCEDURE FOR ASSESSING PENALTY.—The Secretary shall assess a civil penalty under this subsection in accordance with the procedures prescribed by section 333(d) of the Energy Policy and Conservation Act of 1990 (42 U.S.C. 6303).

“(d) STATE RENEWABLE ENERGY ACCOUNT PROGRAM.—

“(1) The Secretary shall establish, not later than December 31, 2008, a 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 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) for the purposes of promoting renewable energy production, including programs that promote technologies that reduce the use of electricity at customer sites such as solar water heating.

“(4) 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—

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

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

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

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

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

“(2) in Hawaii.

“(g) INFLATION ADJUSTMENT.—Not later than December 31 of each year beginning in 2008, the Secretary shall adjust for inflation the 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, except as provided in subsection (c)(3), no such law or regulation shall relieve any person of any requirement otherwise applicable under this section. The Secretary, in consultation with States having such renewable energy programs, shall, to the maximum extent practicable, facilitate coordination between the Federal program and State programs.

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

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

“(A) electricity generated by a hydroelectric facility (including a pumped storage facility but excluding incremental hydro-power); and

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

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

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

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

“(5) INCREMENTAL GEOTHERMAL PRODUCTION.—

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

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

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

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

“(6) INCREMENTAL HYDROPOWER.—The term ‘incremental hydropower’ means additional energy generated as a result of efficiency improvements or capacity additions made on or after 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.

“(7) NEW RENEWABLE ENERGY.—The term ‘new renewable energy’ means—

“(A) electric energy generated at a facility (including a distributed generation facility) placed in service on or after January 1, 2003, from—

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

“(ii) biomass (as defined in section 203(a) of the Energy Policy Act of 2005);

“(iii) landfill gas; or

“(iv) 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—

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

“(II) biomass (as defined in section 203(a) of the Energy Policy Act of 2005);

“(III) landfill gas; or

“(IV) incremental hydropower.

“(ii) the incremental geothermal production.

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

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

SA 792. Mr. WYDEN (for himself and Mr. DORGAN) 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 208, strike lines 11 through 20 and insert the following:

(e) **FILL STRATEGIC PETROLEUM RESERVE TO CAPACITY.**—

(1) **DEFINITION OF PRICE OF OIL.**—In this subsection, the term “price of oil” means the West Texas Intermediate 1-month future price of oil on the New York Mercantile Exchange.

(2) **ACQUISITION.**—The Secretary shall, as expeditiously as practicable, without incurring excessive cost or appreciably affecting the price of gasoline or heating oil to consumers, acquire petroleum in quantities sufficient to fill the Strategic Petroleum Reserve to the 1,000,000,000-barrel capacity authorized under section 154(a) of the Energy Policy and Conservation Act (42 U.S.C. 6234(a)), in accordance with the sections 159 and 160 of that Act (42 U.S.C. 6239, 6240).

(3) **SUSPENSION OF ACQUISITIONS.**—

(A) **IN GENERAL.**—The Secretary shall suspend acquisitions of petroleum under paragraph (2) when the market day closing price of oil exceeds \$58.28 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers United States city average, as published by the Bureau of Labor Statistics) for 10 consecutive trading days.

(B) **ACQUISITION.**—Acquisitions suspended under subparagraph (A) shall resume when the market day closing price of oil remains below \$40 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers United States city average, as published by the Bureau of Labor Statistics) for 10 consecutive trading days.

SA 793. Mr. LAUTENBERG 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:

Beginning on page 135, strike line 6 and all that follows through page 160, line 1, and insert the following:

(d) **REPORT.**—Not later than April 16, 2007, and every 3 years thereafter, the Secretary shall provide to Congress a report on the progress of the Federal Government in meeting the goals established by this section.

Subtitle B—Reliable Fuels

SEC. 211. RENEWABLE CONTENT OF GASOLINE.

(a) **IN GENERAL.**—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (o) as subsection (r); and

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

“(o) **RENEWABLE FUEL PROGRAM.**—

“(1) **DEFINITIONS.**—In this section and section 212:

“(A) **CELLULOUS BIOMASS ETHANOL.**—The term ‘cellulosic biomass ethanol’ means ethanol derived from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, including—

“(i) dedicated energy crops and trees;

“(ii) wood and wood residues;

“(iii) plants;

“(iv) grasses;

“(v) agricultural residues;

“(vi) fibers;

“(vii) animal wastes and other waste materials; and

“(viii) municipal solid waste.

“(B) **CELLULOUS BIOMASS FEEDSTOCK.**—The term ‘cellulosic biomass feedstock’ means—

“(i) dedicated energy crops and trees;

“(ii) wood and wood residues;

“(iii) plants;

“(iv) grasses;

“(v) agricultural residues;

“(vi) fibers;

“(vii) animal wastes and other waste materials; and

“(viii) municipal solid waste.

“(C) **CELLULOUS BIOMASS-DERIVED LIQUID ALTERNATIVE FUEL.**—

“(i) **IN GENERAL.**—The term ‘cellulosic biomass-derived liquid alternative fuel’ means an alternative fuel (as defined in section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211)), or a blending component for alternative fuel, that—

“(I) is derived from cellulosic biomass feedstock or waste; and

“(II) remains substantially in a liquid phase at room temperature and atmospheric pressure.

“(ii) **CERTAIN LIQUID ALTERNATIVE FUELS.**—For any liquid alternative fuel that contains a component that is not derived from a cellulosic biomass feedstock or waste, only the portion of the fuel that is derived from a cellulosic biomass feedstock shall be considered to be a biomass-derived liquid alternative fuel.

“(D) **RENEWABLE FUEL.**—

“(i) **IN GENERAL.**—The term ‘renewable fuel’ means motor vehicle fuel that—

“(I)(aa) is produced from grain, starch, oilseeds, sugarcane, sugar beets, sugar components, tobacco, potatoes, or other biomass; or

“(bb) is natural gas produced from a biogas source, including a landfill, sewage waste treatment plant, feedlot, or other place where decaying organic material is found; and

“(II) is used to replace or reduce the quantity of fossil fuel present in a fuel mixture used to operate a motor vehicle.

“(ii) **INCLUSION.**—The term ‘renewable fuel’ includes—

“(I) cellulosic biomass ethanol; and

“(II) biodiesel (as defined in section 312(f) of the Energy Policy Act of 1992 (42 U.S.C. 13220(f))).

“(E) **SMALL REFINERY.**—The term ‘small refinery’ means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing

the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

“(F) **WASTE.**—The term ‘waste’ means—

“(i) animal wastes, including poultry fats and poultry wastes, and other waste materials; or

“(ii) municipal solid waste (as defined in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903)).

“(2) **RENEWABLE FUEL PROGRAM.**—

“(A) **REGULATIONS.**—

“(i) **IN GENERAL.**—Not later than 1 year after the date of enactment of this paragraph, the Administrator shall promulgate regulations to ensure that gasoline sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with subparagraph (B).

“(ii) **NONCONTIGUOUS STATE OPT-IN.**—

“(I) **IN GENERAL.**—On the petition of a noncontiguous State or territory, the Administrator may allow the renewable fuel program established under this subsection to apply in the noncontiguous State or territory at the same time or any time after the Administrator promulgates regulations under this subparagraph.

“(II) **OTHER ACTIONS.**—In carrying out this clause, the Administrator may—

“(aa) issue or revise regulations under this paragraph;

“(bb) establish applicable percentages under paragraph (3);

“(cc) provide for the generation of credits under paragraph (5); and

“(dd) take such other actions as are necessary to allow for the application of the renewable fuels program in a noncontiguous State or territory.

“(iii) **PROVISIONS OF REGULATIONS.**—Regardless of the date of promulgation, the regulations promulgated under clause (i)—

“(I) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that the requirements of this paragraph are met; but

“(II) shall not—

“(aa) restrict geographic areas in which renewable fuel may be used; or

“(bb) impose any per-gallon obligation for the use of renewable fuel.

“(iv) **REQUIREMENT IN CASE OF FAILURE TO PROMULGATE REGULATIONS.**—If the Administrator does not promulgate regulations under clause (i), the percentage of renewable fuel in gasoline sold or dispensed to consumers in the United States, on a volume basis, shall be 3.2 percent for calendar year 2006.

“(B) **APPLICABLE VOLUME.**—

“(i) **CALENDAR YEARS 2006 THROUGH 2012.**—For the purpose of subparagraph (A), the applicable volume for any of calendar years 2006 through 2012 shall be determined in accordance with the following table:

Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2006	4.0
2007	4.7
2008	5.4
2009	6.1
2010	6.8
2011	7.4
2012	8.0

“(ii) **CALENDAR YEAR 2013 AND THEREAFTER.**—Subject to clauses (iii) and (iv), for the purposes of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be determined by the Administrator, in coordination with

the Secretary of Agriculture and the Secretary of Energy, based on a review of the implementation of the program during calendar years 2006 through 2012, including a review of—

“(I) the impact of the use of renewable fuels on the environment, air quality, energy security, job creation, and rural economic development; and

“(II) the expected annual rate of future production of renewable fuels, including cellulosic ethanol.

“(iii) MINIMUM QUANTITY DERIVED FROM CELLULOUS BIOMASS.—For calendar year 2013 and each calendar year thereafter—

“(I) the applicable volume referred to in clause (ii) shall contain a minimum of 250,000,000 gallons that are derived from cellulosic biomass; and

“(II) the 2.5-to-1 ratio referred to in paragraph (4) shall not apply.

“(iv) MINIMUM APPLICABLE VOLUME.—For the purpose of subparagraph (A), the applicable volume for calendar year 2013 and each calendar year thereafter shall be not less than the product obtained by multiplying—

“(I) the number of gallons of gasoline that the Administrator estimates will be sold or introduced into commerce in the calendar year; and

“(II) the ratio that—

“(aa) 8,000,000,000 gallons of renewable fuel; bears to

“(bb) the number of gallons of gasoline sold or introduced into commerce in calendar year 2012.

“(3) APPLICABLE PERCENTAGES.—

“(A) PROVISION OF ESTIMATE OF VOLUMES OF GASOLINE SALES.—Not later than October 31 of each of calendar years 2005 through 2011, the Administrator of the Energy Information Administration shall provide to the Administrator of the Environmental Protection Agency an estimate, with respect to the following calendar year, of the volumes of gasoline projected to be sold or introduced into commerce in the United States.

“(B) DETERMINATION OF APPLICABLE PERCENTAGES.—

“(i) IN GENERAL.—Not later than November 30 of each of calendar years 2005 through 2012, based on the estimate provided under subparagraph (A), the Administrator of the Environmental Protection Agency shall determine and publish in the Federal Register, with respect to the following calendar year, the renewable fuel obligation that ensures that the requirements of paragraph (2) are met.

“(ii) REQUIRED ELEMENTS.—The renewable fuel obligation determined for a calendar year under clause (i) shall—

“(I) be applicable to refineries, blenders, and importers, as appropriate;

“(II) be expressed in terms of a volume percentage of gasoline sold or introduced into commerce in the United States; and

“(III) subject to subparagraph (C)(i), consist of a single applicable percentage that applies to all categories of persons specified in subclause (I).

“(C) ADJUSTMENTS.—In determining the applicable percentage for a calendar year, the Administrator shall make adjustments—

“(i) to prevent the imposition of redundant obligations on any person specified in subparagraph (B)(ii)(I); and

“(ii) to account for the use of renewable fuel during the previous calendar year by small refineries that are exempt under paragraph (9).

“(4) CELLULOUS BIOMASS ETHANOL.—For the purpose of paragraph (2), 1 gallon of cellulosic biomass ethanol shall be considered to be the equivalent of 2.5 gallons of renewable fuel.

“(5) CREDIT PROGRAM.—

“(A) IN GENERAL.—The regulations promulgated under paragraph (2)(A) shall provide—

“(i) for the generation of an appropriate amount of credits by any person that refines, blends, or imports gasoline that contains a quantity of renewable fuel that is greater than the quantity required under paragraph (2);

“(ii) for the generation of an appropriate amount of credits for biodiesel; and

“(iii) for the generation of credits by small refineries in accordance with paragraph (9)(C).

“(B) USE OF CREDITS.—A person that generates credits under subparagraph (A) may use the credits, or transfer all or a portion of the credits to another person, for the purpose of complying with paragraph (2).

“(C) DURATION OF CREDITS.—A credit generated under this paragraph shall be valid to show compliance for the calendar year in which the credit was generated.

“(D) INABILITY TO GENERATE OR PURCHASE SUFFICIENT CREDITS.—The regulations promulgated under paragraph (2)(A) shall include provisions allowing any person that is unable to generate or purchase sufficient credits to meet the requirements of paragraph (2) to carry forward a renewable fuel deficit on condition that the person, in the calendar year following the year in which the renewable fuel deficit is created—

“(i) achieves compliance with the renewable fuel requirement under paragraph (2); and

“(ii) generates or purchases additional renewable fuel credits to offset the renewable fuel deficit of the previous year.

“(6) SEASONAL VARIATIONS IN RENEWABLE FUEL USE.—

“(A) STUDY.—For each of calendar years 2006 through 2012, the Administrator of the Energy Information Administration shall conduct a study of renewable fuel blending to determine whether there are excessive seasonal variations in the use of renewable fuel.

“(B) REGULATION OF EXCESSIVE SEASONAL VARIATIONS.—If, for any calendar year, the Administrator of the Energy Information Administration, based on the study under subparagraph (A), makes the determinations specified in subparagraph (C), the Administrator of the Environmental Protection Agency shall promulgate regulations to ensure that 35 percent or more of the quantity of renewable fuel necessary to meet the requirements of paragraph (2) is used during each of the 2 periods specified in subparagraph (D) of each subsequent calendar year.

“(C) DETERMINATIONS.—The determinations referred to in subparagraph (B) are that—

“(i) less than 35 percent of the quantity of renewable fuel necessary to meet the requirements of paragraph (2) has been used during 1 of the 2 periods specified in subparagraph (D) of the calendar year; and

“(ii) a pattern of excessive seasonal variation described in clause (i) will continue in subsequent calendar years.

“(D) PERIODS.—The 2 periods referred to in this paragraph are—

“(i) April through September; and

“(ii) January through March and October through December.

“(E) EXCLUSION.—Renewable fuel blended or consumed in calendar year 2006 in a State that has received a waiver under section 209(b) shall not be included in the study under subparagraph (A).

“(F) STATE EXEMPTION FROM SEASONALITY REQUIREMENTS.—Notwithstanding any other provision of law, the seasonality requirement relating to renewable fuel use established by this paragraph shall not apply to any State that has received a waiver under section 209(b).

“(7) WAIVERS.—

“(A) IN GENERAL.—The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, may waive the requirements of paragraph (2) in whole or in part on petition by 1 or more States by reducing the national quantity of renewable fuel required under paragraph (2)—

“(i) based on a determination by the Administrator, after public notice and opportunity for comment, that implementation of the requirement would severely harm the economy or environment of a State, a region, or the United States; or

“(ii) based on a determination by the Administrator, after public notice and opportunity for comment, that there is an inadequate domestic supply.

“(B) PETITIONS FOR WAIVERS.—The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall approve or disapprove a State petition for a waiver of the requirements of paragraph (2) within 90 days after the date on which the petition is received by the Administrator.

“(C) TERMINATION OF WAIVERS.—A waiver granted under subparagraph (A) shall terminate after 1 year, but may be renewed by the Administrator after consultation with the Secretary of Agriculture and the Secretary of Energy.

“(8) STUDY AND WAIVER FOR INITIAL YEAR OF PROGRAM.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, the Secretary of Energy shall conduct for the Administrator a study assessing whether the renewable fuel requirement under paragraph (2) will likely result in significant adverse impacts on consumers in 2006, on a national, regional, or State basis.

“(B) REQUIRED EVALUATIONS.—The study shall evaluate renewable fuel—

“(i) supplies and prices;

“(ii) blendstock supplies; and

“(iii) supply and distribution system capabilities.

“(C) RECOMMENDATIONS BY THE SECRETARY.—Based on the results of the study, the Secretary of Energy shall make specific recommendations to the Administrator concerning waiver of the requirements of paragraph (2), in whole or in part, to prevent any adverse impacts described in subparagraph (A).

“(D) WAIVER.—

“(i) IN GENERAL.—Not later than 270 days after the date of enactment of this paragraph, the Administrator shall, if and to the extent recommended by the Secretary of Energy under subparagraph (C), waive, in whole or in part, the renewable fuel requirement under paragraph (2) by reducing the national quantity of renewable fuel required under paragraph (2) in calendar year 2006.

“(ii) NO EFFECT ON WAIVER AUTHORITY.—Clause (i) does not limit the authority of the Administrator to waive the requirements of paragraph (2) in whole, or in part, under paragraph (7).

“(9) SMALL REFINERIES.—

“(A) TEMPORARY EXEMPTION.—

“(i) IN GENERAL.—The requirements of paragraph (2) shall not apply to small refineries until calendar year 2011.

“(ii) EXTENSION OF EXEMPTION.—

“(i) STUDY BY SECRETARY OF ENERGY.—Not later than December 31, 2008, the Secretary of Energy shall conduct for the Administrator a study to determine whether compliance with the requirements of paragraph (2) would impose a disproportionate economic hardship on small refineries.

“(ii) EXTENSION OF EXEMPTION.—In the case of a small refinery that the Secretary of Energy determines under subclause (I) would be

subject to a disproportionate economic hardship if required to comply with paragraph (2), the Administrator shall extend the exemption under clause (i) for the small refinery for a period of not less than 2 additional years.

“(B) PETITIONS BASED ON DISPROPORTIONATE ECONOMIC HARSHSHIP.—

“(i) EXTENSION OF EXEMPTION.—A small refinery may at any time petition the Administrator for an extension of the exemption under subparagraph (A) for the reason of disproportionate economic hardship.

“(ii) EVALUATION OF PETITIONS.—In evaluating a petition under clause (i), the Administrator, in consultation with the Secretary of Energy, shall consider the findings of the study under subparagraph (A)(ii) and other economic factors.

“(iii) DEADLINE FOR ACTION ON PETITIONS.—The Administrator shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

“(C) CREDIT PROGRAM.—If a small refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A), the regulations promulgated under paragraph (2)(A) shall provide for the generation of credits by the small refinery under paragraph (5) beginning in the calendar year following the date of notification.

“(D) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of paragraph (2) if the small refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A).

“(10) ETHANOL MARKET CONCENTRATION ANALYSIS.—

“(A) ANALYSIS.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, and annually thereafter, the Federal Trade Commission shall perform a market concentration analysis of the ethanol production industry using the Herfindahl-Hirschman Index to determine whether there is sufficient competition among industry participants to avoid price-setting and other anticompetitive behavior.

“(ii) SCORING.—For the purpose of scoring under clause (i) using the Herfindahl-Hirschman Index, all marketing arrangements among industry participants shall be considered.

“(B) REPORT.—Not later than December 1, 2005, and annually thereafter, the Federal Trade Commission shall submit to Congress and the Administrator a report on the results of the market concentration analysis performed under subparagraph (A)(i).

“(p) RENEWABLE FUEL SAFE HARBOR.—

“(1) IN GENERAL.—

“(A) SAFE HARBOR.—Notwithstanding any other provision of Federal or State law, no renewable fuel (as defined in subsection (o)(1)) used or intended to be used as a motor vehicle fuel, nor any motor vehicle fuel containing renewable fuel, shall be deemed to be defective in design or manufacture by reason of the fact that the fuel is, or contains, renewable fuel, if—

“(i) the fuel does not violate a control or prohibition imposed by the Administrator under this section; and

“(ii) the manufacturer of the fuel is in compliance with all requests for information under subsection (b).

“(B) SAFE HARBOR NOT APPLICABLE.—In any case in which subparagraph (A) does not apply to a quantity of fuel, the existence of a design defect or manufacturing defect with respect to the fuel shall be determined under otherwise applicable law.

“(2) EXCEPTION.—This subsection does not apply to ethers.

“(3) APPLICABILITY.—This subsection applies with respect to all claims filed on or after the date of enactment of this subsection.”

“(b) PENALTIES AND ENFORCEMENT.—Section 211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking “or (n)” each place it appears and inserting “(n), or (o)”; and

(B) in the second sentence, by striking “or (m)” and inserting “(m), or (o)”; and

(2) in the first sentence of paragraph (2), by striking “and (n)” each place it appears and inserting “(n), and (o)”.

(c) EXCLUSION FROM ETHANOL WAIVER.—Section 211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following:

“(5) EXCLUSION FROM ETHANOL WAIVER.—

“(A) PROMULGATION OF REGULATIONS.—Upon notification, accompanied by supporting documentation, from the Governor of a State that the Reid vapor pressure limitation established by paragraph (4) will increase emissions that contribute to air pollution in any area in the State, the Administrator shall, by regulation, apply, in lieu of the Reid vapor pressure limitation established by paragraph (4), the Reid vapor pressure limitation established by paragraph (1) to all fuel blends containing gasoline and 10 percent denatured anhydrous ethanol that are sold, offered for sale, dispensed, supplied, offered for supply, transported, or introduced into commerce in the area during the high ozone season.

“(B) DEADLINE FOR PROMULGATION.—The Administrator shall promulgate regulations under subparagraph (A) not later than 90 days after the date of receipt of a notification from a Governor under that subparagraph.

“(C) EFFECTIVE DATE.—

“(i) IN GENERAL.—With respect to an area in a State for which the Governor submits a notification under subparagraph (A), the regulations under that subparagraph shall take effect on the later of—

“(I) the first day of the first high ozone season for the area that begins after the date of receipt of the notification; or

“(II) 1 year after the date of receipt of the notification.

“(ii) EXTENSION OF EFFECTIVE DATE BASED ON DETERMINATION OF INSUFFICIENT SUPPLY.—

“(I) IN GENERAL.—If, after receipt of a notification with respect to an area from a Governor of a State under subparagraph (A), the Administrator determines, on the Administrator’s own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (A) would result in an insufficient supply of gasoline in the State, the Administrator, by regulation—

“(aa) shall extend the effective date of the regulations under clause (i) with respect to the area for not more than 1 year; and

“(bb) may renew the extension under item (aa) for 2 additional periods, each of which shall not exceed 1 year.

“(II) DEADLINE FOR ACTION ON PETITIONS.—The Administrator shall act on any petition submitted under subclause (I) not later than 180 days after the date of receipt of the petition.”

SEC. 212. RENEWABLE FUEL.

(a) IN GENERAL.—The Clean Air Act is amended by inserting after section 211 (42 U.S.C. 7411) the following:

“SEC. 212. RENEWABLE FUEL.

(a) DEFINITIONS.—In this section:

“(1) MUNICIPAL SOLID WASTE.—The term ‘municipal solid waste’ has the meaning given the term ‘solid waste’ in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

“(2) RFG STATE.—The term ‘RFG State’ means a State in which is located 1 or more covered areas (as defined in section 211(k)(10)(D)).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Energy.

“(b) SURVEY OF RENEWABLE FUEL MARKET.—

“(1) SURVEY AND REPORT.—Not later than December 1, 2006, and annually thereafter, the Administrator shall—

“(A) conduct, with respect to each conventional gasoline use area and each reformulated gasoline use area in each State, a survey to determine the market shares of—

“(i) conventional gasoline containing ethanol;

“(ii) reformulated gasoline containing ethanol;

“(iii) conventional gasoline containing renewable fuel; and

“(iv) reformulated gasoline containing renewable fuel; and

“(B) submit to Congress, and make publicly available, a report on the results of the survey under subparagraph (A).

“(2) RECORDKEEPING AND REPORTING REQUIREMENTS.—

“(A) IN GENERAL.—The Administrator may require any refiner, blender, or importer to keep such records and make such reports as are necessary to ensure that the survey conducted under paragraph (1) is accurate.

“(B) RELIANCE ON EXISTING REQUIREMENTS.—To avoid duplicative requirements, in carrying out subparagraph (A), the Administrator shall rely, to the maximum extent practicable, on reporting and record-keeping requirements in effect on the date of enactment of this section.

“(3) CONFIDENTIALITY.—Activities carried out under this subsection shall be conducted in a manner designed to protect confidentiality of individual responses.

“(c) CELLULOSIC BIOMASS ETHANOL AND MUNICIPAL SOLID WASTE LOAN GUARANTEE PROGRAM.—

“(1) IN GENERAL.—Funds may be provided for the cost (as defined in the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.)) of loan guarantees issued under title XIV of the Energy Policy Act of 2005 to carry out commercial demonstration projects for cellulosic biomass and sucrose-derived ethanol and cellulosic biomass-derived liquid alternative fuels.

“(2) DEMONSTRATION PROJECTS.—

“(A) IN GENERAL.—The Secretary shall issue loan guarantees under this section to carry out not more than 4 projects to commercially demonstrate the feasibility and viability of producing cellulosic biomass ethanol, sucrose-derived ethanol, or cellulosic biomass-derived liquid alternative fuels, including at least 1 project that uses cereal straw as a feedstock and 1 project that uses municipal solid waste as a feedstock.

“(B) DESIGN CAPACITY.—Each project shall have a design capacity to produce at least 30,000,000 gallons of cellulosic biomass ethanol or cellulosic biomass-derived liquid alternative fuels each year.

“(3) APPLICANT ASSURANCES.—An applicant for a loan guarantee under this section shall provide assurances, satisfactory to the Secretary, that—

“(A) the project design has been validated through the operation of a continuous process facility with a cumulative output of at least 50,000 gallons of ethanol or cellulosic biomass-derived liquid alternative fuels;

“(B) the project has been subject to a full technical review;

“(C) the project is covered by adequate project performance guarantees;

“(D) the project, with the loan guarantee, is economically viable; and

“(E) there is a reasonable assurance of repayment of the guaranteed loan.

“(4) LIMITATIONS.—

“(A) MAXIMUM GUARANTEE.—Except as provided in subparagraph (B), a loan guarantee under this section may be issued for up to 80 percent of the estimated cost of a project, but may not exceed \$250,000,000 for a project.

“(B) ADDITIONAL GUARANTEES.—

“(i) IN GENERAL.—The Secretary may issue additional loan guarantees for a project to cover up to 80 percent of the excess of actual project cost over estimated project cost but not to exceed 15 percent of the amount of the original guarantee.

“(ii) PRINCIPAL AND INTEREST.—Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan made under subparagraph (A).

“(5) EQUITY CONTRIBUTIONS.—To be eligible for a loan guarantee under this section, an applicant for the loan guarantee shall have binding commitments from equity investors to provide an initial equity contribution of at least 20 percent of the total project cost.

“(6) INSUFFICIENT AMOUNTS.—If the amount made available to carry out this section is insufficient to allow the Secretary to make loan guarantees for 3 projects described in subsection (b), the Secretary shall issue loan guarantees for 1 or more qualifying projects under this section in the order in which the applications for the projects are received by the Secretary.

“(7) APPROVAL.—An application for a loan guarantee under this section shall be approved or disapproved by the Secretary not later than 90 days after the application is received by the Secretary.

“(d) AUTHORIZATION OF APPROPRIATIONS FOR RESOURCE CENTER.—There is authorized to be appropriated, for a resource center to further develop bioconversion technology using low-cost biomass for the production of ethanol at the Center for Biomass-Based Energy at the Mississippi State University and the Oklahoma State University, \$4,000,000 for each of fiscal years 2005 through 2007.

“(e) RENEWABLE FUEL PRODUCTION RESEARCH AND DEVELOPMENT GRANTS.—

“(1) IN GENERAL.—The Administrator shall provide grants for the research into, and development and implementation of, renewable fuel production technologies in RFG States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol.

“(2) ELIGIBILITY.—

“(A) IN GENERAL.—The entities eligible to receive a grant under this subsection are academic institutions in RFG States, and consortia made up of combinations of academic institutions, industry, State government agencies, or local government agencies in RFG States, that have proven experience and capabilities with relevant technologies.

“(B) APPLICATION.—To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Administrator an application in such manner and form, and accompanied by such information, as the Administrator may specify.

“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$25,000,000 for each of fiscal years 2006 through 2010.

“(f) CELLULOSIC BIOMASS ETHANOL CONVERSION ASSISTANCE.—

“(1) IN GENERAL.—The Secretary may provide grants to merchant producers of cellulosic biomass ethanol in the United States to assist the producers in building eligible production facilities described in paragraph (2)

for the production of cellulosic biomass ethanol.

“(2) ELIGIBLE PRODUCTION FACILITIES.—A production facility shall be eligible to receive a grant under this subsection if the production facility—

“(A) is located in the United States; and

“(B) uses cellulosic biomass feedstocks derived from agricultural residues or municipal solid waste.

“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection—

“(A) \$250,000,000 for fiscal year 2005; and

“(B) \$400,000,000 for fiscal year 2006.”.

“(b) CONFORMING AMENDMENT.—The table of contents for the Clean Air Act (42 U.S.C. 7401 prec.) is amended by inserting after the item relating to section 211 the following:

“Sec. 212. Renewable fuels”.

SEC. 213. SURVEY OF RENEWABLE FUELS CONSUMPTION.

Section 205 of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by adding at the end the following:

“(m) SURVEY OF RENEWABLE FUELS CONSUMPTION.—

“(1) IN GENERAL.—In order to improve the ability to evaluate the effectiveness of the Nation's renewable fuels mandate, the Administrator shall conduct and publish the results of a survey of renewable fuels consumption in the motor vehicle fuels market in the United States monthly, and in a manner designed to protect the confidentiality of individual responses.

“(2) ELEMENTS OF SURVEY.—In conducting the survey, the Administrator shall collect information retrospectively to 1998, on a national basis and a regional basis, including—

“(A) the quantity of renewable fuels produced;

“(B) the cost of production;

“(C) the cost of blending and marketing;

“(D) the quantity of renewable fuels blended;

“(E) the quantity of renewable fuels imported; and

“(F) market price data.”.

Subtitle C—Federal Reformulated Fuels

SEC. 221. SHORT TITLE.

This subtitle may be cited as the “Federal Reformulated Fuels Act of 2005”.

SEC. 222. LEAKING UNDERGROUND STORAGE TANKS.

(a) USE OF LUST FUNDS FOR REMEDIATION OF CONTAMINATION FROM ETHER FUEL ADDITIVES.—Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended—

(1) in paragraph (7)(A)—

(A) by striking “paragraphs (1) and (2) of this subsection” and inserting “paragraphs (1), (2), and (12)”; and

(B) by inserting “and section 9010” before “if”; and

(2) by adding at the end the following:

“(12) REMEDIATION OF CONTAMINATION FROM ETHER FUEL ADDITIVES.—

“(A) IN GENERAL.—The Administrator and the States may use funds made available under section 9013(1) to carry out corrective actions with respect to a release of methyl tertiary butyl ether or other ether fuel additive that presents a threat to human health, welfare, or the environment.

“(B) APPLICABLE AUTHORITY.—Subparagraph (A) shall be carried out—

“(i) in accordance with paragraph (2), except that a release with respect to which a corrective action is carried out under subparagraph (A) shall not be required to be from an underground storage tank; and

“(ii) in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).”.

(b) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by striking section 9010 and inserting the following:

“SEC. 9010. RELEASE PREVENTION AND COMPLIANCE.

“Funds made available under section 9013(2) from the Leaking Underground Storage Tank Trust Fund may be used for conducting inspections, or for issuing orders or bringing actions under this subtitle—

“(1) by a State (pursuant to section 9003(h)(7)) acting under—

“(A) a program approved under section 9004; or

“(B) State requirements regulating underground storage tanks that are similar or identical to this subtitle, as determined by the Administrator; and

“(2) by the Administrator, acting under this subtitle or a State program approved under section 9004.

“SEC. 9011. AUTHORIZATION OF APPROPRIATIONS.

“In addition to amounts made available under section 2007(f), there are authorized to be appropriated from the Leaking Underground Storage Tank Trust Fund, notwithstanding section 9508(c)(1) of the Internal Revenue Code of 1986—

“(1) to carry out section 9003(h)(12), \$200,000,000 for fiscal year 2005, to remain available until expended; and

“(2) to carry out section 9010—

“(A) \$50,000,000 for fiscal year 2005; and

“(B) \$30,000,000 for fiscal years 2006 through 2010.”.

(c) TECHNICAL AMENDMENTS.—

(1) Section 1001 of the Solid Waste Disposal Act (42 U.S.C. 6991) is amended by striking the item relating to section 9010 and inserting the following:

“Sec. 9010. Release prevention and compliance.

“Sec. 9011. Authorization of appropriations.”.

(2) Section 9001(3)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991b(3)(A)) is amended by striking “sustances” and inserting “substances”.

(3) Section 9003(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking “subsection (c) and (d) of this section” and inserting “subsections (c) and (d)”.

(4) Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991c(a)) is amended in the second sentence by striking “referred to” and all that follows and inserting “referred to in subparagraph (A) or (B), or both, of section 9001(2).”.

(5) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(A) in subsection (a), by striking “study taking” and inserting “study, taking”;

(B) in subsection (b)(1), by striking “relevant” and inserting “relevant”; and

(C) in subsection (b)(4), by striking “Environmental” and inserting “Environmental”.

SEC. 223. RESTRICTIONS ON THE USE OF MTBE.

(a) FINDINGS.—Congress finds that—

(1) since 1979, methyl tertiary butyl ether (referred to in this section as “MTBE”) has been used nationwide at low levels in gasoline to replace lead as an octane booster or anti-kocking agent;

(2) Public Law 101-549 (commonly known as the “Clean Air Act Amendments of 1990”) (42 U.S.C. 7401 et seq.) established a fuel oxygenate standard under which reformulated gasoline must contain at least 2 percent oxygen by weight;

(3) at the time of the adoption of the fuel oxygenate standard, Congress was aware that—

(A) increased use of MTBE could result from the adoption of that standard; and

(B) the use of MTBE would likely be needed to implement that standard;

(4) Congress is aware that gasoline and its component additives have leaked from storage tanks, with consequences for water quality;

(5) the fuel industry responded to the fuel oxygenate standard established by Public Law 101-549 by making substantial investments in—

(A) MTBE production capacity; and

(B) systems to deliver MTBE-containing gasoline to the marketplace;

(6) when leaked or spilled into the environment, MTBE may cause serious problems of drinking water quality;

(7) in recent years, MTBE has been detected in water sources throughout the United States;

(8) MTBE can be detected by smell and taste at low concentrations;

(9) while small quantities of MTBE can render water supplies unpalatable, the precise human health effects of MTBE consumption at low levels are yet unknown as of the date of enactment of this Act;

(10) in the report entitled “Achieving Clean Air and Clean Water: The Report of the Blue Ribbon Panel on Oxygenates in Gasoline” and dated September 1999, Congress was urged—

(A) to eliminate the fuel oxygenate standard;

(B) to greatly reduce use of MTBE; and

(C) to maintain the environmental performance of reformulated gasoline;

(11) Congress has—

(A) reconsidered the relative value of MTBE in gasoline; and

(B) decided to eliminate use of MTBE as a fuel additive;

(12) the timeline for elimination of use of MTBE as a fuel additive must be established in a manner that achieves an appropriate balance among the goals of—

(A) environmental protection;

(B) adequate energy supply; and

(C) reasonable fuel prices; and

(13) it is appropriate for Congress to provide some limited transition assistance—

(A) to merchant producers of MTBE who produced MTBE in response to a market created by the oxygenate requirement contained in the Clean Air Act (42 U.S.C. 7401 et seq.); and

(B) for the purpose of mitigating any fuel supply problems that may result from elimination of a widely-used fuel additive.

(b) PURPOSES.—The purposes of this section are—

(1) to eliminate use of MTBE as a fuel oxygenate; and

(2) to provide assistance to merchant producers of MTBE in making the transition from producing MTBE to producing other fuel additives.

(c) AUTHORITY FOR WATER QUALITY PROTECTION FROM FUELS.—Section 211(c) of the Clean Air Act (42 U.S.C. 7545(c)) is amended—

(1) in paragraph (1)(A)—

(A) by inserting “fuel or fuel additive or” after “Administrator any”; and

(B) by striking “air pollution which” and inserting “air pollution, or water pollution, that”;

(2) in paragraph (4)(B), by inserting “or water quality protection,” after “emission control;” and

(3) by adding at the end the following:

“(5) RESTRICTIONS ON USE OF MTBE.—

“(A) IN GENERAL.—Subject to subparagraph (E), not later than 4 years after the date of enactment of this paragraph, the use of methyl tertiary butyl ether in motor vehicle fuel in any State other than a State described in subparagraph (C) is prohibited.

“(B) REGULATIONS.—The Administrator shall promulgate regulations to effect the prohibition in subparagraph (A).

“(C) STATES THAT AUTHORIZE USE.—A State described in this subparagraph is a State that submits to the Administrator a notice that the State authorizes use of methyl tertiary butyl ether in motor vehicle fuel sold or used in the State.

“(D) PUBLICATION OF NOTICE.—The Administrator shall publish in the Federal Register each notice submitted by a State under subparagraph (C).

“(E) TRACE QUANTITIES.—In carrying out subparagraph (A), the Administrator may allow trace quantities of methyl tertiary butyl ether, not to exceed 0.5 percent by volume, to be present in motor vehicle fuel in cases that the Administrator determines to be appropriate.

“(6) MTBE MERCHANT PRODUCER CONVERSION ASSISTANCE.—

“(A) IN GENERAL.—

“(i) GRANTS.—The Secretary of Energy, in consultation with the Administrator, may make grants to merchant producers of methyl tertiary butyl ether in the United States to assist the producers in the conversion of eligible production facilities described in subparagraph (C) to the production of—

“(I) iso-octane or alkylates, unless the Administrator, in consultation with the Secretary of Energy, determines that transition assistance for the production of iso-octane or alkylates is inconsistent with the criteria specified in subparagraph (B); and

“(II) any other fuel additive that meets the criteria specified in subparagraph (B).

“(B) CRITERIA.—The criteria referred to in subparagraph (A) are that—

“(i) use of the fuel additive is consistent with this subsection;

“(ii) the Administrator has not determined that the fuel additive may reasonably be anticipated to endanger public health or the environment;

“(iii) the fuel additive has been registered and tested, or is being tested, in accordance with the requirements of this section; and

“(iv) the fuel additive will contribute to replacing quantities of motor vehicle fuel rendered unavailable as a result of paragraph (5).

“(C) ELIGIBLE PRODUCTION FACILITIES.—A production facility shall be eligible to receive a grant under this paragraph if the production facility—

“(i) is located in the United States; and

“(ii) produced methyl tertiary butyl ether for consumption in nonattainment areas during the period—

“(I) beginning on the date of enactment of this paragraph; and

“(II) ending on the effective date of the prohibition on the use of methyl tertiary butyl ether under paragraph (5).

“(D) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this paragraph \$250,000,000 for each of fiscal years 2005 through 2008.”

“(E) NO EFFECT ON LAW CONCERNING STATE AUTHORITY.—The amendments made by subsection (c) have no effect on any law enacted or in effect before the date of enactment of this Act concerning the authority of States to limit the use of methyl tertiary butyl ether in motor vehicle fuel.

SEC. 224. ELIMINATION OF OXYGEN CONTENT REQUIREMENT FOR REFORMULATED GASOLINE.

(a) ELIMINATION.—

(1) IN GENERAL.—Section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) is amended—

(A) in paragraph (2)—

(i) in the second sentence of subparagraph (A), by striking “(including the oxygen con-

tent requirement contained in subparagraph (B))”;

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(B) in paragraph (3)(A), by striking clause (v); and

(C) in paragraph (7)—

(i) in subparagraph (A)—

(I) by striking clause (i); and

(II) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(ii) in subparagraph (C)—

(I) by striking clause (ii); and

(II) by redesignating clause (iii) as clause (ii).

(2) APPLICABILITY.—The amendments made by paragraph (1) apply—

(A) in the case of a State that has received a waiver under section 209(b) of the Clean Air Act (42 U.S.C. 7543(b)), beginning on the date of enactment of this Act; and

(B) in the case of any other State, beginning 270 days after the date of enactment of this Act.

(b) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSION REDUCTIONS.—Section 211(k)(1) of the Clean Air Act (42 U.S.C. 7545(k)(1)) is amended—

(1) by striking “Within 1 year after the enactment of the Clean Air Act Amendments of 1990,” and inserting the following:

“(A) IN GENERAL.—Not later than November 15, 1991;” and

(2) by adding at the end the following:

“(B) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSIONS REDUCTIONS FROM REFORMULATED GASOLINE.—

“(i) DEFINITION OF PADD.—In this subparagraph the term ‘PADD’ means a Petroleum Administration for Defense District.

“(ii) REGULATIONS CONCERNING EMISSIONS OF TOXIC AIR POLLUTANTS.—Not later than 270 days after the date of enactment of this subparagraph, the Administrator shall establish by regulation, for each refinery or importer (other than a refiner or importer in a State that has received a waiver under section 209(b) with respect to gasoline produced for use in that State), standards for toxic air pollutants from use of the reformulated gasoline produced or distributed by the refiner or importer that maintain the reduction of the average annual aggregate emissions of toxic air pollutants for reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002 (as determined on the basis of data collected by the Administrator with respect to the refiner or importer).

“(iii) STANDARDS APPLICABLE TO SPECIFIC REFINERIES OR IMPORTERS.—

“(I) APPLICABILITY OF STANDARDS.—For any calendar year, the standards applicable to a refiner or importer under clause (ii) shall apply to the quantity of gasoline produced or distributed by the refiner or importer in the calendar year only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002.

“(II) APPLICABILITY OF OTHER STANDARDS.—For any calendar year, the quantity of gasoline produced or distributed by a refiner or importer that is in excess of the quantity subject to subclause (I) shall be subject to standards for emissions of toxic air pollutants promulgated under subparagraph (A) and paragraph (3)(B).

“(iv) CREDIT PROGRAM.—The Administrator shall provide for the granting and use of credits for emissions of toxic air pollutants in the same manner as provided in paragraph (7).

“(v) REGIONAL PROTECTION OF TOXICS REDUCTION BASELINES.—

“(I) IN GENERAL.—Not later than 60 days after the date of enactment of this subparagraph, and not later than April 1 of each calendar year that begins after that date of enactment, the Administrator shall publish in the Federal Register a report that specifies, with respect to the previous calendar year—

“(aa) the quantity of reformulated gasoline produced that is in excess of the average annual quantity of reformulated gasoline produced in 2001 and 2002; and

“(bb) the reduction of the average annual aggregate emissions of toxic air pollutants in each PADD, based on retail survey data or data from other appropriate sources.

“(II) EFFECT OF FAILURE TO MAINTAIN AGGREGATE TOXICS REDUCTIONS.—If, in any calendar year, the reduction of the average annual aggregate emissions of toxic air pollutants in a PADD fails to meet or exceed the reduction of the average annual aggregate emissions of toxic air pollutants in the PADD in calendar years 2001 and 2002, the Administrator, not later than 90 days after the date of publication of the report for the calendar year under subclause (I), shall—

“(aa) identify, to the maximum extent practicable, the reasons for the failure, including the sources, volumes, and characteristics of reformulated gasoline that contributed to the failure; and

“(bb) promulgate revisions to the regulations promulgated under clause (ii), to take effect not earlier than 180 days but not later than 270 days after the date of promulgation, to provide that, notwithstanding clause (iii)(II), all reformulated gasoline produced or distributed at each refiner or importer shall meet the standards applicable under clause (iii)(I) beginning not later than April 1 of the calendar year following publication of the report under subclause (I) and in each calendar year thereafter.

“(vi) REGULATIONS TO CONTROL HAZARDOUS AIR POLLUTANTS FROM MOTOR VEHICLES AND MOTOR VEHICLE FUELS.—Not later than July 1, 2006, the Administrator shall promulgate final regulations to control hazardous air pollutants from motor vehicles and motor vehicle fuels, as provided for in section 80.1045 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this subparagraph).”.

(c) COMMINGLING.—

(1) IN GENERAL.—Section 211(k) of the Clean Air Act (42 U.S.C. 7545(k)) is amended by adding at the end the following:

“(11) COMMINGLING.—The regulations under paragraph (1) shall permit the commingling at a retail station of reformulated gasoline containing ethanol and reformulated gasoline that does not contain ethanol if, each time such commingling occurs—

“(A) the retailer notifies the Administrator before the commingling, identifying the exact location of the retail station and the specific tank in which the commingling will take place; and

“(B) the retailer certifies that the reformulated gasoline resulting from the commingling will meet all applicable requirements for reformulated gasoline, including content and emission performance standards.”.

(d) CONSOLIDATION IN REFORMULATED GASOLINE REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall revise the reformulated gasoline regulations under subpart D of part 80 of title 40, Code of Federal Regulations, to consolidate the regulations applicable to VOC-Control Regions 1 and 2 under section 80.41 of that title by eliminating the less stringent requirements applicable to gasoline designated for VOC-Control Region 2 and instead applying the more stringent require-

ments applicable to gasoline designated for VOC-Control Region 1.

(e) SAVINGS CLAUSE.—

(1) IN GENERAL.—Nothing in this section or any amendment made by this section affects or prejudices any legal claim or action with respect to regulations promulgated by the Administrator before the date of enactment of this Act regarding—

(A) emissions of toxic air pollutants from motor vehicles; or

(B) the adjustment of standards applicable to a specific refinery or importer made under those regulations.

(2) ADJUSTMENT OF STANDARDS.—

(A) APPLICABILITY.—The Administrator may apply any adjustments to the standards applicable to a refinery or importer under subparagraph (B)(iii)(I) of section 211(k)(1) of the Clean Air Act (as added by subsection (b)(2)), except that—

(i) the Administrator shall revise the adjustments to be based only on calendar years 2001 and 2002;

(ii) any such adjustment shall not be made at a level below the average percentage of reductions of emissions of toxic air pollutants for reformulated gasoline supplied to PADD I during calendar years 2001 and 2002; and

(iii) in the case of an adjustment based on toxic air pollutant emissions from reformulated gasoline significantly below the national annual average emissions of toxic air pollutants from all reformulated gasoline—

(I) the Administrator may revise the adjustment to take account of the scope of the prohibition on methyl tertiary butyl ether imposed by paragraph (5) of section 211(c) of the Clean Air Act (as added by section 211(c)); and

(II) any such adjustment shall require the refiner or importer, to the maximum extent practicable, to maintain the reduction achieved during calendar years 2001 and 2002 in the average annual aggregate emissions of toxic air pollutants from reformulated gasoline produced or distributed by the refiner or importer.

SEC. 225. PUBLIC HEALTH AND ENVIRONMENTAL IMPACTS OF FUELS AND FUEL ADDITIVES.

Section 211(b) of the Clean Air Act (42 U.S.C. 7545(b)) is amended—

(1) in paragraph (2)—

(A) by striking “may also” and inserting “shall, on a regular basis.”; and

(B) by striking subparagraph (A) and inserting the following:

“(A) to conduct tests to determine potential public health and environmental effects of the fuel or additive (including carcinogenic, teratogenic, or mutagenic effects); and”; and

(2) by adding at the end the following:

“(4) STUDY ON CERTAIN FUEL ADDITIVES AND BLENDSTOCKS.—

“(A) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Administrator shall—

“(i) conduct a study on the effects on public health (including the effects on children, pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of increased use of, and the feasibility of using as substitutes for methyl tertiary butyl ether in gasoline—

“(I) ethyl tertiary butyl ether;

“(II) tertiary amyl methyl ether;

“(III) di-isopropyl ether;

“(IV) tertiary butyl alcohol;

“(V) other ethers and heavy alcohols, as determined by the Administrator;

“(VI) ethanol;

“(VII) iso-octane; and

“(VIII) alkylates; and

“(ii) conduct a study on the effects on public health (including the effects on children,

pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of the adjustment for ethanol-blended reformulated gasoline to the volatile organic compounds performance requirements that are applicable under paragraphs (1) and (3) of section 211(k); and

“(iii) submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the results of the studies under clauses (i) and (ii).

“(B) CONTRACTS FOR STUDY.—In carrying out this paragraph, the Administrator may enter into 1 or more contracts with non-governmental entities such as—

“(i) the national energy laboratories; and

“(ii) institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).”

SEC. 226. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.

Section 211 of the Clean Air Act (42 U.S.C. 7545) (as amended by section 205(a)) is amended by inserting after subsection (p) the following:

“(q) ANALYSES OF MOTOR VEHICLE FUEL CHANGES AND EMISSIONS MODEL.—

“(1) ANTI-BACKSLIDING ANALYSIS.—

“(A) DRAFT ANALYSIS.—Not later than 4 years after the date of enactment of this paragraph, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Federal Reformulated Fuels Act of 2005.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 5 years after the date of enactment of this paragraph, the Administrator shall publish the analysis in final form.

“(2) EMISSIONS MODEL.—For the purposes of this section, not later than 4 years after the date of enactment of this paragraph, the Administrator shall develop and finalize an emissions model that reflects, to the maximum extent practicable, the effects of gasoline characteristics or components on emissions from vehicles in the motor vehicle fleet during calendar year 2007.

“(3) PERMEATION EFFECTS STUDY.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

“(B) EVAPORATIVE EMISSIONS.—The study shall include estimates of the increase in total evaporative emissions likely to result from the use of gasoline with ethanol content in a motor vehicle, and the fleet of motor vehicles, due to permeation.”.

SEC. 227. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.

Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

(1) by striking “(6) OPT-IN AREAS.—(A) Upon” and inserting the following:

“(6) OPT-IN AREAS.—

“(A) CLASSIFIED AREAS.—

“(i) IN GENERAL.—Upon”;

(2) in subparagraph (B), by striking “(B) If” and inserting the following:

“(ii) EFFECT OF INSUFFICIENT DOMESTIC CAPACITY TO PRODUCE REFORMULATED GASOLINE.—If”;

(3) in subparagraph (A)(ii) (as redesignated by paragraph (2))—

(A) in the first sentence, by striking “sub-paragraph (A)” and inserting “clause (i)”; and

(B) in the second sentence, by striking “this paragraph” and inserting “this sub-paragraph”; and

(4) by adding at the end the following:

“(B) OZONE TRANSPORT REGION.—

“(i) APPLICATION OF PROHIBITION.—

“(I) IN GENERAL.—On application of the Governor of a State in the ozone transport region established by section 184(a), the Administrator, not later than 180 days after the date of receipt of the application, shall apply the prohibition specified in paragraph (5) to any area in the State (other than an area classified as a marginal, moderate, serious, or severe ozone nonattainment area under subpart 2 of part D of title I) unless the Administrator determines under clause (iii) that there is insufficient capacity to supply reformulated gasoline.

“(II) PUBLICATION OF APPLICATION.—As soon as practicable after the date of receipt of an application under subclause (I), the Administrator shall publish the application in the Federal Register.

“(ii) PERIOD OF APPLICABILITY.—Under clause (i), the prohibition specified in paragraph (5) shall apply in a State—

“(I) commencing as soon as practicable but not later than 2 years after the date of approval by the Administrator of the application of the Governor of the State; and

“(II) ending not earlier than 4 years after the commencement date determined under subclause (I).

“(iii) EXTENSION OF COMMENCEMENT DATE BASED ON INSUFFICIENT CAPACITY.—

“(I) IN GENERAL.—If, after receipt of an application from a Governor of a State under clause (i), the Administrator determines, on the Administrator’s own motion or on petition of any person, after consultation with the Secretary of Energy, that there is insufficient capacity to supply reformulated gasoline, the Administrator, by regulation—

“(aa) shall extend the commencement date with respect to the State under clause (ii)(I) for not more than 1 year; and

“(bb) may renew the extension under item (aa) for 2 additional periods, each of which shall not exceed 1 year.

“(II) DEADLINE FOR ACTION ON PETITIONS.—The Administrator shall act on any petition submitted under subclause (I) not later than 180 days after the date of receipt of the petition.”.

SEC. 228. FEDERAL ENFORCEMENT OF STATE FUELS REQUIREMENTS.

Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) is amended—

(1) by striking “(C) A State” and inserting the following:

“(C) AUTHORITY OF STATE TO CONTROL FUELS AND FUEL ADDITIVES FOR REASONS OF NECESSITY.—

“(i) IN GENERAL.—A State”; and

(2) by adding at the end the following:

“(ii) ENFORCEMENT BY THE ADMINISTRATOR.—In any case in which a State prescribes and enforces a control or prohibition under clause (i), the Administrator, at the request of the State, shall enforce the control or prohibition as if the control or prohibition had been adopted under the other provisions of this section.”.

SEC. 229. FUEL SYSTEM REQUIREMENTS HARMONIZATION STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall jointly conduct a study of Federal, State, and local requirements concerning motor vehicle fuels, including—

(A) requirements relating to reformulated gasoline, volatility (measured in Reid vapor

pressure), oxygenated fuel, and diesel fuel; and

(B) other requirements that vary from State to State, region to region, or locality to locality.

(2) REQUIRED ELEMENTS.—The study shall assess—

(A) the effect of the variety of requirements described in paragraph (1) on the supply, quality, and price of motor vehicle fuels available to the consumer;

(B) the effect of the requirements described in paragraph (1) on achievement of—

(i) national, regional, and local air quality standards and goals; and

(ii) related environmental and public health protection standards and goals (including the protection of children, pregnant women, minority or low-income communities, and other sensitive populations);

(C) the effect of Federal, State, and local motor vehicle fuel regulations, including multiple motor vehicle fuel requirements, on—

(i) domestic refiners;

(ii) the fuel distribution system; and

(iii) industry investment in new capacity;

(D) the effect of the requirements described in paragraph (1) on emissions from vehicles, refiners, and fuel handling facilities;

(E) the feasibility of developing national or regional motor vehicle fuel slate for the 48 contiguous States that, while protecting and improving air quality at the national, regional, and local levels, could—

(i) enhance flexibility in the fuel distribution infrastructure and improve fuel fungibility;

(ii) reduce price volatility and costs to consumers and producers;

(iii) provide increased liquidity to the gasoline market; and

(iv) enhance fuel quality, consistency, and supply; and

(F) the feasibility of providing incentives, and the need for the development of national standards necessary, to promote cleaner burning motor vehicle fuel.

(b) REPORT.—

(1) IN GENERAL.—Not later than June 1, 2008, the Administrator of the Environmental Protection Agency and the Secretary of Energy shall submit to Congress a report on the results of the study conducted under subsection (a).

(2) RECOMMENDATIONS.—

(A) IN GENERAL.—The report shall contain recommendations for legislative and administrative actions that may be taken—

(i) to improve air quality;

(ii) to reduce costs to consumers and producers; and

(iii) to increase supply liquidity.

(B) REQUIRED CONSIDERATIONS.—The recommendations under subparagraph (A) shall take into account the need to provide advance notice of required modifications to refinery and fuel distribution systems in order to ensure an adequate supply of motor vehicle fuel in all States.

(3) CONSULTATION.—In developing the report, the Administrator of the Environmental Protection Agency and the Secretary of Energy shall consult with—

(A) the Governors of the States;

(B) automobile manufacturers;

(C) State and local air pollution control regulators;

(D) public health experts;

(E) motor vehicle fuel producers and distributors; and

(F) the public.

SEC. 230. ADVANCED BIOFUEL TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—Subject to the availability of appropriations under subsection (d), the Administrator of the Environmental

Protection Agency shall, in consultation with the Secretary of Agriculture and the Biomass Research and Development Technical Advisory Committee established under section 306 of the Biomass Research and Development Act of 2000 (Public Law 106-224; 7 U.S.C. 8101 note), establish a program, to be known as the “Advanced Biofuel Technologies Program”, to demonstrate advanced technologies for the production of alternative transportation fuels.

(b) PRIORITY.—In carrying out the program under subsection (a), the Administrator shall give priority to projects that enhance the geographical diversity of alternative fuels production and utilize feedstocks that represent 10 percent or less of ethanol or biodiesel fuel production in the United States during the previous fiscal year.

(c) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—As part of the program under subsection (a), the Administrator shall fund demonstration projects—

(A) to develop not less than 4 different conversion technologies for producing cellulosic biomass ethanol and cellulosic biomass-derived liquid alternative fuel (as defined in section 211(o)(1) of the Clean Air Act (as amended by section 211(a))); and

(B) to develop not less than 5 technologies for coproducing value-added bioproducts (such as fertilizers, herbicides, and pesticides) resulting from the production of biodiesel fuel.

(2) ADMINISTRATION.—Demonstration projects under this subsection shall be—

(A) conducted based on a merit-reviewed, competitive process; and

(B) subject to the cost-sharing requirements of section 1002.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$110,000,000 for each of fiscal years 2005 through 2009.

SEC. 231. SUGAR CANE ETHANOL PROGRAM.

(a) DEFINITION OF PROGRAM.—In this section, the term “program” means the Sugar Cane Ethanol Program established by subsection (b).

(b) ESTABLISHMENT.—There is established within the Environmental Protection Agency a program to be known as the “Sugar Cane Ethanol Program”.

(c) PROJECT.—

(1) IN GENERAL.—Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall establish a project that is—

(A) carried out in multiple States—

(i) in each of which is produced cane sugar that is eligible for loans under section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272), or a similar subsequent authority; and

(ii) at the option of each such State, that have an incentive program that requires the use of ethanol in the State; and

(B) designed to study the production of ethanol from cane sugar, sugarcane, and sugarcane byproducts.

(2) REQUIREMENTS.—A project described in paragraph (1) shall—

(A) be limited to the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii in a way similar to the existing program for the processing of corn for ethanol to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugarcane byproducts;

(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and

(C) not last more than 3 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to

carry out this section \$36,000,000, to remain available until expended.

Subtitle B—Insular Energy

SA 794. Mr. DOMENICI (for himself and Mr. BINGAMAN) proposed an amendment to the bill H.R. 6, Reserved; as follows:

On page 10, strike lines 5 through 8 and insert the following:

(2) INSTITUTION OF HIGHER EDUCATION.—

(A) IN GENERAL.—The term “institution of higher education” has the meaning given the term in section 101(a) of the Higher Education Act of 1065 (20 U.S.C. 1001(a)).

(B) INCLUSION.—The term “institution of higher education” includes an organization that—

(i) is organized, and at all times thereafter operated, exclusively for the benefit of, to perform the functions of, or to carry out the functions of 1 or more organizations referred to in subparagraph (A); and

(ii) is operated, supervised, or controlled by or in connection with 1 or more of those organizations.

On page 121, lines 9 and 10, strike “subsection (a)” and insert “paragraph (1)”.

On page 223, line 16, strike “date of enactment of this Act” and insert “effective date of this section”.

On page 225, between lines 4 and 5, insert the following:

(e) EFFECTIVE DATE.—This section takes effect on October 1, 2006.

On page 451, line 8, insert “manufacturability,” after “electronic controls”.

On page 452, strike lines 8 and 9 and insert the following:

“(b) MEMBERSHIP.—The Task Force shall be

On page 452, line 15, strike “members” and insert “Federal employees”.

On page 452, strike lines 18 through 21.

On page 478, between lines 9 and 10, insert the following:

SEC. 916. BUILDING STANDARDS.

(a) DEFINITION OF HIGH PERFORMANCE BUILDING.—In this section, the term “high performance building” means a building that integrates and optimizes energy efficiency, durability, life-cycle performance, and occupant productivity.

(b) ASSESSMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall enter into an agreement with the National Institute of Building Sciences to—

(1) conduct an assessment (in cooperation with industry, standards development organizations, and other entities, as appropriate) of whether the current voluntary consensus standards and rating systems for high performance buildings are consistent with the research, development and demonstration activities of the Department;

(2) determine if additional research is required, based on the findings of the assessment; and,

(3) recommend steps for the Secretary to accelerate the development of voluntary consensus-based standards for high performance buildings that are based on the findings of the assessment.

(c) GRANT AND TECHNICAL ASSISTANCE PROGRAM.—Consistent with subsection (b), the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 3701 et seq.), and the amendments made by that Act, the Secretary shall establish a grant and technical assistance program to support the development of voluntary consensus-based standards for high performance buildings.

On page 497, line 13, strike “using thermochemical processes”.

On page 505, line 23, strike “proton exchange membrane”.

On page 742, line 8, strike “Power” and insert “Energy Regulatory”.

On page 755, after line 25, insert the following:

SEC. 1329. OVERALL EMPLOYMENT IN A HYDROGEN ECONOMY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary shall carry out a study of the likely effects of a transition to a hydrogen economy on overall employment in the United States.

(2) CONTENTS.—In completing the study, the Secretary shall take into consideration—

(A) the replacement effects of new goods and services;

(B) international competition;

(C) workforce training requirements;

(D) multiple possible fuel cycles, including usage of raw materials;

(E) rates of market penetration of technologies; and

(F) regional variations based on geography.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the findings, conclusions, and recommendations of the study under subsection (a).

SA 795. Mr. BAYH 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. 211. SENSE OF THE SENATE REGARDING INCLUSION OF LIABILITY WAIVER TO MTBE PRODUCERS.

It is the sense of the Senate that the Senate conferees should not agree to the inclusion of a provision in the conference report that would grant a liability waiver to MTBE producers.

SA 796. Mr. FEINGOLD (for himself and Mr. BROWNBACK) 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 697, between lines 6 and 7, insert the following:

SEC. 127. FAIR COMPETITION AND FINANCIAL INTEGRITY.

Section 204 of the Federal Power Act (16 U.S.C. 824c) is amended by adding at the end the following:

“(i)(1) In this subsection, the terms ‘affiliate’, ‘associate company’, and ‘public-utility company’ have the meanings given those terms in section 1272 of the Energy Policy Act of 2005.

“(2)(A) Not later than 1 year after the date of enactment of this subsection, the Commission shall issue regulations to regulate transactions between public-utility companies and affiliates and associate companies of the public-utility companies.

“(B) At a minimum, the regulations under subparagraph (A) shall require, with respect to a transaction between a public-utility company and an affiliate or associate company of the public-utility company, that—

“(i) any business activity other than public-utility company business shall be conducted through 1 or more affiliates or associate companies, which shall be independent, separate, and distinct entities from the public-utility company;

“(ii) the affiliate or associate company shall—

“(I) maintain separate books, accounts, memoranda, and other records; and

“(II) prepare separate financial statements;

“(iii)(I) the public-utility company shall conduct the transaction in a manner that is consistent with the transactions among non-affiliated and nonassociated companies; and

“(II) the public-utility company shall not use its status as a monopoly franchise to confer on its affiliate, or associate company, any unfair competitive advantage;

“(iv) the public-utility company shall not declare or pay any dividend on any security of the public-utility company in contravention of such regulations as the Commission considers appropriate to protect the financial integrity of the public-utility company;

“(v) the public-utility company shall have at least 1 independent director on its board of directors;

“(vi) the affiliate or associate company shall not structure its governance nor shall it acquire any loan, loan guarantee, or other indebtedness in a manner that would permit creditors to have recourse against the tangible or intangible assets of the public-utility company;

“(vii) the public-utility company shall not—

“(I) commingle any tangible or intangible assets or liabilities of the public-utility company with any assets or liabilities of an affiliate, or associate company, of the public-utility company; or

“(II) pledge or encumber any assets of the public-utility company on behalf of an affiliate, or associate company, of the public-utility company;

“(viii)(I) the public-utility company shall not cross-subsidize or shift costs from an affiliate, or associate company, of the public-utility company to the public-utility company; and

“(II) the public-utility company shall disclose and fully value, at the market value or other value specified by the Commission, any tangible or intangible assets or services by the public-utility company that, directly or indirectly, are transferred to, or otherwise provided for the benefit of, an affiliate, or associate company of the public-utility company; and

“(ix) electricity and natural gas consumers and investors—

“(I) shall be protected against the financial risks of public-utility company diversification and transactions with and among affiliates and associate companies of public-utility companies; and

“(II) shall not be subject to rates or charges that are not reasonably related to the provision of electricity or natural gas service.

“(3) This subsection does not preclude or deny the right of any State or political subdivision of a State to adopt and enforce standards for the corporate and financial separation of public-utility companies that are more stringent than those provided under the regulations issued under paragraph (2).

“(4) It shall be unlawful for a public-utility company to enter into or take any action in the performance of any transaction with any affiliate, or associate company, of a public-utility company in violation of the regulations issued under paragraph (2).”

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet