

PROVIDING FOR CONSIDERATION OF H.R. 6, ENERGY
POLICY ACT OF 2003

APRIL 10 (legislative day, APRIL 9), 2003.—Referred to the House Calendar and
ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 189]

The Committee on Rules, having had under consideration House Resolution 189, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 6, the Energy Policy Act of 2003, under a structured rule. The rule provides one hour and 30 minutes of general debate with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and 20 minutes equally divided and controlled by the chairmen and ranking minority members of each of the following Committees: Science, Resources, and Ways and Means. The rule waives all points of order against consideration of the bill.

The rule makes in order only those amendments printed in this report, and provides that those amendments may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in this report. The rule also provides one motion to recommit with or without instructions.

COMMITTEE VOTES

Pursuant to clause 3(b) of House rule XIII the results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee Record Vote No. 50

Date: April 10, 2003 (Legislative Day of April 9, 2003).

Measure: H.R. 6, the Energy Policy Act of 2003.

Motion by: Mr. Frost.

Summary of motion: To make in order the substitute amendment offered by Representatives Boehlert and Dingell which is identical to the version that passed the House last year. Introduces flexibility into the licensing and re-licensing of hydroelectric facilities by allowing any party to a licensing proceeding to propose alternatives to the resource and fishway prescriptions made by the resource agencies. The Secretary must accept the alternative, so long as he or she determines it provides the same level of protection for resources, fish, and wildlife and either costs less to implement or would result in more efficient operation of the hydroelectric facility. Requires the resources agencies to establish a process to expeditiously resolve any disputes involving resource or fish or wildlife conditions. Strikes the incentive payment program for hydro-power contained in this title.

Results: Defeated 3 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; McGovern—Yea; Hastings (FL)—Yea; Dreier—Nay.

Rules Committee Record Vote No. 51

Date: April 10, 2003 (Legislative Day of April 9, 2003).

Measure: H.R. 6, the Energy Policy Act of 2003.

Motion by: Mr. McGovern.

Summary of motion: To make in order the amendment offered by Representative Rahall which amends Title I—Alaska Natural Gas Pipeline Project; Title II—Western Area Power Administration; Title III—Energy Alternatives and Efficiency Regarding Federal Lands; Title IV—Establishment of Indian Energy Programs; Title V—Insular Areas Energy Security; Title VI—Sensible Development of Renewable Energy Resources of the Outer Continental Shelf; Title VII—Surface Owner Property Rights and Protection; Title VIII—Royalty Fairness; Title IX—Reclamation of Abandoned Coal Mine Sites; Title X—Land and Water Conservation Fund Enhancement; and Title XI—Coastal Withdrawals. This amendment is identical to the substitute offered by Mr. Rahall to the Committee Print at the Resources Committee's markup on April 2, 2003.

Results: Defeated 3 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; McGovern—Yea; Hastings (FL)—Yea; Dreier—Nay.

Rules Committee Record Vote No. 52

Date: April 10, 2003 (Legislative Day of April 9, 2003).

Measure: H.R. 6, the Energy Policy Act of 2003.

Motion by: Mr. McGovern.

Summary of motion: To make in order the amendment by Representative Waxman which requires the Administration to take voluntary, regulatory, and other actions to reduce oil demand in the United States by 600,000 barrels per day from projected levels by 2010. Does not per se mandate changes to C.A.F.E. standards.

Results: Defeated 3 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; McGovern—Yea; Hastings (FL)—Yea; Dreier—Nay.

Rules Committee Record Vote No. 53

Date: April 10, 2003 (Legislative Day of April 9, 2003).

Measure: H.R. 6, the Energy Policy Act of 2003.

Motion by: Mr. Hastings of Florida.

Summary of motion: To make in order the amendment offered by Representative Hastings of Florida which directs the Secretary of Energy to take all necessary steps and efforts to mitigate any adverse impacts that U.S. energy policy and provisions of H.R. 6 may have on minority, rural, Native American, and underserved communities. Requires the Secretary of Energy to submit to Congress an annual report detailing the Department's efforts to implement this requirement.

Results: Defeated 3 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; McGovern—Yea; Hastings (FL)—Yea; Dreier—Nay.

SUMMARY OF AMENDMENTS MADE IN ORDER UNDER THE RULE

1. Boehlert/Markey: Requires the Department of Transportation to promulgate rules to ensure that the total amount of oil cars and light trucks will consume in the year 2010 will be 5% less than the total amount they would otherwise consume if the average fuel economy standards were to remain at 2004 levels. (30 minutes)

2. Dingell: Substitute Amendment on Electricity. Provides FERC broad anti-fraud authority, for both electricity and natural gas markets. Establishes audit trail requirements to improve FERC's ability to conduct investigations and take enforcement actions. Provides for greater transparency, by requiring reporting of information about transactions or quotations involving sales or transmissions of electricity or gas. Increases penalties for civil and criminal offenses to levels in the Sarbanes-Oxley Act of 2002. Requires FERC to issue rules to prevent affiliate abuse, authorizes FERC to refund electricity overcharges back to the date they commenced, and requires FERC to reform its policy on "market-based" electricity rates. Directs SEC to review PUHCA exemptions. (30 minutes)

3. Wilson (NM): Limits the surface area covered by production and support facilities on the Alaska Coastal Plain to 2,000 acres or less. (20 minutes)

4. Peterson (PA): Makes available to the Low-Income Home Energy Assistance Program \$2.1 billion in bonus bids expected if the

Arctic National Wildlife Refuge is made available for energy exploration. (20 minutes)

5. Markey/Johnson (CT): Preserves current law, which prohibits drilling in the Arctic National Wildlife Refuge. (20 minutes)

6. Vitter: Expresses the sense of Congress that the United States should reduce dependence on foreign energy sources from 58%, the percentage of oil consumed from foreign sources in 2002, to 45% within ten years. (10 minutes)

7. Davis (VA)/Waxman: Clarifies that reports relating to federal procurement policy and federal contracting policy should be submitted to all relevant Congressional committees, including the Government Reform Committee of the House and Governmental Affairs Committee of the Senate. Adds a study of the energy conservation implications of the widespread adoption of telecommuting by federal employees in the United States. Adds a study to consider the merits of establishing performance measures to guide the reduction of petroleum consumption by federal fleets. (20 minutes)

8. Oberstar/Norton: Authorizes the General Services Administrator to establish a photovoltaic solar energy commercialization program for the procurement and installation of photovoltaic solar energy systems for electric production in new and existing public buildings. Authorizes \$262.7 million for each fiscal year from 2004 to 2008. (20 minutes)

9. Brown (OH): Adds a new section authorizing a Gasoline Availability Stabilization (GAS) Reserve program modeled on the Strategic Petroleum Reserve (SPR) and administered by DoE. Requires establishment of 3 GAS Reserves within 2 years of enactment: 1 in California; 1 in the Midwest, and 1 in the Northeast. Allows the Secretary to create 2 additional GAS Reserves anywhere in the country, at any time during the program's 6-year authorization. Authorizes emergency sales from a GAS Reserve only in response to a physical disruption (like a refinery fire or a pipeline outage) in the supply of gasoline to a State, and then only when the State's Governor requests assistance and the Secretary concurs, based in part on consideration of the effect of GAS Reserve sales on the region's gas market. Authorizes maintenance transactions with safeguards to prevent price inflation and ensure product freshness. Authorizes such sums to build and run the GAS Reserve. (20 minutes)

10. Udall (NM): Strikes section 14029, eliminating the \$10M payment for 3 years to improve leaching uranium mining techniques. (20 minutes)

11. Nadler: Adds to the Highly Enriched Uranium Diversion Study Threat Report (required by section 14032), a new section on the benefits of accelerating the purchase of excess weapons grade plutonium and uranium from Russia to reduce the likelihood that such plutonium and uranium could be stolen or sold to terrorists. (10 minutes)

12. Reynolds/Houghton: Requires the Secretary of Energy to develop a plan for the transfer of the Western New York Service Center in West Valley, New York, to the federal government, and requires that the plan be transmitted to Congress by December 31, 2003. (20 minutes)

13. Barrett: Requires the Secretary of Energy to conduct a study to determine the feasibility of developing commercial nuclear en-

ergy production facilities at existing Department of Energy sites. (10 minutes)

14. Blumenauer: Establishes within the Department of Transportation a Conserve by Bicycling pilot program. Instructs the Secretary of Transportation to report to Congress on the results of the pilot program within two years of implementation. (10 minutes)

15. Ryan (WI): Begins the reduction in the number of boutique fuels by establishing two fuels for states to select when writing their plans to control air pollution to be submitted for EPA approval. Establishes two preferred options for gasoline: a clean-burning gasoline (6.8 Reid Vapor Pressure) and a low Reid Vapor Pressure gasoline (7.8 RVP). Provides statutory preference to a State Implementation Plan that selects one of the identified fuels. (20 minutes)

16. Schakowsky: Expresses the sense of Congress that the Department of Energy should develop and implement more stringent inventory and procurement controls, including controls on the purchase card program. (10 minutes)

17. Wu: Requires the Secretary of Energy to make to Congress a biennial report detailing the department's equal employment opportunity practices. (10 minutes)

18. Capps/Miller (FL)/Davis (FL): Strikes section 30220 relating to protections for sensitive coastal areas. (20 minutes)

19. Kind: Strikes Title II of Division C, relating to oil and gas development provisions. (20 minutes)

20. Rahall: Strikes Title VII of Division C (Federal Coal Leasing). Title VII would repeal the existing 160-acre limitation for lease modifications. (20 minutes)

21. Thomas: Strikes section 42011 relating to the prepayment of premium liability for coal industry health benefits. (10 minutes)

22. Reynolds/Rogers (MI): Expresses Sense of Congress encouraging the Great Lakes States to continue their prohibitions on Great Lakes off-shore oil and gas drilling. (10 minutes)

TEXT OF AMENDMENT MADE IN ORDER UNDER THE RULE

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BOEHLERT OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 30 MINUTES

In division A, at the end of title VIII add the following:

SEC. ____ . AVERAGE FUEL ECONOMY STANDARDS.

(a) IN GENERAL.—Section 32902 of title 49, United States Code, is amended by redesignating subsections (i) and (j) in order as subsections (j) and (k), and by inserting after subsection (h) the following:

“(i) STANDARDS FOR MODEL YEARS AFTER 2004.—The Secretary of Transportation shall prescribe by regulation average fuel economy standards for automobiles manufactured by a manufacturer in model years after model year 2004, that ensure that the total amount of oil required for fuel for use by automobiles in the United States in 2010 and each year thereafter is at least 5 percent less than the total amount of oil that would be required for fuel for such use if the average fuel economy standards remained at the same level as in 2004.”.

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (c)(1) in the first sentence by inserting “and subsection (i)” after “of this subsection”; and

(2) in subsection (k) (as redesignated by subsection (a)) by striking “or (g)” and inserting “(g), or (i)”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DINGELL OF MICHIGAN OR HIS DESIGNEE, DEBATABLE FOR 30 MINUTES

Strike title VI of Division A and insert the following:

TITLE VI—ELECTRIC ENERGY

SEC. 601. FRAUDULENT OR MANIPULATIVE PRACTICES.

(a) UNLAWFUL ACTS.—It shall be unlawful for any entity, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails to use or employ, in the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, or the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, any fraudulent, manipulative, or deceptive device or contrivance in contravention of such rules and regulations as the Federal Energy Regulatory Commission may prescribe as necessary or appropriate in the public interest.

(b) APPLICATION OF FEDERAL POWER ACT TO THIS ACT.—The provisions of section 307 through 309 and 313 through 317 of the Federal Power Act shall apply to violations of section 601 of this Act in the same manner and to the same extent as such provisions apply to entities subject to Part II of the Federal Power Act.

SEC. 602. RULEMAKING ON EXEMPTIONS, WAIVERS, ETC. UNDER FEDERAL POWER ACT.

Part III of the Federal Power Act is amended by inserting the following new section after section 319 and by redesignating sections 320 and 321 as sections 321 and 322, respectively:

“SEC. 320. CRITERIA FOR CERTAIN EXEMPTIONS, WAIVERS, ETC.

“(a) RULE REQUIRED FOR CERTAIN WAIVERS, EXEMPTIONS, ETC.—Not later than 6 months after the enactment of this Act, the Commission shall promulgate a rule establishing specific criteria for providing an exemption, waiver, or other reduced or abbreviated form of compliance with the requirements of sections 204, 301, 304, and 305 (including any prospective blanket order). Such criteria shall be sufficient to insure that any such action taken by the Commission will be consistent with the purposes of such requirements and will otherwise protect the public interest.

“(b) MORATORIUM ON CERTAIN WAIVERS, EXEMPTIONS, ETC.—After the date of enactment of this section, the Commission may not issue, adopt, order, approve, or promulgate any exemption, waiver, or other reduced or abbreviated form of compliance with the requirements of section 204, 301, 304, or 305 (including any prospective blanket order) until after the rule promulgated under subsection (a) has taken effect.

“(c) PREVIOUS FERC ACTION.—The Commission shall undertake a review, by rule or order, of each exemption, waiver, or other re-

duced or abbreviated form of compliance described in subsection (a) that was taken before the date of enactment of this section. No such action may continue in force and effect after the date 18 months after the date of enactment of this section unless the Commission finds that such action complies with the rule under subsection (a).

“(d) EXEMPTION UNDER 204(f) NOT APPLICABLE.—For purposes of this section, in applying section 204, the provisions of section 204(f) shall not apply.”.

SEC. 603. REPORTING REQUIREMENTS IN ELECTRIC POWER SALES AND TRANSMISSION.

(a) AUDIT TRAILS.—Section 304 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

“(c)(1) The Commission shall, by rule or order, require each person or other entity engaged in the transmission of electric energy in interstate commerce or the sale of electric energy at wholesale in interstate commerce, and each broker, dealer, and power marketer involved in any such transmission or sale, to maintain, and periodically submit to the Commission, such records, in electronic form, of each transaction relating to such transmission or sale as may be necessary to determine whether any person has employed any fraudulent, manipulative, or deceptive device or contrivance in contravention of rules promulgated by the Commission.

“(2) Section 201(f) shall not limit the application of this subsection.”.

(b) NATURAL GAS.—Section 8 of the Natural Gas Act is amended by adding the following new subsection at the end thereof:

“(d) The Commission shall, by rule or order, require each person or other entity engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and each broker, dealer, and power marketer involved in any such transportation or sale, to maintain, and periodically submit to the Commission, such records, in electronic form, of each transaction relating to such transmission or sale as may be necessary to determine whether any person has employed any fraudulent, manipulative, or deceptive device or contrivance in contravention of rules promulgated by the Commission.”.

SEC. 604. TRANSPARENCY.

(a) DEFINITION.—As used in this section the term “electric power or natural gas information processor” means any person engaged in the business of—

(1) collecting, processing, or preparing for distribution or publication, or assisting, participating in, or coordinating the distribution or publication of, information with respect to transactions in or quotations involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas, or

(2) distributing or publishing (whether by means of a ticker tape, a communications network, a terminal display device, or otherwise) on a current and continuing basis, information with respect to such transactions or quotations.

The term does not include any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation, any self-regulatory organization, any bank, broker, dealer, building and loan, savings and loan, or homestead association, or cooperative bank, if such bank, broker, dealer, association, or cooperative bank would be deemed to be an electric power or natural gas information processor solely by reason of functions performed by such institutions as part of customary banking, brokerage, dealing, association, or cooperative bank activities, or any common carrier, as defined in section 3 of the Communications Act of 1934, subject to the jurisdiction of the Federal Communications Commission or a State commission, as defined in section 3 of that Act, unless the Commission determines that such carrier is engaged in the business of collecting, processing, or preparing for distribution or publication, information with respect to transactions in or quotations involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas.

(b) PROHIBITION.—No electric power or natural gas information processor may make use of the mails or any means or instrumentality of interstate commerce—

(1) to collect, process, distribute, publish, or prepare for distribution or publication any information with respect to quotations for, or transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas, or

(2) to assist, participate in, or coordinate the distribution or publication of such information in contravention of such rules and regulations as the Federal Energy Regulatory Commission shall prescribe as necessary or appropriate in the public interest to

(A) prevent the use, distribution, or publication of fraudulent, deceptive, or manipulative information with respect to quotations for and transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas;

(B) assure the prompt, accurate, reliable, and fair collection, processing, distribution, and publication of information with respect to quotations for and transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas, and the fairness and usefulness of the form and content of such information;

(C) assure that all such information processors may, for purposes of distribution and publication, obtain on fair and reasonable terms such information with respect to quotations for and transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas as is collected, processed, or prepared for distribution or publication by any exclusive processor of such information acting in such capacity;

(D) assure that, subject to such limitations as the Commission, by rule, may impose as necessary or appropriate for the maintenance of fair and orderly markets, all persons may obtain on terms which are not unreasonably discriminatory such

information with respect to quotations for and transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas as is published or distributed by any electric power or natural gas information processor;

(E) assure that all electricity and natural gas electronic communication networks transmit and direct orders for the purchase and sale of electricity or natural gas in a manner consistent with the establishment and operation of an efficient, fair, and orderly market system for electricity and natural gas; and

(F) assure equal regulation of all markets involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas and all persons effecting transactions involving the purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas.

(c) RELATED COMMODITIES.—For purposes of this section, the phrase “purchase or sale of electric power, natural gas, the transmission of electric energy, or the transportation of natural gas” includes the purchase or sale of any commodity (as defined in the Commodities Exchange Act) relating to any such purchase or sale if such commodity is excluded from regulation under the Commodities Exchange Act pursuant to section 2 of that Act.

(d) PROHIBITION.—No person who owns, controls, or is under the control or ownership of a public utility, a natural gas company, or a public utility holding company may own, control, or operate any electronic computer network or other multilateral trading facility utilized to trade electricity or natural gas.

SEC. 605. PENALTIES.

(a) CRIMINAL PENALTIES.—Section 316 of the Federal Power Act (16 U.S.C. 825o(c)) is amended as follows:

(1) By striking “\$5,000” in subsection (a) and inserting “\$5,000,000 for an individual and \$25,000,000 for any other defendant”

(2) By striking “\$500” in subsection (b) and inserting “\$1,000,000”.

(2) By striking subsection (c).

(b) CIVIL PENALTIES.—Section 316A of the Federal Power Act (16 U.S.C. 825o–1) is amended as follows:

(1) By striking “section 211, 212, 213, or 214” each place it appears and inserting “Part II”.

(2) By striking “\$10,000 for each day that such violation continues” and inserting “the greater of \$1,000,000 or three times the profit made or gain or loss avoided by reason of such violation”.

(3) By adding the following at the end thereof:

“(c) AUTHORITY OF A COURT TO PROHIBIT PERSONS FROM CERTAIN ACTIVITIES.—In any proceeding under this section, the court may censure, place limitations on the activities, functions, or operations of, suspend or revoke the ability of any entity (without regard to section 201(f)) to participate in the transmission of electric energy in interstate commerce or the sale of electric energy at wholesale in interstate commerce if it finds that such censure, plac-

ing of limitations, suspension, or revocation is in the public interest and that one or more of the following applies to such entity:

“(1) Such entity has willfully made or caused to be made in any application or report required to be filed with the Commission or with any other appropriate regulatory agency, or in any proceeding before the Commission, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein.

“(2) Such entity has been convicted of any felony or misdemeanor or of a substantially equivalent crime by a foreign court of competent jurisdiction which the court finds—

“(A) involves the purchase or sale of electricity, the taking of a false oath, the making of a false report, bribery, perjury, burglary, any substantially equivalent activity however denominated by the laws of the relevant foreign government, or conspiracy to commit any such offense;

“(B) arises out of the conduct of the business of transmitting electric energy in interstate commerce or selling or purchasing electric energy at wholesale in interstate commerce;

“(C) involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds, or securities, or substantially equivalent activity however denominated by the laws of the relevant foreign government; or

“(D) involves the violation of section 152, 1341, 1342, or 1343 or chapter 25 or 47 of title 18, United States Code, or a violation of a substantially equivalent foreign statute.

“(3) Such entity is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, transfer agent, foreign person performing a function substantially equivalent to any of the above, or entity or person required to be registered under the Commodity Exchange Act or any substantially equivalent foreign statute or regulation, or as an affiliated person or employee of any investment company, bank, insurance company, foreign entity substantially equivalent to any of the above, or entity or person required to be registered under the Commodity Exchange Act or any substantially equivalent foreign statute or regulation, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

“(4) Such entity has willfully violated any provision of this Act.

“(5) Such entity has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of any provision of this Act, or has failed reasonably to supervise, with a view to preventing violations of the provisions of this Act, another person who commits such a violation, if such other person is subject to his supervision. For the purposes of

this paragraph no person shall be deemed to have failed reasonably to supervise any other person, if—

“(A) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and

“(B) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

“(6) Such entity has been found by a foreign financial or energy regulatory authority to have—

“(A) made or caused to be made in any application or report required to be filed with a foreign regulatory authority, or in any proceeding before a foreign financial or energy regulatory authority, any statement that was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any application or report to the foreign regulatory authority any material fact that is required to be stated therein;

“(B) violated any foreign statute or regulation regarding the transmission or sale of electricity or natural gas;

“(C) aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of any statutory provisions enacted by a foreign government, or rules or regulations thereunder, empowering a foreign regulatory authority regarding transactions in electricity or natural gas, or contracts of sale of electricity or natural gas, traded on or subject to the rules of a contract market or any board of trade, or has been found, by a foreign regulatory authority, to have failed reasonably to supervise, with a view to preventing violations of such statutory provisions, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision.

“(7) Such entity is subject to any final order of a State commission (or any agency or officer performing like functions), State authority that supervises or examines banks, savings associations, or credit unions, State insurance commission (or any agency or office performing like functions), an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))), or the National Credit Union Administration, that—

“(A) bars such person from association with an entity regulated by such commission, authority, agency, or officer, or from engaging in the business of securities, insurance, banking, savings association activities, or credit union activities; or

“(B) constitutes a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct.

(8) Such entity is subject to statutory disqualification within the meaning of section 3(a)(39) of the Securities Exchange Act of 1934.”

(c) NATURAL GAS ACT PENALTIES.—Section 21 of the Natural Gas Act is amended by adding the following new subsection at the end thereof:

“(c) AUTHORITY OF A COURT TO PROHIBIT PERSONS FROM CERTAIN ACTIVITIES.—In any proceeding under this section, the court may censure, place limitations on the activities, functions, or operations of, suspend or revoke the ability of any entity (without regard to section 201(f)) to participate in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use if it finds that such censure, placing of limitations, suspension, or revocation is in the public interest and that one or more of the following applies to such entity:

“(1) Such entity has willfully made or caused to be made in any application or report required to be filed with the Commission or with any other appropriate regulatory agency, or in any proceeding before the Commission, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein.

“(2) Such entity has been convicted of any felony or misdemeanor or of a substantially equivalent crime by a foreign court of competent jurisdiction which the court finds—

“(A) involves the purchase or sale of natural gas, the taking of a false oath, the making of a false report, bribery, perjury, burglary, any substantially equivalent activity however denominated by the laws of the relevant foreign government, or conspiracy to commit any such offense;

“(B) arises out of the conduct of the business of transmitting natural gas in interstate commerce, or the selling in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use;

“(C) involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds, or securities, or substantially equivalent activity however denominated by the laws of the relevant foreign government; or

“(D) involves the violation of section 152, 1341, 1342, or 1343 or chapter 25 or 47 of title 18, United States Code, or a violation of a substantially equivalent foreign statute.

“(3) Such entity is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, transfer agent, foreign person performing a function substantially equivalent to any of the above, or entity or person required to be registered under

the Commodity Exchange Act or any substantially equivalent foreign statute or regulation, or as an affiliated person or employee of any investment company, bank, insurance company, foreign entity substantially equivalent to any of the above, or entity or person required to be registered under the Commodity Exchange Act or any substantially equivalent foreign statute or regulation, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

“(4) Such entity has willfully violated any provision of this Act.

“(5) Such entity has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of any provision of this Act, or has failed reasonably to supervise, with a view to preventing violations of the provisions of this Act, another person who commits such a violation, if such other person is subject to his supervision. For the purposes of this paragraph no person shall be deemed to have failed reasonably to supervise any other person, if—

“(A) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and

“(B) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

“(6) Such entity has been found by a foreign financial or energy regulatory authority to have—

“(A) made or caused to be made in any application or report required to be filed with a foreign regulatory authority, or in any proceeding before a foreign financial or energy regulatory authority, any statement that was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any application or report to the foreign regulatory authority any material fact that is required to be stated therein;

“(B) violated any foreign statute or regulation regarding the transmission or sale of electricity or natural gas;

“(C) aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of any statutory provisions enacted by a foreign government, or rules or regulations thereunder, empowering a foreign regulatory authority regarding transactions in electricity or natural gas, or contracts of sale of electricity or natural gas, traded on or subject to the rules of a contract market or any board of trade, or has been found, by a foreign regulatory authority, to have failed reasonably to supervise, with a view to preventing violations of such statutory provisions, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision.

“(7) Such entity is subject to any final order of a State commission (or any agency or officer performing like functions), State authority that supervises or examines banks, savings associations, or credit unions, State insurance commission (or any agency or office performing like functions), an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))), or the National Credit Union Administration, that—

“(A) bars such person from association with an entity regulated by such commission, authority, agency, or officer, or from engaging in the business of securities, insurance, banking, savings association activities, or credit union activities; or

“(B) constitutes a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct.

“(8) Such entity is subject to statutory disqualification within the meaning of section 3(a)(39) of the Securities Exchange Act of 1934.”.

SEC. 606. REVIEW OF PUHCA EXEMPTIONS.

Not later than 12 months after the enactment of this Act the Securities and Exchange Commission shall review each exemption granted to any person under section 3(a) of the Public Utility Holding Company Act of 1935 and shall review the action of persons operating pursuant to a claim of exempt status under section 3 to determine if such exemptions and claims are consistent with the requirements of such section 3(a) and whether or not such exemptions or claims of exemption should continue in force and effect.

SEC. 607. REVIEW OF ACCOUNTING FOR CONTRACTS INVOLVED IN ENERGY TRADING.

Not later than 12 months after the enactment of this Act, the Financial Accounting Standards Board shall submit to the Congress a report of the results of its review of accounting for contracts in energy trading and risk management activities. The review and report shall include, among other issues, the use of mark-to-market accounting and when gains and losses should be recognized, with a view toward improving the transparency of energy trading activities for the benefit of investors, consumers, and the integrity of these markets.

SEC. 608. PROTECTION OF FERC REGULATED SUBSIDIARIES.

Section 205 of the Federal Power Act is amended by adding after subsection (f) the following new subsection:

“(g) RULES AND PROCEDURES TO PROTECT CONSUMERS OF PUBLIC UTILITIES.—Not later than 9 months after the date of enactment of this Act, the Commission shall adopt rules and procedures for the protection of electric consumers from self-dealing, interaffiliate abuse, and other harmful actions taken by persons owning or controlling public utilities. Such rules shall ensure that no asset of a public utility company shall be used as collateral for indebtedness incurred by the holding company of, and any affiliate of, such public utility company, and no public utility shall acquire or own any securities of the holding company or other affiliates of the holding company unless the Commission has determined that such acquisi-

tion or ownership is consistent with the public interest and the protection of consumers of such public utility.”.

SEC. 609. REFUNDS UNDER THE FEDERAL POWER ACT.

Section 206(b) of the Federal Power Act is amended as follows:

(1) By amending the first sentence to read as follows: “In any proceeding under this section, the refund effective date shall be the date of the filing of a complaint or the date of the Commission motion initiating the proceeding, except that in the case of a complaint with regard to market-based rates, the Commission may establish an earlier refund effective date.”.

(2) By striking the second and third sentences.

(3) By striking out “the refund effective date or by” and “, whichever is earlier,” in the fifth sentence.

(4) In the seventh sentence by striking “through a date fifteen months after such refund effective date” and insert “and prior to the conclusion of the proceeding” and by striking the proviso.

SEC. 610. ACCOUNTS AND REPORTS.

Section 318 of the Federal Power Act is amended by adding the following at the end thereof: “This section shall not apply to sections 301 and 304 of this Act.”.

SEC. 611. MARKET-BASED RATES.

Section 205 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

“(g) For each public utility granted the authority by the Commission to sell electric energy at market-based rates, the Commission shall review the activities and characteristics of such utility not less frequently than annually to determine whether such rates are just and reasonable. Each such utility shall notify the Commission promptly of any change in the activities and characteristics relied upon by the Commission in granting such public utility the authority to sell electric energy at market-based rates. If the Commission finds that:

“(1) a rate charged by a public utility authorized to sell electric energy at market-based rates is unjust, unreasonable, unduly discriminatory or preferential,

“(2) the public utility has intentionally engaged in an activity that violates any other rule, tariff, or order of the Commission, or

“(3) any violation of section 101 of the Energy Markets Fraud Prevention and Consumer Protection Act of 2002, the Commission shall issue an order immediately modifying or revoking the authority of that public utility to sell electric energy at market-based rates.”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WILSON OF NEW MEXICO OR HER DESIGNEE, DEBATABLE FOR 20 MINUTES

In division C, in section 30407(a), strike “and” after the semicolon at the end of paragraph (1), strike the period at the end of paragraph (2) and insert “; and”, and add at the end the following:

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips

and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PETERSON OF PENNSYLVANIA OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

In division C, at the end of section 30409 add the following:

(c) USE OF BONUS PAYMENTS FOR LOW-INCOME HOME ENERGY ASSISTANCE.—Amounts that are received by the United States as bonuses for leases under this title and deposited into the Treasury under subsection (a)(2) may be appropriated to the Secretary of the Health and Human Services, in addition to amounts otherwise available, to provide assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MARKEY OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

In division C, strike title IV.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE VITTER OF LOUISIANA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

After the table of contents, insert the following new section:

SEC. 2. ENERGY POLICY.

It is the sense of the Congress that the United States should take all the actions necessary in the areas of conservation, efficiency, alternative source, technology development, and domestic production to reduce the United States dependence on foreign energy sources from 58 percent to 45 percent by January 1, 2013.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DAVIS OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

Page 34, starting on line 12 (in section 11006(f)), strike “the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate” and insert “Congress”.

Page 41, line 24 (in the matter proposed to be inserted by section 11010(a) as section 6005(c)(3) of the Solid Waste Disposal Act), strike “the Committee” and all the follows through “Representatives” on page 42, line 4, and insert “Congress”.

Page 43, before line 5 (at the end of subtitle A of title I of division A), insert the following new section (and conform the table of contents accordingly):

SEC. 11011. TELECOMMUTING STUDY.

(a) STUDY REQUIRED.—The Secretary, in consultation with the Commission, the Director of the Office of Personnel Management, the Administrator of General Services, and the Administrator of NTIA, shall conduct a study of the energy conservation implications of the widespread adoption of telecommuting by Federal employees in the United States.

(b) **REQUIRED SUBJECTS OF STUDY.**—The study required by subsection (a) shall analyze the following subjects in relation to the energy saving potential of telecommuting by Federal employees:

(1) Reductions of energy use and energy costs in commuting and regular office heating, cooling, and other operations.

(2) Other energy reductions accomplished by telecommuting.

(3) Existing regulatory barriers that hamper telecommuting, including barriers to broadband telecommunications services deployment.

(4) Collateral benefits to the environment, family life, and other values.

(c) **REPORT REQUIRED.**—The Secretary shall submit to the President and the Congress a report on the study required by this section not later than 6 months after the date of the enactment of this Act. Such report shall include a description of the results of the analysis of each of the subject described in subsection (b).

(d) **DEFINITIONS.**—As used in this section:

(1) **SECRETARY.**—The term “Secretary” means the Secretary of Energy.

(2) **COMMISSION.**—The term “Commission” means the Federal Communications Commission.

(3) **NTIA.**—The term “NTIA” means the National Telecommunications and Information Administration of the Department of Commerce.

(4) **TELECOMMUTING.**—The term “telecommuting” means the performance of work functions using communications technologies, thereby eliminating or substantially reducing the need to commute to and from traditional worksites.

(5) **FEDERAL EMPLOYEE.**—The term “Federal employee” has the meaning provided the term “employee” by section 2105 of title 5, United States Code.

Page 182, after line 6 (at the end of subtitle D of title V of division A), insert the following new section (and conform the table of contents accordingly):

SEC. 15050. STUDY ON REDUCING PETROLEUM CONSUMPTION.

(a) **IN GENERAL.**—The Administrator of General Services, in cooperation with the Secretary of Energy, shall conduct a study to consider the merits of establishing performance measures to guide the reduction of petroleum consumption by Federal fleets.

(b) **MATTERS TO BE ADDRESSED.**—The study shall assess the feasibility of performance measures—

(1) to enable agency and congressional decisionmakers to establish annual and long-term performance goals to define the level of petroleum consumption reduction to be achieved by Federal fleets;

(2) to improve the effectiveness and accountability of Federal efforts to reduce petroleum consumption and dependency;

(3) to enhance decisionmaking by providing objective information on achieving performance objectives; and

(4) to provide an alternative to the mandated alternative fueled vehicle requirements in section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212).

(c) **REPORT.**—Not later than 12 months after the date of enactment of this Act, the Administrator shall submit to the Committees on Environment and Public Works and Governmental Affairs of the

Senate and the Committees on Energy and Commerce and Government Reform of the House of Representatives a report on the study.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE OBERSTAR OF MINNESOTA OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

Page 43, before line 5, insert the following:

SEC. 11011. USE OF PHOTOVOLTAIC ENERGY IN PUBLIC BUILDINGS.

(a) IN GENERAL.—Subchapter VI of chapter 31 of title 40, United States Code, is amended by adding at the end the following:

“§ 3177. Use of photovoltaic energy in public buildings

“(a) PHOTOVOLTAIC ENERGY COMMERCIALIZATION PROGRAM.—

“(1) IN GENERAL.—The Administrator of General Services may establish a photovoltaic energy commercialization program for the procurement and installation of photovoltaic solar electric systems for electric production in new and existing public buildings.

“(2) PURPOSES.—The purposes of the program shall be to accomplish the following:

“(A) To accelerate the growth of a commercially viable photovoltaic industry to make this energy system available to the general public as an option which can reduce the national consumption of fossil fuel.

“(B) To reduce the fossil fuel consumption and costs of the Federal Government.

“(C) To attain the goal of installing solar energy systems in 20,000 Federal buildings by 2010, as contained in the Federal Government’s Million Solar Roof Initiative of 1997.

“(D) To stimulate the general use within the Federal Government of life-cycle costing and innovative procurement methods.

“(E) To develop program performance data to support policy decisions on future incentive programs with respect to energy.

“(3) ACQUISITION OF PHOTOVOLTAIC SOLAR ELECTRIC SYSTEMS.—

“(A) IN GENERAL.—The program shall provide for the acquisition of photovoltaic solar electric systems and associated storage capability for use in public buildings.

“(B) ACQUISITION LEVELS.—The acquisition of photovoltaic electric systems shall be at a level substantial enough to allow use of low-cost production techniques with at least 150 megawatts (peak) cumulative acquired during the 5 years of the program.

“(4) ADMINISTRATION.—The Administrator shall administer the program and shall—

“(A) prescribe such rules and regulations as may be appropriate to monitor and assess the performance and operation of photovoltaic solar electric systems installed pursuant to this subsection;

“(B) develop innovative procurement strategies for the acquisition of such systems; and

- “(C) transmit to the Committee on Transportation and Infrastructure of the House of Representatives and to the Committee on Environment and Public Works of the Senate an annual report on the results of the program.
- “(b) PHOTOVOLTAIC SYSTEMS EVALUATION PROGRAM.—
- “(1) IN GENERAL.—Not later than 60 days after the date of enactment of this section, the Administrator, in consultation with the Secretary of Energy, shall establish a photovoltaic solar energy systems evaluation program to evaluate such photovoltaic solar energy systems as are required in public buildings.
- “(2) PROGRAM REQUIREMENT.—In evaluating photovoltaic solar energy systems under the program, the Administrator shall ensure that such systems reflect the most advanced technology.
- “(c) AUTHORIZATION OF APPROPRIATIONS.—
- “(1) PHOTOVOLTAIC ENERGY COMMERCIALIZATION PROGRAM.—There is authorized to be appropriated to carry out subsection (a) \$210,000,000 for each of fiscal years 2004 through 2008. Such sums shall remain available until expended.
- “(2) PHOTOVOLTAIC SYSTEMS EVALUATION PROGRAM.—There is authorized to be appropriated to carry out subsection (b) \$52,700,000 for each of fiscal years 2004 through 2008. Such sums shall remain available until expended.”.
- (b) CONFORMING AMENDMENT.—The analysis for such chapter is amended by inserting after the item relating to section 3176 the following:Q
- “3177. Use of photovoltaic energy in public buildings”.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BROWN OF OHIO OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

At the end of subtitle E of title II of division A, insert the following new section:

SEC. 12405. GASOLINE AVAILABILITY STABILIZATION RESERVE.

- (a) ESTABLISHMENT.—
- (1) AUTHORITY.—The Secretary shall establish a Gasoline Availability Stabilization Reserve (in this section referred to as the “GAS Reserve”) system with a total capacity of 20,000,000 barrels of regular unleaded gasoline.
- (2) RESERVE SITES.—Not later than 1 year after the date of enactment of this Act, the Secretary shall determine a site for one GAS Reserve each in the Northeast and Midwest regions of the United States, and one in California. Such reserve sites shall be operational within 2 years after the date of enactment of this Act. The Secretary may establish two additional GAS Reserve sites at locations selected by the Secretary.
- (3) SECURITY.—In establishing the GAS Reserve under this section, the Secretary shall obtain the concurrence of the Secretary of Homeland Security with respect to physical design security and operational security.
- (b) TRANSPORTATION PLAN.—Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to the Congress, the Secretary of Homeland Security, and the Governor of

each State in which a reserve will be sited a plan for the transportation of the contents of the GAS Reserve under this section to consumers in the event of an emergency sale under subsection (d).

(c) **FILL DATE.**—The Secretary shall complete the process of filling the GAS Reserve under this section by March 1, 2006.

(d) **EMERGENCY SALE AUTHORIZATION.**—The Secretary shall sell gasoline from the GAS Reserve if—

(1) the Governor of a State transmits to the Secretary a written request for GAS Reserve emergency sales assistance which—

(A) cites a physical disruption in the system supplying gasoline to the Governor’s State; and

(B) demonstrates to the satisfaction of the Secretary that such disruption is likely to result in price volatility for retail gasoline markets in the Governor’s State; and

(2) the Secretary determines that—

(A) GAS Reserve emergency sales would mitigate gasoline price volatility in the Governor’s State;

(B) GAS Reserve emergency sales would not have an adverse effect on the long-term economic viability of retail gasoline markets in the Governor’s State and adjacent States;

(C) the physical disruption described in paragraph (1)(A) is likely to result in general economic disruption in the Governor’s State and adjacent States; and

(D) GAS Reserve emergency sales would serve to stabilize gasoline prices, not suppress prices below long-term market trend levels.

(e) **PROCEDURE.**—

(1) **SECRETARY’S RESPONSE.**—The Secretary shall respond to a request transmitted under subsection (d)(1) within 10 days of receipt of a request by—

(A) approving the request;

(B) denying the request; or

(C) requesting additional supporting information.

(2) **APPROVAL.**—If the Secretary approves a request, the Secretary shall provide to the Governor a written notice of approval that includes—

(A) a description of the GAS Reserve emergency sale plan; and

(B) an explanation of the Secretary’s decision.

(3) **DENIAL.**—If the Secretary denies a request, the Secretary shall provide to the Governor a written notice of denial that includes an explanation of the Secretary’s decision.

(4) **ADDITIONAL INFORMATION.**—If the Secretary requests additional information and the Governor does not respond for a period of 10 days, the Governor’s request shall be denied. If the Governor provides all requested additional information in timely manner, the Secretary shall approve or deny the request within 10 days after receipt of such information.

(f) **MAINTENANCE TRANSACTIONS.**—The Secretary is authorized to conduct purchases and sales of gasoline at wholesale for maintenance of the GAS Reserve system. In conducting maintenance transactions, the Secretary shall ensure that—

(1) the GAS Reserve is available to respond to emergencies during periods of the annual gasoline market cycle when the Secretary expects demand to be highest;

(2) the GAS Reserve does not contain gasoline for a period of time so long as to jeopardize its quality; and

(3) maintenance transactions are timed so as to minimize their impact on the retail price of gasoline.

(g) REPORTS.—Not later than November 1 of each year, the Secretary shall transmit to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate a report on the GAS Reserve program, describing the physical status of GAS Reserve facilities, the program's financial outlook, and the disposition of any emergency sales request received and any emergency sales conducted since the last report, and recommending any additional appropriations or technical changes appropriate to improve the program's operation.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary for construction and operation of the GAS Reserve for fiscal years 2004 through 2009.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE UDALL OF NEW MEXICO OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

Strike section 14029.

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE NADLER OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

In division A, section 14032, in the proposed section 307(d)—

(1) strike “and” at the end of paragraph (6);

(2) strike the period, close quotation mark, and period at the end of paragraph (7) and insert “; and”; and

(3) add at the end the following new paragraph:

“(8) accelerating the purchase of excess weapons grade plutonium and uranium from Russia to reduce the likelihood that such plutonium and uranium could be stolen or sold to terrorists.”.

12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE REYNOLDS OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

At the end of subtitle B of title IV of division A, insert the following new section:

SEC. 14036. TRANSFER.

Not later than December 31, 2003, the Secretary of Energy shall transmit to the Congress a plan for the transfer to the Secretary of title to, and full responsibility for the possession, transportation, disposal, stewardship, maintenance, and monitoring of, all facilities, property, and radioactive waste at the Western New York Service Center in West Valley, New York. The Secretary shall con-

sult with the President of the New York State Energy Research and Development Authority in developing such plan.

13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BARRETT OF SOUTH CAROLINA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of subtitle B of title IV of division A, insert the following new section:

SEC. 14036. STUDY TO DETERMINE FEASIBILITY OF DEVELOPING COMMERCIAL NUCLEAR ENERGY PRODUCTION FACILITIES AT EXISTING DEPARTMENT OF ENERGY SITES.

(a) IN GENERAL.—The Secretary of Energy shall conduct a study to determine the feasibility of developing commercial nuclear energy production facilities at Department of Energy sites in existence on the date of the enactment of this Act, including—

(1) options for how and where nuclear power plants can be developed on existing Department of Energy sites;

(2) estimates on cost savings to the Federal Government that may be realized by locating new nuclear power plants on Federal sites;

(3) the feasibility of incorporating new technology into nuclear power plants located on Federal sites;

(4) potential improvements in the licensing and safety oversight procedures of nuclear power plants located on Federal sites;

(5) an assessment of the effects of nuclear waste management policies and projects as a result of locating nuclear power plants located on Federal sites; and

(6) any other factors that the Secretary believes would be relevant in making the determination.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study under subsection (a).

14. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BLUMENAUER OF OREGON OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of subtitle D of title V of division A, insert the following new section:

SEC. 15050. CONSERVE BY BICYCLING PROGRAM.

(a) DEFINITIONS.—In this section:

(1) PROGRAM.—The term “program” means the Conserve by Bicycling Program established by subsection (b).

(2) SECRETARY.—The term “Secretary” means the Secretary of Transportation.

(b) ESTABLISHMENT.—There is established within the Department of Transportation a program to be known as the “Conserve by Bicycling Program”.

(c) PROJECTS.—

(1) IN GENERAL.—In carrying out the program, the Secretary shall establish not more than 10 pilot projects that are—

- (A) dispersed geographically throughout the United States; and
 - (B) designed to conserve energy resources by encouraging the use of bicycles in place of motor vehicles.
- (2) REQUIREMENTS.—A pilot project described in paragraph (1) shall—
- (A) use education and marketing to convert motor vehicle trips to bicycle trips;
 - (B) document project results and energy savings (in estimated units of energy conserved);
 - (C) facilitate partnerships among interested parties in at least 2 of the fields of—
 - (i) transportation;
 - (ii) law enforcement;
 - (iii) education;
 - (iv) public health;
 - (v) environment; and
 - (vi) energy;
 - (D) maximize bicycle facility investments;
 - (E) demonstrate methods that may be used in other regions of the United States; and
 - (F) facilitate the continuation of ongoing programs that are sustained by local resources.
- (3) COST SHARING.—At least 20 percent of the cost of each pilot project described in paragraph (1) shall be provided from State or local sources.
- (d) ENERGY AND BICYCLING RESEARCH STUDY.—
- (1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences for, and the National Academy of Sciences shall conduct and submit to Congress a report on, a study on the feasibility of converting motor vehicle trips to bicycle trips.
 - (2) COMPONENTS.—The study shall—
 - (A) document the results or progress of the pilot projects under subsection (c);
 - (B) determine the type and duration of motor vehicle trips that people in the United States may feasibly make by bicycle, taking into consideration factors such as—
 - (i) weather;
 - (ii) land use and traffic patterns;
 - (iii) the carrying capacity of bicycles; and
 - (iv) bicycle infrastructure;
 - (C) determine any energy savings that would result from the conversion of motor vehicle trips to bicycle trips;
 - (D) include a cost-benefit analysis of bicycle infrastructure investments; and
 - (E) include a description of any factors that would encourage more motor vehicle trips to be replaced with bicycle trips.
- (e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$6,200,000, to remain available until expended, of which—
- (1) \$5,150,000 shall be used to carry out pilot projects described in subsection (c);

- (2) \$300,000 shall be used by the Secretary to coordinate, publicize, and disseminate the results of the program; and
- (3) \$750,000 shall be used to carry out subsection (d).

15. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE RYAN OF WISCONSIN OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES.

In Division A, in title VII, subtitle A, after section 17107, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 17107A. REDUCING THE PROLIFERATION BOUTIQUE FUELS.

(a) EPA APPROVAL OF STATE PLANS WITH BOUTIQUE FUELS.—Section 211(c)(4) of the Clean Air Act (42 U.S.C. 7545(c)(4)) is amended by adding the following at the end thereof:

“(D) In the case of gasoline, after the enactment of this subparagraph, the Administrator shall give a preference to the approval of implementation plan provisions described in subparagraph (C) if the control or prohibition in such provisions requires the use of either of the following:

“(i) Federal clean burning fuel meeting the requirements of subsection (p)(1).

“(ii) Low RVP gasoline meeting the requirements of subsection (p)(2).”.

(b) PREFERRED GASOLINE OPTIONS.—Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding the following new subsection at the end thereof:

“(r) PREFERRED GASOLINE OPTIONS.—

“(1) FEDERAL CLEAN BURNING GASOLINE.—For purposes of this section, the term ‘Federal clean burning gasoline’ means reformulated gasoline as defined in subsection (k), the Reid Vapor Pressure of which is equal to 6.8 pounds per square inch (psi) for the high ozone season (as determined by the Administrator).

“(2) LOW RVP GASOLINE.—The Administrator shall promulgate regulations providing for a gasoline blend for the high ozone season (as determined by the Administrator) having a Reid Vapor Pressure of 7.8 pounds per square inch (psi).”.

16. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHAKOWSKY OF ILLINOIS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

In division B, at the end of title II, insert the following new section:

SEC. 22003. SENSE OF CONGRESS.

It is the sense of the Congress that—

- (1) the Secretary of Energy should develop and implement more stringent procurement and inventory controls, including controls on the purchase card program, to prevent waste, fraud, and abuse of taxpayer funds by employees and contractors of the Department of Energy; and

(2) the Department's Inspector General should continue to closely review purchase card purchases and other procurement and inventory practices at the Department.

17. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WU OF OREGON OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

In division B, title II, at the end insert the following new section:
SEC. 22003. REPORT ON EQUAL EMPLOYMENT OPPORTUNITY PRACTICES.

Not later than twelve months after the date of enactment of this Act, and biennially thereafter, the Secretary shall transmit to Congress a report on the equal employment opportunity practices at Department of Energy National laboratories. Such report shall include—

(1) a thorough review of each laboratory contractor's equal employment opportunity policies, including promotion to management and professional positions and pay raises;

(2) a statistical report on complaints and their disposition in the laboratories;

(3) a description of how equal employment opportunity practices at the laboratories are treated in the contract and in calculating award fees for each contractor;

(4) a summary of disciplinary actions and their disposition by either the Department or the relevant contractors for each laboratory;

(5) a summary of outreach efforts to attract women and minorities to the laboratories;

(6) a summary of efforts to retain women and minorities in the laboratories; and

(7) a summary of collaboration efforts with the Office of Federal Contract Compliance Programs to improve equal employment opportunity practices at the laboratories.

18. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CAPPS OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 20 MINUTES

Strike section 30220.

19. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KIND OF WISCONSIN OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

In division C, strike title II.

20. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE RAHALL OF WEST VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

In division C, strike title VII.

21. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE THOMAS OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 42011.

22. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE REYNOLDS OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill add the following:

**DIVISION — MISCELLANEOUS
PROVISIONS**

SEC. 01. ENCOURAGING PROHIBITION OF OFF-SHORE DRILLING IN THE GREAT LAKES.

(a) FINDINGS.—The Congress finds that—

(1) the water resources of the Great Lakes Basin are precious public natural resources, shared and held in trust by the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin, and the Canadian Province of Ontario;

(2) the environmental dangers associated with off-shore drilling in the Great Lakes for oil and gas outweigh the potential benefits of such drilling;

(3) in accordance with the Submerged Lands Act (43 U.S.C. 1301 et seq.), each State that borders any of the Great Lakes has authority over the area between that State's coastline and the boundary of Canada or another State;

(4) the States of Illinois, Michigan, New York, Pennsylvania, and Wisconsin each have a statutory prohibition of off-shore drilling in the Great Lakes for oil and gas;

(5) the States of Indiana, Minnesota, and Ohio do not have such a prohibition; and

(6) the Canadian Province of Ontario does not have such a prohibition, and drilling for and production of gas occurs in the Canadian portion of Lake Erie.

(b) ENCOURAGEMENT OF PROHIBITIONS ON OFF-SHORE DRILLING.—The Congress encourages—

(1) the States of Illinois, Michigan, New York, Pennsylvania, and Wisconsin to continue to prohibit off-shore drilling in the Great Lakes for oil and gas;

(2) the States of Indiana, Minnesota, and Ohio and the Canadian Province of Ontario to enact a prohibition of such drilling; and

(3) the Canadian Province of Ontario to require the cessation of any such drilling and any production resulting from such drilling.