Walker
Weber
Whitten
Wise
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff

NOES—221

Abercrombie
Ackerman
Allen
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bereuter
Berman
Bilbray
Blackwell
Boehlert
Borski
Brooks
Browder
Bryant
Bustamante
Byron
Cardin
Carper
Chandler
Clay
Coleman (TX)
Condit
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Engel
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Frank (MA)
Franks (CT)
Frost
Gaydos
Gejdenson
Gephardt
Gilchrest
Gilman
Glickman
Gonzalez
Gordon
Green
Hall (OH)
Hayes (IL)
Henry
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hughes
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kostmayer
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Long
Lowey (NY)
Luken
Machtley
Matsui
Mavroules
Mazzoli
McCurdy
McDermott
McHugh
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oberstar
Obey
Olin
Olver
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Quillen
Rahall
Ramstad
Rangel
Ravenel
Reed
Richardson
Ridge
Riggs
Rinaldo
Roemer
Rose
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter
Smith (FL)
Smith (NJ)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Synar
Tallon
Tanner
Torres
Torricelli
Traxler
Unsoeld
Vento
Vucanovich
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wolpe
Wyden
Yates
Yatron
Zimmer

NOT VOTING—18

Alexander
Anthony
Bentley
Boxer
Bruce
Campbell (CA)
Collins (IL)
Dannemeyer
Donnelly
Guarini
Lagomarsino
Levine (CA)
Martinez
McDade
Michel
Oakar
Packard
Smith (OR)

So the amendment to the amendment was not agreed to.

After some further time,

¶60.11 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the foregoing amendment submitted by Mr. MILLER of California.

It was decided in the affirmative ..... { Yeas ..... 318 / Nays 98

¶60.12 [Roll No. 143]

AYES—318

Abercrombie
Ackerman
Allen
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Coleman (MO)
Coleman (TX)
Condit
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dixon
Dooley
Dorgan (ND)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Machtley
Markey
Martin
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Riggs
Rinaldo
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Savage
Sawyer
Saxton
Scheuer
Schiff
Schroeder
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Sundquist
Swett
Synar
Tallon
Tanner
Taylor (MS)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)
Zimmer

NOES—98

Allard
Anderson
Archer
Armey
Baker
Barrett
Barton
Bateman
Bliley
Boehner
Bunning
Burton
Camp
Carr
Chandler
Clinger
Coble
Collins (MI)
Combest
Conyers
Cunningham
Davis
DeLay
Dingell
Doolittle
Dornan (CA)
Edwards (OK)
Edwards (TX)
Emerson
Fields
Ford (MI)
Gekas
Grandy
Hall (TX)
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Herger
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Johnson (TX)
Kasich
Kolbe
Kopetski
Kyl
Lent
Lewis (CA)
Lightfoot
Livingston
Lowery (CA)
Manton
Marlenee
McCandless
McCrery
McEwen
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Myers
Nichols
Nussle
Orton
Oxley
Paxon
Pickett
Rhodes
Ritter
Roberts
Rogers
Rohrabacher
Sarpalius
Schaefer
Schulze
Shuster
Skeen
Smith (OR)
Spence
Stearns
Stenholm
Stump
Swift
Tauzin
Taylor (NC)
Thomas (CA)
Towns
Vucanovich
Walker
Young (AK)
Zeliff

NOT VOTING—18

Alexander
Anthony
Ballenger
Bentley
Boxer
Brown
Bruce
Campbell (CA)
Collins (IL)
Dannemeyer
Donnelly
Lagomarsino
Levine (CA)
Martinez
McDade
Michel
Oakar
Packard

So the amendment was agreed to.

After some further time,

The SPEAKER pro tempore, Mr. GEPHARDT, assumed the Chair.

When Mr. SKAGGS, Chairman, pursuant to House Resolution 464, reported the bill back to the House with an amendment adopted by the Committee.

The previous question having been ordered by said resolution.

The following amendment, reported from the Committee of the Whole House on the state of the Union, was agreed to:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Comprehensive National Energy Policy Act''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—ENERGY EFFICIENCY

Sec. 101. Findings, purpose, and definition.

Subtitle A—Buildings

Sec. 111. Residential and commercial building energy efficiency codes and standards.

Sec. 112. Voluntary home energy efficiency ratings.

Subtitle B—Federal Agency Energy Management

Sec. 121. Federal energy management amendments.

Sec. 122. Energy savings performance contracts.

Sec. 123. Intergovernmental energy management planning and coordination.
Sec. 124. Federal agency energy management training.
Sec. 125. Identification and attainment of agency energy reduction and management goals.
Sec. 126. Energy audit teams.
Sec. 127. Procurement and identification of energy efficient products.
Sec. 128. Federal energy efficiency funding study.

Subtitle C—Electricity and Utilities

PART 1—ELECTRIC UTILITIES

Sec. 131. Encouragement of investments in conservation and energy efficiency.
Sec. 132. Tennessee Valley Authority least-cost planning program.
Sec. 133. Amendment of Hoover Power Plant Act.

PART 2—GAS UTILITIES

Sec. 141. Encouragement of investments in conservation and energy efficiency.

PART 3—GENERAL PROVISIONS

Sec. 151. Conservation grants to State regulatory authorities.

Subtitle D—Requirements and Information

Sec. 161. Energy efficiency labeling for windows and window systems.
Sec. 162. Voluntary standards for industrial insulation and improvement of industrial audits.
Sec. 163. Energy conservation requirements for certain commercial and industrial equipment.
Sec. 164. Energy conservation requirements for certain lamps and plumbing products.
Sec. 165. Energy conservation requirements for certain other equipment and energy efficiency labeling for luminaires.
Sec. 166. Cooperative advanced appliance and equipment development.
Sec. 167. Evaluation of utility early replacement programs for appliances.

Subtitle E—Miscellaneous

Sec. 171. Commercial application of energy efficient lighting technology.
Sec. 172. Energy efficiency in industrial facilities.
Sec. 173. Process-oriented industrial energy efficiency.
Sec. 174. Miscellaneous.

TITLE II—NATURAL GAS PIPELINES

Sec. 201. Fewer restrictions on certain natural gas imports.
Sec. 202. Optional certificates for certain projects.
Sec. 203. Transportation under section 311 of the Natural Gas Policy Act of 1978.
Sec. 204. Rules in local distribution company bypass cases.
Sec. 205. Third party contracting by the Federal Energy Regulatory Commission for Natural Gas Act facilities.
Sec. 206. New rates and joint through rates.
Sec. 207. Utilization of informal rulemaking procedures.
Sec. 208. Faster issuance and review of Commission orders.
Sec. 209. Streamlined certificate procedures.
Sec. 210. Expedited Federal Energy Regulatory Commission rules.
Sec. 211. Gas delivery interconnections in production areas.
Sec. 212. Gas delivery interconnections in market areas for local utilities.
Sec. 213. Technical amendments.
Sec. 214. State regulation on the production of natural gas.

TITLE III—ALTERNATIVE FUELS—GENERAL

Sec. 301. Definitions.
Sec. 302. Amendments to the Energy Policy and Conservation Act.
Sec. 303. Assurance of acquisition of a variety of fueling facilities.
Sec. 304. Increased Federal fleet requirement.
Sec. 305. Use of alcohol-enhanced gasoline in Federal motor vehicles.
Sec. 306. Disadvantaged business enterprises.

TITLE IV—ALTERNATIVE FUELS—NON-FEDERAL PROGRAMS

Sec. 401. Truck commercial application program.
Sec. 402. Conforming amendments.
Sec. 403. Alternative motor fuels amendments.
Sec. 404. Vehicular natural gas jurisdiction.
Sec. 405. Public information program.
Sec. 406. Labeling requirements.
Sec. 407. Availability of fueling facilities.
Sec. 408. Data acquisition program.
Sec. 409. Federal Energy Regulatory Commission authority to approve recovery of certain expenses in advance.
Sec. 410. State and local incentives programs.
Sec. 411. Alternative fuel bus program.
Sec. 412. Certification of training programs.
Sec. 413. Alternative fuel use in nonroad vehicles and engines.
Sec. 414. Reports to Congress.
Sec. 415. Low interest loan program.
Sec. 416. Commercial application funding for alternative fueled vehicles.
Sec. 417. Prohibited acts.
Sec. 418. Enforcement.

TITLE V—AVAILABILITY AND USE OF REPLACEMENT FUELS, ALTERNATIVE FUELS, AND ALTERNATIVE FUELED PRIVATE VEHICLES

Sec. 501. Mandate for alternative fuel providers.
Sec. 502. Replacement fuel supply and demand program.
Sec. 503. Replacement fuel demand estimates and supply information.
Sec. 504. Modification of goals; additional rulemaking authority.
Sec. 505. Voluntary supply commitments.
Sec. 506. Technical and policy analysis.
Sec. 507. Fleet requirement program.
Sec. 508. Secretary's recommendations to Congress.
Sec. 509. Effect on other laws.
Sec. 510. Prohibited acts.
Sec. 511. Enforcement.
Sec. 512. Powers of the Secretary.
Sec. 513. Authorization of appropriations.

TITLE VI—ELECTRIC MOTOR VEHICLES

Sec. 601. Definitions.

Subtitle A—Electric Motor Vehicle Commercial Demonstration Program

Sec. 611. Applications.
Sec. 612. Selection of proposers.
Sec. 613. Discounts to users.
Sec. 614. Reports to Congress.
Sec. 615. Authorization of appropriations.
Sec. 616. Technology transfer program.

Subtitle B—Electric Motor Vehicle Infrastructure and Support Systems Development Program

Sec. 621. Definitions.
Sec. 622. General authority.
Sec. 623. Solicitation of joint ventures.
Sec. 624. Electric utility participation study.
Sec. 625. Authorization of appropriations.

TITLE VII—ELECTRICITY

Sec. 701. Findings and purposes.

Subtitle A—Public Utility Holding Company Act Amendments

Sec. 711. Treatment of independent power producers under PUHCA.
Sec. 712. Ownership of independent power producers and qualifying facilities.
Sec. 713. Affiliate transactions; State authorities.

Subtitle B—Federal Power Act; Interstate Commerce in Electricity

Sec. 721. Interconnection.
Sec. 722. Amendments to section 211 of Federal Power Act.
Sec. 723. Transmission services.
Sec. 724. Information requirements.
Sec. 725. Sales by independent power producers.
Sec. 726. Penalties.
Sec. 727. Definitions.

Subtitle C—State and Local Authorities

Sec. 731. State authorities.

TITLE VIII—HIGH-LEVEL RADIOACTIVE WASTE

Sec. 801. Environmental Protection Agency standards for disposal.
Sec. 802. Inflation adjustment for fees.
Sec. 803. Plan for timely payment of costs for disposal of defense waste in repository.
Sec. 804. Site characterization.
Sec. 805. Extension of Office of the Nuclear Waste Negotiator.

TITLE IX—URANIUM ENRICHMENT CORPORATION

Sec. 901. Establishment of the Uranium Enrichment Corporation.
Sec. 902. Conforming amendments and repealers.
Sec. 903. Restrictions on nuclear exports.
Sec. 904. Severability.
Sec. 905. Citizen suits.

TITLE X—REMEDIAL ACTION AT ACTIVE PROCESSING SITES

Sec. 1001. Remedial action program.
Sec. 1002. Regulations.
Sec. 1003. Authorization.
Sec. 1004. Definitions.
Sec. 1005. Uranium purchase reports.

TITLE XI—URANIUM ENRICHMENT HEALTH, SAFETY, AND ENVIRONMENT ISSUES

Sec. 1101. Uranium enrichment health, safety, and environment issues.
Sec. 1102. Table of contents.

TITLE XII—RENEWABLE ENERGY

Sec. 1201. Findings.
Sec. 1202. Purposes.
Sec. 1203. Renewable energy joint ventures.
Sec. 1204. Renewable energy production incentive.
Sec. 1205. Renewable energy export technology training.
Sec. 1206. Authority for States to undertake feasibility studies.
Sec. 1207. Renewable Energy Advancement Awards.
Sec. 1208. Study of export promotion practices.
Sec. 1209. Study of tax and rate treatment of renewable energy projects.
Sec. 1210. Study of rice milling energy by-product marketing.
Sec. 1211. Interagency working group.
Sec. 1212. Renewable energy commercialization.
Sec. 1213. Data system and energy technology evaluation.
Sec. 1214. Outreach.

TITLE XIII—COAL

Sec. 1301. Coal research and development relating to commercial application program.
Sec. 1302. Coal exports.
Sec. 1303. Clean coal technology export promotion and interagency coordination.
Sec. 1304. Innovative clean coal and renewable energy technology transfer program.

Sec. 1305. Conventional coal technology transfer.
Sec. 1306. Coal fired diesel engines.
Sec. 1307. Clean coal, waste-to-energy.
Sec. 1308. Nonfuel use of coal.
Sec. 1309. Coal refinery program.
Sec. 1310. Study of utilization of coal combustion byproducts.
Sec. 1311. Calculation of avoided cost.
Sec. 1312. Coalbed methane recovery.
Sec. 1313. Coalbed methane emission credits.
Sec. 1314. Ownership of coalbed methane.
Sec. 1315. Authorization of appropriations.
Sec. 1316. Establishment of data base and study of transportation rates.
Sec. 1317. Early banking of emissions credits for efficiency improvements from the application of clean coal technologies.
Sec. 1318. Metallurgical coal development.
Sec. 1319. Utilization of coal wastes.

TITLE XIV—STRATEGIC PETROLEUM RESERVE

Sec. 1401. Fill of the Refined Petroleum Product Reserve.
Sec. 1402. Additional authority for drawdown.
Sec. 1403. Insular areas study.

TITLE XV—OCTANE DISPLAY AND DISCLOSURE

Sec. 1501. Certification and posting of automotive fuel ratings.
Sec. 1502. Increased authority for enforcement.
Sec. 1503. Studies.

TITLE XVI—GREENHOUSE WARMING—ENERGY IMPLICATIONS

Sec. 1601. Interagency Coordinating Council.
Sec. 1602. Report on National Academy of Sciences recommendations.
Sec. 1603. Energy inventory and forecasts.
Sec. 1604. Assessment of alternative policy mechanisms for addressing greenhouse gas emissions.
Sec. 1605. Voluntary reductions of greenhouse gases.
Sec. 1606. International energy technology transfer.
Sec. 1607. Global Climate Change Response Fund.

TITLE XVII—ADDITIONAL FEDERAL POWER ACT AMENDMENTS

Sec. 1701. Additional Federal Power Act amendments.

TITLE XVIII—OIL PIPELINE REGULATORY REFORM

Sec. 1801. Oil pipeline ratemaking methodology.
Sec. 1802. Streamlining of Commission procedures.
Sec. 1803. Protection of certain existing rates.
Sec. 1804. Definitions.

TITLE XIX—REVENUE PROVISIONS

Sec. 1901. Amendment of 1986 Code.

Subtitle A—Energy Conservation and Production Incentives

Sec. 1911. Treatment of employer-provided transportation benefits.
Sec. 1912. Exclusion of energy conservation subsidies provided by regulated public utilities.
Sec. 1913. Deductions relating to clean-fuel vehicles.
Sec. 1914. Credit for electricity produced from certain renewable sources.
Sec. 1915. Repeal of minimum tax preferences for depletion and intangible drilling costs of independent oil and gas producers and royalty owners.
Sec. 1916. Increased base tax rate on ozone-depleting chemicals.
Sec. 1917. Treatment of certain ozone depleting chemicals.
Sec. 1918. Permanent extension of energy investment credit for solar and geothermal property.
Sec. 1919. Nuclear decommissioning funds.
Sec. 1920. Facilities for production of certain fuels.
Sec. 1921. Treatment under local furnishing rules of certain electricity transmitted outside local area.

Subtitle B—Other Revenue Provisions

Sec. 1931. Repeal of exemption from communications tax for news services.
Sec. 1932. Exception from pro rata allocation of interest expense of financial institutions to tax-exempt interest for small issuers increased to $20,000,000.
Sec. 1933. Certain minerals not eligible for percentage depletion.
Sec. 1934. Disclosures of information for veterans benefits.
Sec. 1935. Disallowance of interest on certain overpayments of tax.
Sec. 1936. Information reporting with respect to certain seller-provided financing.

Subtitle C—Federal Tax Exemption for Uranium Enrichment Corporation; Limitation on Borrowing Authority

Sec. 1941. Federal tax exemption; limitation on borrowing authority.

TITLE XX—GENERAL PROVISIONS; REDUCTION OF OIL VULNERABILITY

Sec. 2001. Definitions.
Sec. 2002. Goals.

Subtitle A—Oil and Gas Supply Enhancement

Sec. 2011. Enhanced oil recovery.
Sec. 2012. Oil shale.
Sec. 2013. Natural gas supply research and development.

Subtitle B—Oil and Gas Demand Reduction and Substitution

Sec. 2021. General transportation research, development, and demonstration program.
Sec. 2022. Advanced automotive fuel economy.
Sec. 2023. Alternative fuel vehicle research, development, and demonstration program.
Sec. 2024. Biofuels research and development user facility.
Sec. 2025. Electric vehicle and battery research and development program.
Sec. 2026. Renewable hydrogen energy.
Sec. 2027. Advanced diesel emissions research, development, and demonstration program.

Subtitle C—Oil Substitution Through Coal Liquefaction

Sec. 2031. Oil substitution through coal liquefaction.

TITLE XXI—ENERGY AND ENVIRONMENT

Subtitle A—Improved Energy Efficiency

Sec. 2101. General improved energy efficiency research, development, and demonstration program.
Sec. 2102. Natural gas and electric heating and cooling technologies.
Sec. 2103. Pulp and paper research, development, and demonstration.
Sec. 2104. Advanced building research, development, and demonstration for low emission, low energy buildings by 2005.
Sec. 2105. Electric drives.
Sec. 2106. Mid-term technology demonstration program.
Sec. 2107. Steel and aluminum research.

Subtitle B—Electricity Generation and Use

Sec. 2111. Renewable energy.
Sec. 2112. High efficiency heat engines.
Sec. 2113. Nuclear energy.
Sec. 2114. Civilian nuclear waste.
Sec. 2115. Fusion energy.
Sec. 2116. Coal.
Sec. 2117. Fuel cells.
Sec. 2118. Environmental restoration and waste management program.
Sec. 2119. Efficient electric energy systems.
Sec. 2120. Electric and magnetic fields research and public information dissemination programs.

Subtitle C—Pollution Prevention

Sec. 2121. Energy efficient pollution prevention program.

TITLE XXII—ENERGY AND ECONOMIC GROWTH

Sec. 2201. National Critical Advanced Materials Initiative.
Sec. 2202. National Critical Advanced Manufacturing Technologies Initiative.
Sec. 2203. Supporting research and technical analysis.
Sec. 2204. Integration of research and development.
Sec. 2205. Definitions.

TITLE XXIII—POLICY AND ADMINISTRATIVE PROVISIONS

Sec. 2301. Cooperative research and development agreements in energy technology.
Sec. 2302. Policy on capital projects and construction.
Sec. 2303. Energy research, development, and demonstration advisory board.
Sec. 2304. Amendments to existing law.
Sec. 2305. Cost sharing.
Sec. 2306. Comprehensive energy research, development, and demonstration plan and program.
Sec. 2307. Costs related to decommissioning and the storage and disposal of nuclear waste.
Sec. 2308. Use of domestic products.
Sec. 2309. Limitation on appropriations.
Sec. 2310. Renewable energy and ocean resources center.
Sec. 2311. Uncosted obligations.

TITLE XXIV—MARINE AND COASTAL ENVIRONMENT PROTECTION

Sec. 2401. Short title.

Subtitle A—Ocean and Coastal Resources Block Grants

Sec. 2411. Short title.
Sec. 2412. Definitions.
Sec. 2413. Ocean and Coastal Resources Fund.
Sec. 2414. National ocean and coastal resources block grants.
Sec. 2415. Requirements on the use of block grants.
Sec. 2416. Relationship to other law.
Sec. 2417. Local governments.
Sec. 2418. Audit.
Sec. 2419. Rules and regulations.

Subtitle B—Revisions to the Outer Continental Shelf Program

Sec. 2431. Relationship to Outer Continental Shelf Leasing Program and existing law.
Sec. 2432. Specific regional Outer Continental Shelf planning areas.
Sec. 2433. Outer Continental Shelf leasing environmental sciences review.
Sec. 2434. Restrictions and requirements applicable to specific planning areas.
Sec. 2435. Alaska OCS subsistence review.
Sec. 2436. Definitions.

Subtitle C—Environmental Studies Program

Sec. 2441. Environmental studies.
Sec. 2442. Authorization of appropriations.

Subtitle D—Miscellaneous

Sec. 2451. Cancellation of leases.

Sec. 2452. Compensation for lease buybacks.
Sec. 2453. Evaluation of development potential.
Subtitle E—Alaska Resources
PART 1—TRANS-ALASKA PIPELINE
Sec. 2461. Responsibility of right-of-way holder.
Sec. 2462. Exxon Valdez settlement fund land acquisition.
Sec. 2463. Subsistence claims against Trans-Alaska Pipeline Liability Fund.
Sec. 2464. TAPS remedy not exclusive.
Sec. 2465. Utility Corridor.
PART 2—ARCTIC RESEARCH
Sec. 2471. Funding for Arctic research programs.
Subtitle F—Transshipment of Plutonium Through United States Ports
Sec. 2481. Transshipment of plutonium through United States ports.
TITLE XXV—COAL, OIL, AND GAS
Sec. 2501. Amendment to Surface Mining Act.
Sec. 2502. Hot dry rock geothermal energy.
Sec. 2503. Hot dry rock geothermal energy in Eastern United States.
Sec. 2504. Coal remining.
Sec. 2505. Surface Mining Act implementation.
Sec. 2506. Federal coal royalty study.
Sec. 2507. Acquired Federal land mineral receipts management.
Sec. 2508. Reserved oil and gas.
Sec. 2509. Outstanding oil and gas.
Sec. 2510. Federal onshore oil and gas leasing.
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TITLE XXVI—INDIAN ENERGY RESOURCES
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TITLE XXVIII—NUCLEAR PLANT LICENSE
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Sec. 2801. Combined licenses.
Sec. 2802. Post-construction hearings on combined licenses.
Sec. 2803. Rulemaking.
Sec. 2804. Amendment of a combined license pending a hearing.
Sec. 2805. Judicial review.
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Subtitle B—License Renewal
Sec. 2811. Standards for renewal and scope of proceedings.
Sec. 2812. Least-cost planning requirement.
Subtitle C—Judicial Review of Enforcement Petitions
Sec. 2821. Enforcement petitions and judicial review.
TITLE XXIX—RADIATION PROTECTION
Subtitle A—Below Regulatory Concern
Sec. 2901. State authority to regulate radiation below level of NRC regulatory concern.
Sec. 2902. Revocation of related NRC policy statements.
Subtitle B—Disposal Standards at Mill Tailings Sites
Sec. 2911. Disposal standards at mill tailings sites.
TITLE XXX—MISCELLANEOUS
Sec. 3001. Powerplant and Industrial Fuel Use Act of 1978 repeal.
Sec. 3002. Alaska Natural Gas Transportation Act of 1976 repeal.
Sec. 3003. Geothermal heat pumps.
Sec. 3004. Employee protection for nuclear whistleblowers.
Sec. 3005. Renewable Energy Park Demonstration Program.
Sec. 3006. Use of energy futures for fuel purchases.
Sec. 3007. Energy subsidy study.
Sec. 3008. Tar sands.
Sec. 3009. Exemption of certain research and educational licensees from annual charges.
Sec. 3010. Amendments to title 11 of the United States Code.
TITLE XXXI—FEDERAL AND STATE LANDS
Sec. 3101. Rights-of-way on certain Federal lands.
Sec. 3102. Dams in national parks.
Sec. 3103. State or local government lands.
Sec. 3104. Coordination with Federal agencies.

TITLE I—ENERGY EFFICIENCY

SEC. 101. FINDINGS, PURPOSE, AND DEFINITION.

(a) FINDINGS.—The Congress finds that the more efficient use of energy and the greater use of renewable energy can—

(1) improve energy security and the balance of trade by reducing energy imports;

(2) improve air quality by reducing combustion of fossil fuels;

(3) reduce emissions of carbon dioxide, a major ''greenhouse'' gas;

(4) save consumers money through reduced energy expenditures; and

(5) improve the international competitiveness of the United States economy.

(b) PURPOSE.—The purpose of this title is to encourage the more efficient use of energy and water.

(c) DEFINITION.—For the purposes of this title, the term ''Secretary'' means the Secretary of Energy.

Subtitle A—Buildings

SEC. 111. RESIDENTIAL AND COMMERCIAL BUILDING ENERGY EFFICIENCY CODES AND STANDARDS.

(a) IN GENERAL.—Title II of the National Energy Conservation Policy Act (42 U.S.C. 8211-8235i) is amended by adding at the end the following new part:

''PART 6—RESIDENTIAL AND COMMERCIAL BUILDING ENERGY EFFICIENCY CODES AND STANDARDS

''SEC. 271. UPDATING OF ENERGY EFFICIENCY CODES AND STANDARDS.

''(a) TECHNICAL ASSISTANCE.—(1) Not later than 12 months after the date of the enactment of this part, the Secretary shall establish a program to provide technical assistance in the updating, implementing, and enforcing the energy efficiency provisions in residential and commercial building codes. In establishing and carrying out such program, the Secretary shall provide such assistance to State and local code officials, building professionals, and building owners and operators involved in reviewing and analyzing current model codes and standards for residential and commercial building energy efficiency, in designing appropriate code amendments, in developing code administration, compliance, and enforcement methods, or in implementing and enforcing the codes.

''(2) Such technical assistance shall include direct analytical and training support and may include grants to States, local governments, and other organizations from funds available for such purpose. States which have certified that they have met the requirements of subsections (b) and (c) shall be given a priority for grants made to implement and enforce energy efficiency provisions of building codes.

''(3)(A) The Secretary shall establish a task force to advise in the development of the program described in paragraph (1) and to review the results of such program.

''(B) The task force shall include representatives from building scientists, nonprofit groups concerned with energy efficiency in buildings, utilities, manufacturers and installers of energy efficient materials and systems, the building construction industry, the financial community, code officials, State governments, and commercial building owners, operators, and managers.

''(b) CERTIFICATION OF RESIDENTIAL BUILDING ENERGY CODE UPDATES.—(1) Not later than two years after the date of the enactment of this part, each State shall certify that it has reviewed and updated its residential building code provisions affecting energy efficiency. This certification shall include a demonstration that the State's residential building energy efficiency code provisions meet or exceed the requirements of the Council of American Building Officials' Model Energy Code of 1989.

''(2)(A) Whenever the model energy code referred to in paragraph (1) (or any successor of such code) is revised in a manner that the Secretary determines will improve energy efficiency in residential dwellings, the Secretary shall publish a notice of such determination in the Federal Register.

''(B) During any year beginning after December 31, 1995, the Secretary may, for the purpose of improving energy efficiency in residential buildings, prescribe regulations containing energy efficiency requirements that exceed the requirements of—

''(i) if no determination has been made under subparagraph (A), the model energy code referred to in paragraph (1); or

''(ii) if a determination has been made under subparagraph (A), the most recent code for which such a determination has been made.

''(C) Whenever the Secretary makes a determination under subparagraph (A) or prescribes regulations under subparagraph (B), each State shall, not later than two years after the date of the publication of such determination or regulations, certify that it has reviewed and updated its residential building code provisions affecting energy efficiency in accordance with the model energy code for which a determination has been made under subparagraph (A) or the regulations prescribed under subparagraph (B), as the case may be. Such certification shall include a demonstration that the State's building energy efficiency code provisions meet or exceed such code or regulations.

''(c) CERTIFICATION OF COMMERCIAL BUILDING ENERGY CODE UPDATES.—(1) Not later than two years after the date of the enactment of this part, each State shall certify to the Secretary that it has reviewed and updated its commercial building code provisions affecting energy efficiency. This certification shall include a demonstration that the State's code provisions meet or exceed the requirements of the American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 90.1–1989.

''(2)(A) Whenever the standard referred to in paragraph (1) (or any successor of such standard) is revised in a manner that the Secretary determines will improve energy efficiency in commercial buildings, the Secretary shall publish a notice of such determination in the Federal Register.

''(B) During any year beginning after December 31, 1995, the Secretary may, for the purpose of improving energy efficiency in commercial buildings, prescribe regulations containing energy efficiency requirements that exceed the requirements of—

''(i) if no determination has been made under subparagraph (A), the standard referred to in paragraph (1); or

''(ii) if a determination has been made under subparagraph (A), the most recent standard for which such a determination has been made.

''(C) Whenever the Secretary makes a determination under subparagraph (A) or prescribes regulations under subparagraph (B), each State shall, not later than two years after the date of the publication of such determination or regulations, certify that it has reviewed and updated its commercial building code provisions affecting energy efficiency in accordance with the standard for which a determination has been made under subparagraph (A) or the regulations prescribed under subparagraph (B), as the case may be. Such certification shall include a demonstration that the State's building energy efficiency code provisions meet or exceed such standard or regulations.

''(d) EXTENSIONS.—The Secretary shall permit extensions of the deadlines for the certification requirements of subsections (b) and (c) if a State can demonstrate that it has made a good faith effort to comply with such requirements and that it has made significant progress in doing so.

''(e) PERIODIC REVIEW.—The Secretary shall, in consultation with the appropriate Federal agencies, periodically review the technical and economic basis of the provisions in widely used building energy standards and model energy codes developed through consensus processes with broad industry and public participation, such as those developed by the American Society of Heating, Refrigerating, and Air-conditioning Engineers and the Council of American Building Officials. Based upon the Secretary's review of these codes and standards and upon ongoing research on the energy efficiency of buildings and their components, the Secretary shall—

''(1) participate in any industry process carried out to review and modify energy provisions in building standards or codes;

''(2) recommend amendments to such energy provisions; and

''(3) seek adoption of all energy efficiency measures that are technically feasible and economically justified on a life-cycle cost basis.''.

(b) CLERICAL AMENDMENTS.—(1) The National Energy Conservation Policy Act is amended by adding at the end of the table of contents for title II the following items:

''PART 6—RESIDENTIAL AND COMMERCIAL BUILDING ENERGY EFFICIENCY CODES AND STANDARDS.

''Sec. 271. Updating of energy efficiency codes and standards.''.

(2) The title for title II of such Act, and the heading for such title in the table of contents of such Act, are amended to read as follows:

''TITLE II—ENERGY CONSERVATION IN GENERAL''.

SEC. 112. VOLUNTARY HOME ENERGY EFFICIENCY RATINGS.

(a) IN GENERAL.—Title II of the National Energy Conservation Policy Act (42 U.S.C. 8211–8235i) is amended by adding at the end the following new part after the part added by section 111 of this Act:

''PART 7—VOLUNTARY ENERGY EFFICIENCY RATINGS FOR RESIDENTIAL BUILDINGS

''SEC. 281. RATINGS.

''(a) IN GENERAL.—Not later than 18 months after the date of the enactment of this part, the Secretary shall, by rule, prescribe regulations containing procedures that may be used by State and local governments, utilities, builders, and others to assign energy efficiency ratings to residential buildings.

''(b) CONTENTS OF RULE.—The regulations prescribed under subsection (a) shall—

''(1) establish a uniform rating scale—

''(A) that measures the efficiency of energy use in residential buildings while taking into account local differences in climate and construction practices; and

''(B) that does not discriminate against different fuel types;

''(2) using the uniform rating scale established under paragraph (1), establish methods, including format and content, of labeling that indicate the estimated annual heating and cooling cost of residential buildings that would be rated pursuant to such scale;

''(3) establish procedures for implementing the rating scale and labeling referred to in paragraphs (1) and (2), including methods that take into account variance in local needs;

''(4) establish requirements and procedures for certifying the accuracy of building energy analysis tools used to determine the energy ratings made pursuant to such regulation;

''(5) establish data collection and reporting requirements for organizations operating energy rating systems pursuant to such regulation; and

''(6) establish a Federal model home energy rating system—

''(A) that shall not supersede any local energy rating system but shall be used in technical assistance efforts; and

''(B) that shall be made available for optional use, at no charge, to States, local governments, and other organizations seeking to establish home energy ratings programs.

''(c) SPECIAL RULE.—In promulgating the procedures under this section, the Secretary shall provide that the supply of energy to any residential building from solar energy shall be credited toward the energy efficiency rating of such building.

''(d) UTILIZATION.—The procedures prescribed under this section shall be designed to facilitate use of the uniform rating scale and the labeling referred to in paragraphs (1) and (2) of subsection (b) by real estate agents, builders, lenders, and agencies in the secondary mortgage markets.

''SEC. 282. TECHNICAL ASSISTANCE.

''Not later than 18 months after the date of the enactment of this part, the Secretary shall establish and begin carrying out a program, with funds available for this purpose, to provide technical assistance to State and local governments, utilities, real estate agents, builders, lenders, agencies in the secondary mortgage markets, and others utilizing energy efficiency rating systems based on the procedures promulgated under this part. Technical assistance shall include direct assistance in the form of analytical support, training, and educational materials and may include grants to State and local governments and nonprofit organizations to assist in the development of home energy ratings systems.

''SEC. 283. REPORT.

''(a) INTERIM REPORT.—Not later than 24 months after the date of the enactment of this part, the Secretary shall transmit to the President and the Congress a report detailing—

''(1) the procedures prescribed under section 281;

''(2) any problems encountered in prescribing such procedures; and

''(3) actions taken to provide technical assistance under section 282.

''(b) FINAL REPORT.—Not later than 36 months after the date of the enactment of this part, the Secretary shall transmit to the President and the Congress a final report containing—

''(1) a description of the action taken by States, local governments, and other organizations to implement the energy efficiency ratings procedures described in section 281 and any problems encountered in implementing such procedures; and

''(2) recommendations on the feasibility of requiring, as a prerequisite to receiving federally assisted mortgages, the achievement of a certain threshold rating on the uniform rating scale established under section 281.''.

(b) CLERICAL AMENDMENT.—The National Energy Conservation Policy Act is amended by adding at the end of the table of contents for title II the following items after the items added by section 111(b) of this Act:

''PART 7—VOLUNTARY HOME ENERGY EFFICIENCY RATINGS

''Sec. 281. Ratings.
''Sec. 282. Technical assistance.
''Sec. 283. Report.''.

Subtitle B—Federal Agency Energy Management

SEC. 121. FEDERAL ENERGY MANAGEMENT AMENDMENTS.

(a) PURPOSE.—Section 542 of the National Energy Conservation Policy Act (42 U.S.C. 8252) is amended by inserting after ''use of energy'' the following: ''and water, and the use of renewable energy sources,''.

(b) REQUIREMENTS FOR FEDERAL AGENCIES.—Section 543 of such Act (42 U.S.C. 8253(a)) is amended—

(1) in the section heading by striking ''goals'' and inserting ''requirements'';

(2) in subsection (a) by striking ''GOAL'' and inserting ''REQUIREMENT'';

(3) in subsection (a)(1) by inserting before the period at the end the following: ''and so that the energy consumption per gross square foot of its Federal buildings in use during the fiscal year 2000 is at least 20 percent less than the energy consumption per gross square foot of its Federal buildings in use during fiscal year 1985''; and

(4) by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following:

''(b) ENERGY MANAGEMENT REQUIREMENT FOR FEDERAL AGENCIES.—(1)(A) Not later than January 1, 2005, each agency shall, to the maximum extent practicable, install in Federal buildings owned by the United States all energy and water conservation measures with payback periods of less than 10 years, as determined by using the methods and procedures developed pursuant to section 544.

''(B) By January 1, 1994, each agency shall submit to the Secretary a list of projects meeting such 10-year payback criterion, the energy or water that each project will save, and the total energy, water, and cost savings involved.

''(C) The Secretary may waive the requirements of this subsection for any agency for such periods as the Secretary may determine

if the Secretary finds that the agency is taking all practicable steps to meet the requirements and that the requirements of this subsection will pose an unacceptable burden upon the agency. If the Secretary waives the requirements of this subsection, the Secretary shall notify the Congress promptly in writing with an explanation and a justification of the reasons for such waiver.

''(D) Any agency which has jurisdiction of more than 300 buildings and facilities may determine its list of projects for the purpose of meeting the 10-year payback criterion by undertaking a technical and economic assessment of a statistically valid random sample of buildings and facilities.

''(2)(A) An agency may exclude from the requirements of paragraph (1) any Federal building or collection of Federal buildings, and the associated energy consumption and gross square footage, if the head of such agency finds that compliance with the requirements of paragraph (1) would be impractical. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such Federal buildings or collection of Federal buildings, the type and amount of energy consumed, the technical feasibility of making the desired changes, and, in the cases of the Departments of Defense and Energy, the unique character of certain facilities operated by such Departments.

''(B) Each agency shall identify and list, in each report made under section 548, the Federal buildings designated by it for such exclusion. The Secretary of Energy shall review such findings for consistency with the impracticability standards set forth in subparagraph (A), and may within 90 days after receipt of the findings, reverse a finding of impracticability. In the case of any such reversal, the agency shall comply with the requirements of paragraph (1) for the building concerned.

''(3) This subsection shall not apply to an agency's facilities that generate or transmit electric energy or to the uranium enrichment facilities operated by the Department of Energy.''.

(c) IMPLEMENTATION.—Section 543(c) of such Act (as redesignated by subsection (b)(4) of this section) is amended—

(1) in the material preceding paragraph (1), by striking out ''achieve the goal established in subsection (a)'' and inserting in lieu thereof ''meet the requirements of this section'';

(2) by striking out paragraph (1) and inserting in lieu thereof the following:

''(1) prepare and submit to the Secretary of Energy, within nine months after the date of the enactment of the Comprehensive National Energy Policy Act, a plan describing how the agency intends to meet such requirements, including how it will—

''(A) designate personnel primarily responsible for achieving such requirements;

''(B) identify high priority projects;

''(C) take maximum advantage of contracts authorized under title VIII of this Act, of financial incentives and other services provided by utilities for efficiency investment, and of other forms of financing to reduce the direct costs to the Government; and

''(D) otherwise implement this part;'';

(3) by inserting the following before the semicolon at the end of paragraph (2): ''and update such surveys as needed'';

(4) by striking out paragraph (3) and inserting in lieu thereof the following:

''(3) using such surveys, determine the cost and payback period of energy and water conservation measures likely to achieve the requirements of this section;

''(4) install energy and water conservation measures that will attain the requirements of this section through the methods and procedures established pursuant to section 544; and''; and

(5) by redesignating paragraph (4) as paragraph (5).

(d) LIFE CYCLE COST METHODS AND PROCEDURES.—Section 544(a) of such Act (42 U.S.C. 8254(a)) is amended by striking out ''National Bureau of Standards,'' in the material preceding paragraph (1) and inserting in lieu thereof ''National Institute of Standards and Technology,''.

(e) IDENTIFICATION OF FUNDS.—Section 545 of such Act (42 U.S.C. 8255) is amended to read as follows:

''SEC. 545. BUDGET TREATMENT FOR ENERGY CONSERVATION MEASURES.

''The President shall transmit to the Congress, along with each budget that is submitted to the Congress under section 1105 of title 31, United States Code, a statement of the amount of appropriations requested in such budget, if any, on an individual agency basis, for—

''(1) electric and other energy costs to be incurred in operating and maintaining agency facilities; and

''(2) compliance with the provisions of this part, the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.), and all applicable Executive orders, including Executive Order 12003 (42 U.S.C. 6201 note) and Executive Order 12759 (56 Fed. Reg. 16257).''.

(f) INCENTIVE PROGRAM.—Section 546 of such Act (42 U.S.C. 8256) is amended—

(1) by striking ''(a) IN GENERAL.—'' and inserting in lieu thereof ''(a) CONTRACTS.—(1)'';

(2) by redesignating subsection (b) as paragraph (2) and amending it to read as follows:

''(2) The Secretary shall, not later than 12 months after the date of the enactment of the Comprehensive National Energy Policy Act and after consultation with the Director of the Office of Management and Budget, the Secretary of Defense, and the Administrator of General Services, develop appropriate procedures and methods for use by agencies to implement the incentives referred to in paragraph (1).'';

(3) by striking out subsection (c); and

(4) by adding at the end the following new subsections:

''(b) FEDERAL ENERGY EFFICIENCY FUND.—(1) The Secretary shall establish a Federal Energy Efficiency Fund to provide grants to agencies to enable them to meet the requirements of section 543.

''(2) Not later than June 30, 1993, the Secretary shall issue guidelines to be followed by agencies submitting proposals for such grants. All agencies shall be eligible to submit proposals for grants under the Fund.

''(3) The Secretary shall, on a quarterly basis, award grants from the Fund after a competitive assessment of the technical and economic effectiveness of each agency proposal. The Secretary shall give preference to those proposals that leverage utility rebates or private financing, or both, or provide for a direct commitment of agency funding.

''(4) The Secretary shall transmit to the Congress, on an annual basis, a report detailing the amount of funds awarded to each agency, the energy and water conservation measures installed with such funds, and the projected energy and water savings to be realized from installed measures. For each installed measure for which the projected energy and water savings reported in the previous year were not realized, such report shall also set forth the percentage of such projected savings that was not realized, the reasons such savings were not realized, and proposals for, and projected costs of, achieving such projected savings in the future.

''(5) There are authorized to be appropriated to carry out this subsection not more than $10,000,000 for fiscal year 1993, $50,000,000 for fiscal year 1994, and such sums as may be necessary for fiscal years thereafter.

''(c) UTILITY INCENTIVE PROGRAMS.—(1) Agencies are authorized and encouraged to participate in programs for energy or water conservation or the management of electricity demand conducted by gas, water, or electric utilities and generally available to customers of such utilities.

''(2) Each agency may accept any financial incentive, generally available from any such utility, to conserve energy or water or manage electricity demand.

''(3) Each agency is encouraged to enter into negotiations with electric, water, and gas utilities to design cost-effective demand management and conservation incentive programs to address the unique needs of facilities utilized by such agency.

''(4) A public utility rate commission may not prohibit an agency from participating in a program which offers financial incentives for conservation of energy or water or for management of electricity, if participation in the program is generally permitted for customers of the utility.

''(d) FINANCIAL INCENTIVE PROGRAM FOR FACILITY ENERGY MANAGERS.—(1) The Secretary shall establish a financial bonus program to reward, with funds available for such purpose, outstanding facility energy managers in agencies.

''(2) Not later than June 1, 1993, the Secretary shall issue procedures for the bonus program, including the criteria to be used in selecting outstanding energy managers. Such criteria shall include, but not be limited to, evident success in generating utility incentives and shared energy saving contracts and in the amount of energy saved by conservation projects.

''(3) Each year the Secretary shall publish and disseminate to agencies a report highlighting the achievements of bonus award winners.

''(4) There is authorized to be appropriated to carry out this subsection not more than $250,000 for each of the fiscal years 1993, 1994, and 1995.

''(e) USE OF SAVINGS.—The head of each agency (other than the Department of Defense) shall provide that an amount equal to the energy and water cost savings realized by such agency with respect to funds appropriated for any fiscal year beginning after fiscal year 1992 (including financial benefits resulting from shared energy savings contracts under title VIII and financial incentives described in subsection (c)(2)) shall be available as follows:

''(1) ⅓ of such amount shall remain available for obligation through the end of the fiscal year following the fiscal year for which the funds were appropriated. Such funds shall be available, without additional authorization or appropriation, for the implementation of additional energy and water conservation measures by the agency, as determined by the head of such agency in agreement with the Administrator of General Services.

''(2) ⅓ of such amount shall remain available for obligation through the last day of the fiscal year following the fiscal year for which the funds were appropriated, without additional authorization or appropriation, for use by the agency in the buildings or facilities at which the savings were realized, consistent with applicable law and regulations.

''(3) ⅓ of such amount shall be deposited into the general fund of the Treasury for the purposes of deficit reduction.''.

(g) REPORTS.—Section 548 of such Act (42 U.S.C. 8258) is amended by adding at the end the following new subsection:

''(c) OTHER REPORTS.—(1)(A) The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Administrator of General Services, shall conduct a study on the monetary value of the environmental benefits resulting from energy and water efficiency im-

provements in Federal buildings. In conducting this study, the Secretary shall review—

''(i) other studies that attempt to assign monetary values to environmental benefits or damages; and

''(ii) methods used by State regulatory authorities to incorporate environmental benefits into their State's regulation of utility activities.

''(B) The Secretary, not later than 24 months after the date of the enactment of this subsection, shall transmit to the Congress a report of the findings and conclusions of such study, including a recommendation as to whether the monetary values should be included in the methods and procedures established pursuant to section 544 and used to calculate the 10-year payback required by section 543.

''(2) The Secretary, in consultation with the Administrator of General Services and the Administrator of the Environmental Protection Agency, shall conduct a study of—

''(A) the life-cycle costs and benefits to the Federal Government of replacing all existing toilets, urinals, shower heads, and faucets in buildings owned by the Federal Government with models that have lower flow rates and are commercially available;

''(B) the environmental benefits of replacing the plumbing items referred to in subparagraph (A), taking into consideration the reduced energy and water use and sewage flow resulting from such replacement; and

''(C) the impact on the plumbing industry and such industry's low-flow products of a large-scale Federal purchase of the plumbing items referred to in subparagraph (A).

''(3) The Secretary, in consultation with the Administrator of General Services, the Secretary of Housing and Urban Development, and the International District Heating and Cooling Association, shall conduct a study and evaluate legal, institutional, and other constraints to connecting buildings owned or leased by the Federal Government to district heating and district cooling systems.

''(4) The Secretary, not later than 18 months after the date of the enactment of this subsection, shall transmit to the Congress a report containing the findings and conclusions of the studies carried out under paragraphs (2) and (3), including—

''(A) recommendations about what actions the Federal Government should take to conserve water in buildings and facilities which it owns or leases; and

''(B) recommendations for the development of streamlined processes for the consideration of connecting buildings owned or leased by the Federal Government to district heating and cooling systems.''.

(h) FEDERAL PROGRAMS.—Such Act is amended—

(1) by redesignating section 549 as section 551; and

(2) by inserting the following new section after section 548:

''SEC. 549. INNOVATIVE ENERGY TECHNOLOGY PROGRAM.

''(a) ESTABLISHMENT.—The Secretary, in cooperation with the Administrator of General Services, shall establish a program to promote the use of advanced commercially available energy efficiency technologies and renewable energy technologies that have not been generally used in federally owned buildings and facilities.

''(b) SELECTION CRITERIA.—The Secretary shall select proposals to be funded under this section on the basis of—

''(1) cost-effectiveness;

''(2) system reliability in a working environment;

''(3) lack of market penetration in the Federal sector;

''(4) the potential needs of the proposing Federal agency for the technology, projected over 5 to 10 years;

''(5) the potential Federal sector market, projected over 5 to 10 years;

''(6) energy conservation; and

''(7) other environmental benefits, including the projected reduction of greenhouse gas emissions and indoor air pollution.

''(c) PROPOSALS.—Federal agencies may submit to the Secretary for each fiscal year proposals for projects to be funded by the Secretary under this section. Each such proposal shall include—

''(1) a description of the proposed project emphasizing the innovative use of technology in the Federal sector;

''(2) a description of the technical reliability and cost-effectiveness data expected to be acquired;

''(3) an identification of the potential needs of the Federal agency for the technology;

''(4) a commitment to adopt the technology, if the project establishes its technical reliability and life cycle cost-effectiveness, to supply at least 10 percent of the Federal agency's potential needs identified under paragraph (3);

''(5) schedules and milestones for installing additional units; and

''(6) a technology transfer plan to publicize the results of the project.

''(d) PARTICIPATION BY GSA.—The Secretary may only select a project for funding under this section which is proposed to be carried out in a building under the jurisdiction of the General Services Administration if the project will be carried out by the Administrator of General Services. If such project involves a total expenditure in excess of $1,600,000, no appropriation shall be made for such project unless such project has been approved by a resolution adopted by the Committee on Public Works and Transportation of the House of Representatives.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $5,000,000 for each of the fiscal years 1993, 1994, and 1995.''.

(i) TECHNICAL AMENDMENTS.—(1) Section 548(a)(2) of such Act is amended—

(A) by striking ''546(b)'' and inserting in lieu thereof ''546(a)(2)''; and

(B) by striking ''546(c)'' and inserting in lieu thereof ''546(e)''.

(2) The table of contents of such Act is amended by striking the item for section 549 and inserting in lieu thereof the following new items:

''Sec. 549. Innovative energy technology program.

''Sec. 550. Intergovernmental energy management planning and coordination.

''Sec. 551. Definitions.''.

SEC. 122. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) IN GENERAL.—Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287) is amended—

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

''(a) IN GENERAL.—(1) The head''; and

(2) by inserting at the end the following:

''(2)(A) Contracts under this title shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any government payments and performance guarantees. Any such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

''(B) Aggregate payments by an agency to both utilities and energy savings performance contractors, under an energy savings performance contract, may not exceed the amount that the agency would have paid for utilities without an energy savings performance contract (as estimated through the procedures developed pursuant to this section), during contract years.

''(C) Federal agencies may incur obligations to finance energy conservation measures provided guaranteed savings exceed the debt service requirements.

''(b) IMPLEMENTATION.—(1)(A) The Secretary, with the concurrence of the Administrator of General Services and in consultation with the Secretary of Defense and the Administrator of the National Aeronautics Space Administration, not later than 180 days after the date of the enactment of the Comprehensive National Energy Policy Act, shall develop appropriate procedures and methods for use by Federal agencies to select energy savings service contractors in accordance with laws governing Federal procurement that will achieve the intent of this section in a cost-effective manner.

''(B) The procedures and methods established pursuant to subparagraph (A) shall be the procedures and contracting methods for selection, by an agency, of a contractor to provide energy savings performance services. Such procedures and methods shall provide for the calculation of energy savings based on sound engineering and financial practices.

''(2) The procedures and methods established pursuant to paragraph (1)(A) shall allow for the head of each agency to perform the following:

''(A) Request statements of qualifications, which shall, at a minimum, include prior experience and capabilities of contractors to perform the proposed types of energy savings services and financial and performance information, from firms engaged in providing energy savings services.

''(B) Designate from the statements received, with an update at least annually, those firms that are qualified to provide energy savings services.

''(C) Select firms designated under subparagraph (B) to conduct discussions concerning a particular proposed energy savings project, including requesting a technical and price proposal from such selected firms for such project.

''(D) Select from such firms the most qualified firm to provide energy savings services based on technical and price proposals and any other relevant information.

''(E) Permit receipt of unsolicited proposals for energy savings performance contracting services from a firm that such agency has determined is qualified to provide such services under the procedures established pursuant to paragraph (1)(A), and require agency facility managers to place a notice in the Commerce Business Daily announcing they have received such a proposal and invite other similarly qualified firms to submit competing proposals. The head of an agency may enter into an energy savings performance contract with such a qualified firm consistent with the procedures and methods established pursuant to paragraph (1)(A).

''(c) REPORTING REQUIREMENTS.—Not later than three years after the date of the enactment of the Comprehensive National Energy Policy Act, the Comptroller General of the United States shall transmit to the Congress a report on the implementation of this section, including recommendations for legislative or regulatory changes. This report shall include, but not be limited to, an assessment of the following issues:

''(1) The quality of the energy audits conducted for the agencies.

''(2) The government's ability to maximize energy savings.

''(3) The total energy cost savings accrued by the agencies that have entered into such contracts.

''(4) The total costs associated with entering into and performing such contracts.

''(5) A comparison of the total costs incurred by agencies under such contracts and the total costs incurred under similar contracts performed in the private sector.

''(6) The number of firms selected as qualified firms under this section and their respective shares of awarded contracts.

''(7) The number of firms engaged in similar activity in the private sector and their respective market shares.

''(8) The number of applicant firms not selected as qualified firms under this section and the reason for their nonselection.

''(9) The frequency with which agencies have utilized the services of government labs to perform any of the functions specified in this section.

''(10) Whether the contracting procedures developed pursuant to this section and utilized by agencies have been effective and whether continued use of those procedures, as opposed to the procedures provided by existing public contract law, is necessary for implementation of successful energy savings performance contracts.''.

(b) DEFINITION.—Section 804 of such Act (42 U.S.C. 8287c) is amended—

(1) in the material preceding paragraph (1), by striking ''title—'' and inserting ''title, the following definitions apply:'';

(2) in paragraph (1), by striking ''the'' and inserting ''The'' and by striking '', and'' and inserting a period;

(3) in paragraph (2), by striking ''the term'' and inserting ''The term''; and

(4) by adding at the end the following:

''(3) The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy savings measure or series of measures at one or more locations. Such contracts—

''(A) may provide for appropriate software licensing agreements; and

''(B) shall, with respect to an agency facility that is a public building as such term is defined in section 13(1) of the Public Buildings Act of 1959 (40 U.S.C. 601 et seq.), be in compliance with the prospectus requirements and procedures of the Public Buildings Act of 1959.''.

SEC. 123. INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION.

The National Energy Conservation Policy Act (42 U.S.C. 6201–8287c) is amended by inserting after section 549 the following new section:

''SEC. 550. INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION.

''(a) CONFERENCE WORKSHOPS.—The Secretary, in consultation with the General Services Administration and the Task Force established under section 547, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy in the case of Federal buildings. The Secretary shall work and consult with other Federal agencies to plan for particular regional conferences. The Secretary shall invite State and local public officials, as appropriate, who have responsibilities for energy management of State and local facilities and shall seek the input of, and be responsive to, the views of such State and local officials in the planning and organization of such workshops.

''(b) FOCUS OF WORKSHOPS.—Such workshops and conferences shall focus on the following (but may include other topics relating to strategy):

''(1) Developing strategies among Federal, State, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region regarding the use of governmental facilities and buildings.

''(2) The design, construction, maintenance, and retrofitting of Federal facilities to incorporate energy efficient techniques.

''(3) Procurement and use of energy efficient products.

''(4) Dissemination of energy information on innovative programs, technologies, and methods which have proven successful in government.

''(5) Technical assistance to design and incorporate effective energy management strategies.

''(c) ESTABLISHMENT OF WORKSHOP TIMETABLE.—In the annual report required under section 548(b), the Secretary shall set forth the schedule for the regional energy management workshops for that year. Not less than 5 workshops shall be held not later than 1 year after the date of the enactment of this Act, and at least 1 such workshop shall be held in each of the 10 Federal regions every 2 years beginning after September 30, 1993.''.

SEC. 124. FEDERAL AGENCY ENERGY MANAGEMENT TRAINING.

(a) ENERGY MANAGEMENT TRAINING.—(1) Each executive department described under section 101 of title 5, United States Code, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a program to ensure that facility energy managers are trained energy managers as defined under subsection (e)(2). Such programs shall be managed—

(A) by the department or agency representative on the Task Force; or

(B) if a department or agency is not represented on the Task Force, by the designee of the head of such department or agency.

(2) Departments and agencies described in paragraph (1) shall encourage appropriate employees to participate in energy manager training courses. Employees may enroll in courses of study in the areas described in subsection (e)(2) including, but not limited to, courses offered by—

(A) private or public educational institutions;

(B) Federal agencies; or

(C) professional associations.

(b) REPORT TO TASK FORCE.—(1) Each department and agency described in subsection (a)(1) shall, not later than 60 days following the date of the enactment of this Act, report to the Task Force the following information:

(A) Those individuals employed by such department or agency on the date of the enactment of this Act who qualify as trained energy managers as defined in subsection (e)(2).

(B) The General Schedule (GS) or grade level at which each of the individuals described in subparagraph (A) is employed.

(C) The facility or facilities for which such individuals are responsible or otherwise stationed.

(2) The Task Force shall provide a summary of the reports described in paragraph (1) to the Congress.

(c) REQUIREMENTS AT FEDERAL FACILITIES.—(1) Not later than one year after the date of the enactment of this Act, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by—

(A) designating facility energy supervisors as defined in subsection (e)(1);

(B) encouraging facility energy supervisors to become trained energy managers, as defined in subsection (e)(2); and

(C) increasing the overall number of trained energy managers within such department or agency to a sufficient level to ensure effective implementation of this Act.

(2) Departments and agencies described in subsection (a)(1) may hire trained energy managers to be facility energy supervisors. Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities—

(A) department or agency facilities identified as most costly to operate or most energy inefficient; or

(B) other facilities identified by the department or agency head as having significant energy savings potential.

(d) ANNUAL REPORT TO SECRETARY AND CONGRESS.—Each department and agency listed in subsection (a)(1) shall report to the Secretary on the status and implementation of the requirements of this section. The Secretary shall include a summary of each such report in the annual report to Congress as required under section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258).

(e) DEFINITIONS.—For the purposes of this section—

(1) the term ''facility energy supervisor'' means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation, and maintenance of energy systems in Federal facilities which may include more than one building;

(2) the term ''trained energy manager'' means a person who has demonstrated proficiency, or who has completed a course of study in the areas of fundamentals of building energy systems; building energy codes and applicable professional standards; energy accounting and analysis; life-cycle cost methodology; fuel supply and pricing; and instrumentation for energy surveys and audits; and

(3) the term ''Task Force'' means the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act (42 U.S.C. 8257).

SEC. 125. IDENTIFICATION AND ATTAINMENT OF AGENCY ENERGY REDUCTION AND MANAGEMENT GOALS.

Section 3 of the Federal Energy Management Improvement Act of 1988 (42 U.S.C. 8253 note) is amended—

(1) in subsection (a)—

(A) by striking out ''using funds appropriated to carry out this section,'' and inserting in lieu thereof ''in consultation with the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act,'';

(B) in paragraph (1), by striking out ''and'' after the semicolon;

(C) in paragraph (2), by striking out the period and inserting in lieu thereof ''; and''; and

(D) by adding at the end thereof the following new paragraph:

''(3) determining barriers which may prevent an agency's ability to comply with section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and other energy management goals.'';

(2) in subsection (b)(1), by striking out ''Congress, within 180 days after the date on which funds are appropriated to carry out this section,'' and inserting in lieu thereof ''the Committee on Energy and Commerce and the Committee on Public Works and Transportation of the House of Representatives, within 180 days after the date of the enactment of the Comprehensive National Energy Policy Act,''; and

(3) in subsection (d)—

(A) by striking out ''Congress'' and inserting in lieu thereof ''Committee on Energy and Commerce and the Committee on Public Works and Transportation of the House of Representatives,''; and

(B) by adding at the end thereof ''The report shall include an analysis of the probability of each agency achieving the 20 percent reduction goal by January 1, 2000, established under Executive Order No. 12759.''.

SEC. 126. ENERGY AUDIT TEAMS.

(a) ESTABLISHMENT.—The Secretary shall assemble from existing personnel with appropriate expertise, and with particular utilization of the national laboratories, and make available to all Federal agencies, one or more energy audit teams which shall be equipped with instruments and other advanced equipment needed to perform energy audits of Federal facilities.

(b) MONITORING PROGRAMS.—The Secretary shall also assist in establishing, at each site that has utilized an energy audit team, a program for monitoring the implementation of energy efficiency improvements based upon energy audit team recommendations, and for recording the operating history of such improvements.

SEC. 127. PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.

(a) PROCUREMENT.—The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, each shall undertake a program to include energy efficient products in carrying out their procurement and supply functions.

(b) IDENTIFICATION PROGRAM.—The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, in consultation with the Secretary of Energy, each shall implement, in conjunction with carrying out their procurement and supply functions, a program to identify and designate those energy efficient products that offer significant potential savings, using, to the extent practicable, the life cycle cost methods and procedures developed under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254). The Secretary of Energy shall, to the extent necessary to carry out this section and after consultation with the aforementioned agency heads, provide estimates of the degree of relative energy efficiency of products.

(c) GUIDELINES.—The Administrator for Federal Procurement Policy, in consultation with the Administrator of General Services, the Secretary of Energy, the Secretary of Defense, and the Director of the Defense Logistics Agency, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified pursuant to this section. The Secretary of Defense and the Director of the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency's ongoing review of military specifications.

(d) REPORT TO CONGRESS.—Not later than December 31 of 1993 and of each year thereafter, the Secretary of Energy, in consultation with the Administrator for Federal Procurement Policy, the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, shall report on the progress, status, activities, and results of the programs under subsections (a), (b), and (c). The report shall include—

(1) the types and functions of each product identified under subsection (b), and efforts undertaken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to encourage the acquisition and use of such products;

(2) the actions taken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(3) progress on the development and issuance of guidelines under subsection (c);

(4) an indication of whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 809(h) of the National Housing Act (12 U.S.C. 1701j–2), have been used in the identification of products under subsection (b);

(5) an estimate of the potential cost savings to the Federal Government from acquiring products identified under subsection (b) with respect to which energy is a significant component of life cycle cost, based on the quantities of such products that could be utilized throughout the Government; and

(6) the actual quantities acquired of products described in paragraph (5).

SEC. 128. FEDERAL ENERGY EFFICIENCY FUNDING STUDY.

(a) STUDY.—The Secretary shall, in consultation with the Secretary of the Treasury, the Director of the Office of Management and Budget, the Administrator of General Services, and such other individuals and organizations as the Secretary deems appropriate, conduct a detailed study of options for the financing of energy and water conservation measures required under part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.) and all applicable Executive orders. Such study shall, taking into account the unique characteristics of Federal agencies, consider and analyze—

(1) the Federal financial investment necessary to comply with such requirements;

(2) the use of revolving funds and other funding mechanisms which offer stable, long-term financing of energy and water conservation measures; and

(3) the means for capitalizing such funds.

(b) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Congress a report containing the results of the study required under subsection (a).

Subtitle C—Electricity and Utilities

PART 1—ELECTRIC UTILITIES

SEC. 131. ENCOURAGEMENT OF INVESTMENTS IN CONSERVATION AND ENERGY EFFICIENCY.

(a) IN GENERAL.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by inserting at the end the following new paragraphs:

''(7) LEAST-COST PLANNING.—Each electric utility shall employ least-cost planning in order to provide adequate and reliable service to its electric customers at the lowest system cost. All plans or filings of a State regulated electric utility before a State regulatory authority to meet the requirements of this paragraph shall (A) be updated on a regular basis, (B) provide the opportunity for public participation and comment, (C) provide for methods of validating predicted performance, and (D) contain a requirement that the plan be implemented after approval of the State regulatory authority.

''(8) INVESTMENTS IN CONSERVATION AND DEMAND MANAGEMENT.—The rates charged by any electric utility shall be such that the utility's prudent investments in, and expenditures for, energy conservation and load shifting programs and for other energy demand management measures which are consistent with the findings and purposes of title I of the Comprehensive National Energy Policy Act are at least as profitable (taking into account the income lost due to reduced sales resulting from such programs) as prudent investments in, and expenditures for, generation, transmission, and distribution facilities.

''(9) ENERGY EFFICIENCY IMPROVEMENTS IN POWER GENERATION AND SUPPLY.—The rates charged by any electric utility shall be such that the utility is encouraged to make investments in, and expenditures for, all cost-effective improvements in the energy efficiency of power generation and supply. In considering regulatory changes to achieve the objectives of this paragraph, State regulatory authorities and nonregulated electric utilities shall reduce or eliminate disincentives to better maintenance by electric utilities and investment by electric utilities in more efficient power generation, transmission, and distribution technologies.

''(10) INCLUSION OF EXTERNAL COSTS.—The utility's least cost plans shall include, to the greatest extent practicable, the external costs and benefits of providing electric service, including but not limited to environmental impacts, maintaining access to foreign and domestic sources of supply, employment opportunities, economic development, and health.''.

(b) IMPACT ON SMALL BUSINESS.—Section 111 of such Act is amended by inserting the following new subsection at the end thereof:

''(e) SMALL BUSINESS IMPACTS.—If a State regulatory authority implements a standard established by subsection (d)(7) or (8), such authority shall (1) consider the impact that implementation of such standard would have on small businesses engaged in the design, sale, supply, installation, or servicing of energy conservation, energy efficiency, or other demand side management measures, and (2) implement such standard so as to assure that utility actions would not provide such utilities with unfair competitive advantages over such small businesses.''.

(c) EFFECTIVE DATE.—Section 112(b) of such Act is amended by inserting ''(or after the enactment of the Comprehensive National Energy Policy Act in the case of standards under paragraphs (7), (8), (9), and (10) of section 111(d))'' after ''Act'' in both places such word appears in paragraphs (1) and (2).

(d) DEFINITION OF LEAST COST PLANNING.—Section 3 of such Act is amended by adding the following new paragraph at the end:

''(19) The term 'least-cost planning' means planning by use of any standard, regulation, practice, or policy by which a State regulatory agency undertakes, or requires an electric or gas utility to undertake, a systematic comparison of energy efficiency, transmission, distribution, generation and supply investment opportunities to minimize life-cycle costs of adequate and reliable utility services to customers. Least-cost planning shall take into account necessary features for system operation such as diversity, reliability, dispatchability, and other factors of risk and shall treat demand and supply resources on a consistent and integrated basis.''.

(e) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary of Energy shall transmit a report to the President and to the Congress containing a survey of all State laws, regulations, practices, and policies under which State regulatory authorities—

(1) require least-cost planning (as defined in the Public Utility Regulatory Policies Act of 1978); and

(2) implement the provisions of paragraphs (7), (8), (9), and (10) of section 111(d) of the Public Utility Regulatory Policies Act of 1978 (as added by subsection (a) of this section).

The report shall include an analysis prepared in consultation with the Federal Trade Commission, of the competitive impact of implementation of energy conservation, energy ef-

ficiency, and other demand side management programs by utilities on small businesses engaged in the design, sale, supply, installation, or servicing of similar energy conservation, energy efficiency, or other demand side management measures and whether any unfair, deceptive, or predatory acts or practices exist, or are likely to exist, from implementation of such programs.

SEC. 132. TENNESSEE VALLEY AUTHORITY LEAST-COST PLANNING PROGRAM.

(a) IN GENERAL.—The Tennessee Valley Authority shall conduct a least-cost planning program in accordance with this section.

(b) CONDUCT OF PROGRAM.—

(1) IN GENERAL.—In conducting a least-cost planning program under subsection (a), the Tennessee Valley Authority shall employ and implement a planning and selection process for new energy resources which evaluates the full range of existing and incremental resources (including new power supplies, energy conservation and efficiency, and renewable energy resources) in order to provide adequate and reliable service to electric customers of the Tennessee Valley Authority at the lowest system cost.

(2) PLANNING AND SELECTION PROCESS.—The planning and selection process referred to in paragraph (1) shall—

(A) take into account necessary features for system operation, including diversity, reliability, dispatchability, and other factors of risk;

(B) take into account the ability to verify energy savings achieved through energy conservation and efficiency and the projected durability of such savings measured over time; and

(C) treat demand and supply resources on a consistent and integrated basis.

(3) SYSTEM COST DEFINED.—As used in paragraph (1), the term ''system cost'' means all direct and quantifiable net costs for an energy resource over its available life, including the cost of production, transportation, utilization, waste management, environmental compliance, and, in the case of imported energy resources, maintaining access to foreign sources of supply.

(c) PARTICIPATION BY DISTRIBUTORS.—

(1) IN GENERAL.—In conducting a least-cost planning program under subsection (a), the Tennessee Valley Authority shall—

(A) provide an opportunity for distributors of the Tennessee Valley Authority to recommend cost-effective energy efficiency opportunities, rate structure incentives, and renewable energy proposals for inclusion in such program; and

(B) encourage and assist such distributors in the planning and implementation of cost-effective energy efficiency options.

(2) ASSISTANCE.—The Tennessee Valley Authority shall provide appropriate assistance to distributors under paragraph (1)(B). Such assistance shall, where cost effective, be provided by the Tennessee Valley Authority acting through, or in cooperation with, an association of distributors. Such assistance may include publications, workshops, conferences, one-on-one assistance, financial assistance, equipment loans, technology assessment studies, marketing studies, and other appropriate mechanisms to transfer information on energy efficiency and renewable energy options and programs to customers.

(d) PUBLIC REVIEW AND COMMENT.—Before the selection and addition of a major new energy resource on the Tennessee Valley Authority system, the Tennessee Valley Authority shall provide an opportunity for public review and comment and shall include a description of any such action in an annual report to the President and Congress.

(e) EXEMPTION FROM CERTAIN REQUIREMENTS.—The Tennessee Valley Authority shall not be subject to the least-cost planning requirements contained in section 111(d) of the Public Utility Regulatory Policies Act of 1978 or any similar requirement which might arise out of the Tennessee Valley Authority's electric power transactions with the Southeastern Power Administration.

SEC. 133. AMENDMENT OF HOOVER POWER PLANT ACT.

Title II of the Hoover Power Plant Act of 1984 (42 U.S.C. 7275–7276, Public Law 98–381) is amended to read as follows:

''TITLE II—INTEGRATED RESOURCE PLANNING

''Sec. 201. Definitions.
''Sec. 202. Regulations to require integrated resource planning.
''Sec. 203. Technical assistance.
''Sec. 204. Integrated resource plans.
''Sec. 205. Central Valley Project energy efficiency pilot program.
''Sec. 206. Miscellaneous provisions.

"SEC. 201. DEFINITIONS.

''As used in this title:

''(1) The term 'Administrator' means the Administrator of the Western Area Power Administration.

''(2) The term 'integrated resource planning' means planning by which a customer undertakes a systematic comparison of all practicable energy efficiency and energy supply resource options (including load-management programs and renewable energy resources) to identify least-cost options for providing reliable electric service. Integrated resource planning shall take into account necessary features for system operations, such as diversity, reliability, dispatchability, and other factors of risk.

''(3) The term 'least cost option' means an option for providing reliable electric services to electric customers which will, to the extent practicable, minimize life-cycle system costs, including adverse environmental effects, of providing such service. To the extent practicable, energy efficiency and renewable resources may be given priority in any least-cost option.

''(4) The term 'long-term firm power service contract' means any contract for the sale by Western Area Power Administration of firm capacity, with or without energy, which is to be delivered over a period of more than one year.

''(5) The terms 'customer' or 'customers' means any entity or entities purchasing firm capacity with or without energy, from the Western Area Power Administration under a long-term firm power service contract. Such terms include parent-type entities and their distribution or user members.

''(6) For any customer, the term 'applicable integrated resource plan' means the integrated resource plan approved by the Administrator under this title for that customer.

"SEC. 202. REGULATIONS TO REQUIRE INTEGRATED RESOURCE PLANNING.

''(a) REGULATIONS.—Within 1 year after the enactment of this section, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1985 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer purchasing electric energy under a long-term firm power service contract with the Western Area Power Administration to implement, within 3 years after the enactment of this section, integrated resource planning in accordance with the requirements of this title.

''(b) CERTAIN SMALL CUSTOMERS.—Notwithstanding subsection (a), for customers with total annual energy sales or usage of 25 Gigawatthours or less which are not members of a joint action agency or a generation and transmission cooperative with power supply responsibility, the Administrator may establish different regulations and apply such regulations to customers that the Administrator finds have limited economic, managerial, and resource capability to conduct integrated resource planning. The regulations under this subsection shall require such customers to consider all reasonable opportunities to meet their future energy service requirements using demand-side techniques, new renewable resources and other programs that will provide retail customers with electricity at the lowest possible cost, and minimize, to the extent practicable, adverse environmental effects.

"SEC. 203. TECHNICAL ASSISTANCE.

''(a) IN GENERAL.—The Administrator shall provide technical assistance to customers to, among other things, conduct integrated resource planning, implement applicable integrated resource plans, and otherwise comply with the requirements of this title. Technical assistance may include publications, workshops, conferences, one-to-one assistance, equipment loans, technology and resource assessment studies, marketing studies, and other mechanisms to transfer information on energy efficiency and renewable energy options and programs to customers. The Administrator shall give priority to providing technical assistance to customers that have limited capability to conduct integrated resource planning.

''(b) PILOT PROGRAMS.—Within 12 months after the enactment of this section, the Administrator shall develop pilot programs to assist its customers in understanding the benefits, costs and potential of demand-side management. The Administrator shall design programs to—

''(1) develop information regarding the benefits, costs and potential of demand-side management for each major customer class;

''(2) develop information regarding the benefits, costs and potential of demand-side management that focuses on these factors on a regional or subregional basis; and

''(3) develop information that is not already otherwise available to the Administrator and its customers.

''(c) FULL SCALE PILOT PROGRAMS.—On the basis of the information developed pursuant to subsection (b) of this section and any other information available to the Administrator, the Administrator shall design full-scale, cost-effective demand-side management programs that the Western Area Power Administration and its customers may utilize.

''(d) ENVIRONMENTAL COSTS.—The Administrator shall document and make available information regarding various methodologies to quantify environmental costs, values of demand-side management, and energy supply-side resource options.

"SEC. 204. INTEGRATED RESOURCE PLANS.

''(a) REVIEW BY WESTERN AREA POWER ADMINISTRATION.—Within 1 year after the enactment of this section, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1985 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer to submit an integrated resource plan to the Administrator within 12 months after such regulations are amended. The regulation shall require a revision of such plan to be submitted every 5 years after the initial submission. The Administrator shall review the initial plan in accordance with a schedule established by the Administrator (which schedule will provide for the review of all initial plans within 24 months after such regulations are amended), and each revision thereof within 120 days after his receipt of the plan or revision and deter-

mine whether the customer has in the development of the plan or revision, complied with this title. Plan amendments may be submitted to the Administrator at any time and the Administrator shall review each such amendment within 120 days after receipt thereof to determine whether the customer in amending its plan has complied with this title. If the Administrator determines that the customer, in developing its plan, revision, or amendment, has not complied with the requirements of this title, the customer shall resubmit the plan at any time thereafter. Whenever a plan or revision or amendment is resubmitted the Administrator shall review the plan or revision or amendment within 120 days after his receipt thereof to determine whether the customer has complied with this title.

''(b) CRITERIA FOR APPROVAL OF INTEGRATED RESOURCE PLANS.—The Administrator shall approve an integrated resource plan submitted as required under subsection (a) if, in developing the plan, the customer has:

''(1) Identified and accurately compared all practicable energy efficiency and energy supply resource options available to the customer.

''(2) Included a 2-year action plan and a 5-year action plan which describe specific actions the customer will take to implement its integrated resource plan.

''(3) Designated 'least-cost options' to be utilized by the customer for the purpose of providing reliable electric service to its retail consumers and explained the reasons why such options were selected.

''(4) To the extent practicable, minimized adverse environmental effects of new resource acquisitions.

''(5) In preparation and development of the plan (and each revision or amendment of the plan) has provided for full public participation, including participation by governing boards.

''(6) Included load forecasting.

''(7) Provided methods of validating predicted performance in order to determine whether objectives in the plan are being met.

''(8) Met such other criteria as the Administrator shall require.

''(c) USE OF OTHER INTEGRATED RESOURCE PLANS.—Where a customer or group of customers are implementing integrated resource planning under a program responding to Federal, State, or other initiatives, in evaluating that customer's integrated resource plan under this title, the Administrator shall accept such plan as fulfillment of the requirements of this title to the extent such plan substantially complies with the requirements of this title.

''(d) COMPLIANCE WITH INTEGRATED RESOURCE PLANS.—Within 1 year after the enactment of this section, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1985 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer to fully comply with the applicable integrated resource plan and submit an annual report to the Administrator (in such form and containing such information as the Administrator may require) describing the customer's progress to the goals established in such plan. After the initial review under subsection (a) the Administrator shall periodically conduct reviews of a representative sample of applicable integrated resource plans and the customer's implementation of the applicable integrated resource plan to determine if the customers are in compliance with their plans. If the Administrator finds a customer out-of-compliance, the Administrator shall impose a surcharge under this section on all electric energy purchased by the customer from the Western Area Power Administration or reduce such customer's power allocation by 10 percent, unless the Administrator finds that a good faith effort has been made to comply with the approved plan.

''(e) ENFORCEMENT.—

''(1) NO APPROVED PLAN.—If an integrated resource plan for any customer is not submitted before the date 12 months after the guidelines are amended as required under this section or if the plan is disapproved by the Administrator and a revised plan is not resubmitted by the date 9 months after the date of such disapproval, the Administrator shall impose a surcharge of 10 percent of the purchase price on all power obtained by that customer from the Western Area Power Administration after such date. The surcharge shall remain in effect until an integrated resource plan is approved for that customer. If the plan is not submitted for more than one year after the required date, the surcharge shall increase to 20 percent for the second year (or any portion thereof prior to approval of the plan) and to 30 percent thereafter until the plan is submitted or the contract for the purchase of power by such customer from the Western Area Power Administration terminates.

''(2) FAILURE TO COMPLY WITH APPROVED PLAN.—After approval by the Administrator of an applicable integrated resource plan for any customer, the Administrator shall impose a 10 percent surcharge on all power purchased by such customer from the Western Area Power Administration whenever the Administrator determines that such customer's activities are not consistent with the applicable integrated resource plan. The surcharge shall remain in effect until the Administrator determines that the customer's activities are consistent with the applicable integrated resource plan. The surcharge shall be increased to 20 percent if the customer's activities are out of compliance for more than one year and to 30 percent after more than 2 years, except that no surcharge shall be imposed if the customer demonstrates, to the satisfaction of the Administrator, that a good faith effort has been made to comply with the approved plan.

''(3) REDUCTION IN POWER ALLOCATION.—In the case of any customer subject to a surcharge under paragraph (1) or (2), in lieu of imposing such surcharge the Administrator may reduce such customer's power allocation from the Western Area Power Administration by 10 percent. The Administrator shall provide by regulation the terms and conditions under which a power allocation terminated under this subsection may be reinstated.

''(4) SUITS TO REQUIRE ENFORCEMENT.—A retail customer of any customer may bring an action against the Administrator to require the Administrator to—

''(A) immediately approve or disapprove a plan or plan revision or amendment whenever the Administrator has failed to approve or disapprove such plan or plan revision or amendment within the applicable time period specified in subsection (a); or

''(B) impose a surcharge or power allocation reduction on any customer whenever such surcharge or reduction is mandated in accordance with paragraphs (1), (2), and (3) of this subsection.

The United States District Courts shall have jurisdiction in any action under this paragraph, without regard to the amount in controversy or the citizenship of the parties, to require the Administrator to immediately approve or disapprove a plan or plan revision or amendment or to impose a surcharge or power allocation reduction on any customer, as the case may be. No action may be brought under this paragraph until 60 days after the plaintiff has given notice to the Administrator of the proposed action.

''(f) INTEGRATED RESOURCE PLANNING COOPERATIVES.—With the approval of the Administrator, customers within any State or region may form integrated resource planning cooperatives for the purposes of complying with this title, and such customers shall be allowed an additional 6 months to submit an initial integrated resource plan to the Administrator.

''(g) CUSTOMERS WITH MORE THAN 1 CONTRACT.—If more than one long-term firm power service contract exists between the Administrator and a customer, only one integrated resource plan shall be required for that customer under this title.

''(h) PROGRAM REVIEW.—Within 1 year after January 1, 1999, and at appropriate intervals thereafter, the Administrator shall initiate a public process to review the program established by this section. The Administrator is authorized at that time to revise the criteria set forth in section 204(b) to reflect changes, if any, in technology, needs, or other developments.

''(i) RENEWABLE ENERGY.—(1) Within 12 months after the date of enactment of this title, the Administrator shall establish a Renewable Energy Joint Venture Fund to provide assistance under paragraph (2). There is authorized to be appropriated to the Administrator not more than $25,000,000 to be deposited in the Renewable Energy Joint Venture Fund. Expenditures from the Renewable Energy Joint Venture Fund shall be nonreimbursable. Not more than $5,000,000 may be expended from the fund for providing assistance to a single project.

''(2) Upon the request of a Western Area Power Administration customer, the Administrator is authorized to use amounts available in the Renewable Energy Joint Venture Fund to provide such technical and related assistance to such customer in accordance with paragraph (3) as is necessary to facilitate the development and design of cost-effective renewable energy demonstration projects by such customer.

''(3) Assistance provided under paragraph (2) may consist of grants to cover the capital costs of renewable energy demonstration projects. Such assistance shall not exceed an amount equal to 50 percent of the total capital costs of any project (including the total capital costs of any necessary transmission interconnections for such renewable energy project). Any need for power determination made in connection with the construction of a project assisted under this section shall be made by the Secretary of Energy.

''(4) As used in this subsection, the term 'renewable energy' has the same meaning as provided by section 808 of Public Law 101–549.

''(5) The provisions of this subsection shall terminate 3 years after the enactment of the Energy Development and Environmental Protection Act.

"SEC. 205. CENTRAL VALLEY PROJECT ENERGY EFFICIENCY PILOT PROGRAM.

''(a) ENERGY EFFICIENCY AND CONSERVATION IMPROVEMENTS.—Within 1 year after the enactment of this section, the Secretary of Energy, in cooperation with the Secretary of Interior, is directed to promulgate regulations and implement a public process whereby any entity with a long-term firm power service Central Valley Project (hereinafter referred to as 'CVP') contract may propose to the Administrator energy efficiency and conservation improvements in the CVP water delivery, power generation, transmission systems, and associated irrigation and water systems, provide all financing for such efficiency improvements, and receive 80 percent of the energy and capacity savings produced from such improvements. Any energy efficiency improvements which are ap-

proved by the Administrator under subsection (c) shall be implemented by the Administrator or by the Secretary of the Interior.

''(b) DURATION OF RECEIPT OF EFFICIENCY SAVINGS.—An entity providing financing for an efficiency improvement referred to in subsection (a) shall receive, through a contract with the Administrator, 80 percent of all savings that result from such efficiency improvement, for a period of not more than 20 years. After such contract expires, the savings shall be made available for other project purposes as authorized by law.

''(c) ENERGY EFFICIENCY SAVINGS.—Any entity receiving energy efficiency savings under subsection (b) shall only receive 80 percent of those energy efficiency savings directly produced from efficiency improvements that they have provided financing for and that have been independently verified.

''(d) CRITERIA FOR APPROVAL.—The Administrator shall approve any energy efficiency or conservation improvement referred to in subsection (a) based on the following criteria:

''(1) The technical feasibility of the improvement.

''(2) The amount of energy saved in relation to amount of money invested.

''(3) The lack of negative effect of the improvement on others.

''(4) The capability of the entity to finance the proposed improvements.

''(5) The degree to which participating entities have secured or can secure the necessary financing, permits, clearances, and other arrangements necessary to implement the improvements.

''(6) The lack of negative impact on the environment.

''(7) Such other criteria as may be established by the Secretary of Energy.

''(e) 20-PERCENT SET-ASIDE.—The Western Area Power Administration shall receive 20 percent of any power saved from an improvement to the CVP system. These savings shall be made available to the Secretary of the Interior to restore the fish and wildlife resources of the CVP, including using such savings to provide power to operate refuges, hatcheries, pumps or other facilities. Any power surplus to these needs shall be made available for other project purposes as authorized by law. Power supply from nonfederally financed improvements shall not be classified as project power except for the power made available to the Secretary of the Interior for fish and wildlife purposes. Any changes in CVP operation for this program shall not impact the CVP's ability to meet its other authorized purposes.

''(f) SUNSET PROVISION.—The authority of this section shall expire 5 years following promulgation of final regulations under this section. Any contracts in place at the end of the 5-year period shall continue in effect through the term of the contract.

"SEC. 206. MISCELLANEOUS PROVISIONS.

''(a) ENVIRONMENTAL IMPACT STATEMENT.—The provisions of the National Environmental Policy Act of 1969 shall apply to actions of the Administrator implementing this title in the same manner and to the same extent as such provisions apply to other major Federal actions significantly affecting the quality of the human environment.

''(b) ANNUAL REPORTS.—The Administrator shall include in the annual report submitted by the Western Area Power Administration (1) a description of the activities undertaken by the Administrator and by customers under this title and (2) an estimate of the energy savings and renewable resource benefits achieved as a result of such activities.

''(c) STATE REGULATED INVESTOR-OWNED UTILITIES.—Investor-owned electric utilities whose rates and charges for the sale of electric energy are regulated by a State regulatory authority shall be exempt from the requirements of this title.''.

PART 2—GAS UTILITIES

SEC. 141. ENCOURAGEMENT OF INVESTMENTS IN CONSERVATION AND ENERGY EFFICIENCY.

(a) IN GENERAL.—Section 303(b) of the Public Utility Regulatory Policies Act of 1978 is amended by inserting at the end the following new paragraphs:

''(3) LEAST-COST PLANNING.—Each gas utility shall employ least-cost planning, as defined in section 131(c) of this title, in order to provide adequate and reliable service to its gas customers at the lowest system cost. All plans or filings of a State regulated gas utility before a State regulatory authority to meet the requirements of this paragraph shall (A) be updated on a regular basis, (B) provide the opportunity for public participation and comment, (C) provide for methods of validating predicted performance, and (D) contain a requirement that the plan be implemented after approval of the State regulatory authority. Section 303(c) shall not apply to this paragraph to the extent that it could be construed to require the State regulatory authority to extend the record of a State proceeding in submitting reports to the Federal Government.

''(4) INVESTMENTS IN CONSERVATION AND DEMAND MANAGEMENT.—The rates charged by any gas utility shall be such that the utility's prudent investments in, and expenditures for, energy conservation and load shifting programs and for other energy demand management measures which are consistent with the findings and purposes of the Comprehensive National Energy Policy Act are at least as profitable (taking into account the income lost due to reduced sales resulting from such programs) as prudent investments in, and expenditures for, the acquisition or construction of supplies and facilities. This objective requires that (A) regulators link the utility's net revenues at least in part to the utility's performance in implementing cost-effective programs promoted by this section; and (B) regulators ensure that, for purposes of recovering fixed costs, including its authorized return, the utility's performance is not affected by reductions in its retail sales volumes.

''(5) INCLUSION OF EXTERNAL COSTS.—The utility's least-cost plans shall include, to the greatest extent practicable, the external impacts of providing gas service, including environmental degradation, and in the case of imported resources, maintaining access to foreign sources of supply. Such impacts will be used in determining the cost-effectiveness of demand and supply options. Regulators shall seek to avoid incentives for use of environmentally inferior unregulated fuels, and shall ensure that their treatment of external impacts is symmetrical for each fuel subject to their regulation, to avoid creation of inappropriate fuel substitution incentives.''.

(b) IMPACT ON SMALL BUSINESS.—Section 303 of such Act is amended by inserting the following new subsection at the end thereof:

''(d) SMALL BUSINESS IMPACTS.—If a State regulatory authority implements a standard established by subsection (b) (3) or (4), such authority shall (1) consider the impact that implementation of such standard would have on small businesses engaged in the design, sale, supply, installation, or servicing of energy conservation, energy efficiency, or other demand side management measures, and (2) implement such standard so as to assure that utility actions would not provide such utilities with unfair competitive advantages over such small businesses.''.

(c) EFFECTIVE DATE.—Section 303(a) of such Act is amended by inserting ''(or after the enactment of the Comprehensive National Energy Policy Act in the case of standards under paragraphs (3), (4), and (5) of subsection (b))'' after ''Act'' and by striking out ''standard established by subsection (b)(2)'' in paragraph (2) and inserting ''standards established by paragraphs (2), (3), (4) and (5) of subsection (b)''.

(d) REPORT.—The report under section 131(d) of this Act transmitted by the Secretary of Energy to the President and to the Congress shall contain a survey of all State laws, regulations, practices, and policies under which State regulatory authorities implement the provisions of paragraphs (3), (4), and (5) of section 303(b) of the Public Utility Regulatory Policies Act of 1978 (as added by subsection (a) of this section). The report shall include an analysis prepared in consultation with the Federal Trade Commission, of the competitive impact of implementation of energy conservation, energy efficiency, and other demand side management programs by utilities on small businesses engaged in the design, sale, supply, installation, or servicing of similar energy conservation, energy efficiency, or other demand side management measures and whether any unfair, deceptive, or predatory acts or practices exist, or are likely to exist, from implementation of such programs.

PART 3—GENERAL PROVISIONS

SEC. 151. CONSERVATION GRANTS TO STATE REGULATORY AUTHORITIES.

(a) CONSERVATION GRANTS.—The Secretary of Energy is authorized in accordance with the provisions of this section to provide grants to State regulatory authorities in an amount not to exceed $100,000 per authority, for purposes of encouraging the consideration of conservation, energy efficiency resources, and other demand side management measures consistent with the purposes of this title as a means of meeting electric supply needs and to meet the requirements of paragraphs (7), (8), (9), and (10) of section 111(d) of the Public Utility Regulatory Policies Act of 1978 (as added by section 131(a) of this Act) and as a means of meeting gas supply needs and to meet the requirements of paragraphs (3), (4), and (5) of section 303(b) of the Public Utility Regulatory Policies Act of 1978 (as added by section 141(a) of this Act). Such grants may be utilized by a State regulatory authority to provide financial assistance to nonprofit subgrantees of the Department of Energy's Weatherization Assistance Program to facilitate participation by such subgrantees in proceedings of such regulatory authority to examine demand-side management.

(b) PLAN.—A State regulatory authority wishing to receive a grant under this section shall submit a plan to the Secretary that specifies the actions such authority proposes to take that would achieve the purposes of this section.

(c)(1) SECRETARIAL ACTION.—In determining whether, and in what amount, to provide a grant to a State regulatory authority under this section the Secretary shall consider, in addition to other appropriate factors, the actions proposed by the State regulatory authority to achieve the purposes of this section and to consider implementation of the ratemaking standards established in—

(A) paragraphs (7), (8), (9), and (10) of section 111(d) of the Public Utility Regulatory Policies Act of 1978 (as added by section 131(a) of this Act); or

(B) paragraphs (3), (4), and (5) of section 303(b) of the Public Utility Regulatory Policies Act of 1978 (as added by section 141(a) of this Act).

(2) Such actions—

(A) shall include procedures to facilitate the participation of grantees and nonprofit subgrantees of the Department of Energy's

Weatherization Assistance Program in proceedings of such regulatory authority to examine demand-side management; and

(B) shall provide for coverage of the cost of such subgrantees' participation in such participation.

(d) RECORDKEEPING.—Each State regulatory authority that receives a grant under this section shall keep such records as the Secretary shall require.

(e) RULES.—The Secretary may prescribe such rules as may be necessary or appropriate for carrying out the provisions of this section.

(f) DEFINITION.—For purposes of this section, the term ''State regulatory authority'' shall have the same meaning as provided by section 3 of the Public Utility Regulatory Policies Act of 1978 in the case of electric utilities, and such term shall have the same meaning as provided by section 302 of the Public Utility Regulatory Policies Act of 1978 in the case of gas utilities, except that in the case of any State without a statewide ratemaking authority, such term shall mean the State energy office.

(g) AUTHORIZATION.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the purposes of this section.

Subtitle D—Requirements and Information

SEC. 161. ENERGY EFFICIENCY LABELING FOR WINDOWS AND WINDOW SYSTEMS.

(a) IN GENERAL.—(1) The Secretary shall, with funds available to carry out this section, provide financial assistance to support a voluntary national window rating program that will develop energy ratings and labels for windows and window systems by December 31, 1992.

(2) The rating program shall include—

(A) specifications and guidelines that will enable all window buyers to make more informed purchasing decisions about the energy efficiency of windows and window systems; and

(B) information that will allow window buyers to assess the energy consumption and potential cost savings of alternative window products.

(3) The rating program shall be established and administered by the National Fenestration Rating Council which shall periodically report to the Congress and the Secretary on the progress being made toward establishing the program.

(b) MONITORING.—The Secretary shall monitor and evaluate the efforts of the National Fenestration Rating Council and make determinations about whether the program established within the Council is consistent with subsection (a).

(c) ALTERNATIVE SYSTEM.—(1) If the Secretary has not, by December 31, 1992, certified that a voluntary national window rating program consistent with the objectives of subsection (a) has been established, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, by December 31, 1993, testing procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for windows and window systems.

(2) If the Secretary develops such procedures, the Federal Trade Commission (hereafter in this section referred to as the ''Commission'') shall prescribe labeling rules under section 324 of such Act (42 U.S.C. 6294) for windows and window systems except that, with respect to any type of window or window system (or class thereof), the Commission may determine that such labeling is not technologically or economically feasible or is not likely to assist consumers in making purchasing decisions.

(3) For purposes of sections 323, 324, and 327 of such Act, windows and window systems shall be considered covered products under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

(4) For purposes of section 327(a) of such Act, the term ''this part'' includes this subsection to the extent necessary to carry out this subsection.

SEC. 162. VOLUNTARY STANDARDS FOR INDUSTRIAL INSULATION AND IMPROVEMENT OF INDUSTRIAL AUDITS.

(a) IN GENERAL.—(1) The Secretary of Energy shall, with funds available to carry out this section, develop, directly or by contract, a voluntary national program to devise standards for the proper levels of industrial insulation.

(2) The standards shall be developed in consultation with manufacturers, suppliers, and installers of insulation and with utilities and major industrial energy users.

(3) The Secretary shall issue such standards not later than December 31, 1992.

(b) RECOMMENDATIONS.—Not later than December 31, 1992, the Secretary shall, in conjunction with the development of standards under subsection (a), review the status of industrial energy auditing procedures and make recommendations for improvement as appropriate.

(c) OTHER ASSISTANCE.—The Secretary shall conduct a program of education and technical assistance concerning the standards and auditing procedures.

(d) REPORT.—The Secretary shall transmit, by December 31, 1994, a report to the Congress detailing—

(1) the standards developed and recommended changes in audit procedures; and

(2) the educational and technical assistance provided under this section, an evaluation of its effectiveness, and the responsiveness of the industrial sector to the standards.

SEC. 163. ENERGY CONSERVATION REQUIREMENTS FOR CERTAIN COMMERCIAL AND INDUSTRIAL EQUIPMENT.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraph (B) as subparagraph (G); and

(B) by inserting after subparagraph (A) the following:

''(B) Small commercial package air conditioning and heating equipment.

''(C) Large commercial package air conditioning and heating equipment.

''(D) Packaged terminal air-conditioners and packaged terminal heat pumps.

''(E) Warm air furnaces and packaged boilers.

''(F) Storage water heaters, instantaneous water heaters, and unfired hot water storage tanks.''; and

(2) in paragraph (2)(B)—

(A) by striking out ''pumps)'' and inserting in lieu thereof ''pumps, small and large commercial package air conditioning and heating equipment, packaged terminal air-conditioners, packaged terminal heat pumps, warm air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks)''; and

(B) by striking out clauses (v) and (xi) and redesignating clauses (vi), (vii), (viii), (ix), (x), (xii), (xiii), and (xiv) as clauses (v), (vi), (vii), (viii), (ix), (x), (xi), and (xii), respectively; and

(3) by adding at the end the following:

''(8) The term 'small commercial package air conditioning and heating equipment' means air-cooled, water-cooled, evaporatively-cooled, or water source (not including ground water source) electrically operated, unitary central air conditioners and central air conditioning heat pumps for commercial application which are rated below 135,000 Btu per hour (cooling capacity).

''(9) The term 'large commercial package air conditioning and heating equipment' means air-cooled, water-cooled, evaporatively-cooled, or water source (not including ground water source) electrically operated, unitary central air conditioners and central air conditioning heat pumps for commercial application which are rated at or above 135,000 Btu per hour and below 240,000 Btu per hour (cooling capacity).

''(10)(A) The term 'packaged terminal air conditioner' means a wall sleeve and a separate unencased combination of heating and cooling assemblies specified by the builder and intended for mounting through the wall. It includes a prime source of refrigeration, separable outdoor louvers, forced ventilation, and heating availability energy.

''(B) The term 'packaged terminal heat pump' means a packaged terminal air conditioner that utilizes reverse cycle refrigeration as its prime heat source and should have supplementary heating availability by builder's choice of energy.

''(11)(A) The term 'warm air furnace' means a self-contained oil- or gas-fired furnace designed to supply heated air through ducts to spaces that require it and includes combination warm air furnace/electric air conditioning units but does not include unit heaters and duct furnaces.

''(B) The term 'packaged boiler' means a boiler that is shipped complete with heating equipment, mechanical draft equipment, and automatic controls; usually shipped in one or more sections.

''(12)(A) The term 'storage water heater' means a water heater that heats and stores water within the appliance at a thermostatically controlled temperature for delivery on demand. Such term does not include units with an input rating of 4000 Btu per hour or more per gallon of stored water.

''(B) The term 'instantaneous water heater' means a water heater that has an input rating of at least 4000 Btu per hour per gallon of stored water.

''(C) The term 'unfired hot water storage tank' means a tank used to store water that is heated externally.

''(13)(A) The term 'electric motor' means any motor which is a general purpose T-frame, single-speed, foot-mounting, polyphase squirrel-cage induction motor of the National Electrical Manufacturers Association, Design A and B, continuous rated, operating on 230/460 volts and constant 60 Hertz line power as defined in NEMA Standards Publication MG1–1987.

''(B) The term 'definite purpose motor' means any motor designed in standard ratings with standard operating characteristics or standard mechanical construction for use under service conditions other than usual or for use on a particular type of application and which cannot be used in most general purpose applications.

''(C) The term 'special purpose motor' means any motor, other than a general purpose motor or definite purpose motor, which has special operating characteristics or special mechanical construction, or both, designed for a particular application.

''(D) The term 'open motor' means a motor having ventilating openings which permit passage of external cooling air over and around the windings of the machine.

''(E) The term 'enclosed motor' means a motor so enclosed as to prevent the free exchange of air between the inside and outside of the case but not sufficiently enclosed to be termed airtight.

''(F) The term 'small electric motor' means a NEMA general purpose alternating current single-speed induction motor, built in a two-digit frame number series in accordance with NEMA Standards Publication MG1–1987.

''(G) The term 'efficiency' when used with respect to an electric motor means the ratio of an electric motor's useful power output to its total power input, expressed in percentage.

''(H) The term 'nominal full load efficiency' means the average efficiency of a population of motors of duplicate design as determined in accordance with NEMA Standards Publication MG1–1987.

''(14) The term 'ASHRAE' means the American Society of Heating, Refrigerating, and Air Conditioning Engineers.

''(15) The term 'IES' means the Illuminating Engineering Society of North America.

''(16) The term 'NEMA' means the National Electrical Manufacturers Association.

''(17) The term 'IEEE' means the Institute of Electrical and Electronics Engineers.

''(18) The term 'energy conservation standard' means—

''(A) a performance standard that prescribes a minimum level of energy efficiency or a maximum quantity of energy use for a product; or

''(B) a design requirement for a product.''.

(b) TEST PROCEDURES.—(1) Section 343(a) of such Act (42 U.S.C. 6314) is amended—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

''(1) The Secretary may conduct an evaluation of a class of covered equipment and may prescribe test procedures for such class in accordance with the provisions of this section.''; and

(B) by adding at the end the following new paragraphs:

''(4)(A) With respect to small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks to which standards are applicable under section 342, the Secretary shall, not later than 18 months after the date of the enactment of this paragraph, prescribe test procedures that are consistent with those generally accepted industry testing procedures or rating procedures, if any, developed by the Air-Conditioning and Refrigeration Institute or by the American Society of Heating, Refrigerating and Air Conditioning Engineers, or for storage water heaters and instantaneous water heaters, contained in American National Standard Z21.10.3, as in effect on the date of enactment of this paragraph.

''(B) If such an industry test procedure or rating procedure for small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, or unfired hot water storage tanks is amended, the Secretary shall amend the test procedure for the product as necessary to be consistent with the amended industry test procedure or rating procedure unless the Secretary determines, by rule, published in the Federal Register and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures described in paragraphs (2) and (3) of this subsection.

''(C) If the Secretary prescribes a rule containing such a determination, the rule may establish an amended test procedure for such product that meets the requirements of paragraphs (2) and (3) of this subsection.

''(5) With respect to electric motors to which standards are applicable under section 342, the Secretary shall, not later than 18 months after the date of the enactment of this paragraph, prescribe test procedures that are consistent with NEMA Standards Publication MG1–1987 and IEEE Standard 112 Test Method B for motor efficiency.''.

(2) The second subsection designated as subsection (d) of section 343 of such Act (42 U.S.C. 6314(d)(1)) is amended in paragraph (1) in the material preceding subparagraph (A), by inserting after ''180 days'' the following: ''(or, in the case of small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, 360 days)''.

(c) LABELING.—Section 344 of such Act (42 U.S.C. 6315) is amended—

(1) in subsection (a), by striking out ''may'' and inserting in lieu thereof ''shall'';

(2) in subsection (c), by striking out ''may'' in the material preceding paragraph (1) and inserting in lieu thereof ''shall'';

(3) by redesignating subsections (d), (e), (f), (g), (h), and (i) as subsections (f), (g), (h), (i), (j), and (k), respectively; and

(4) by inserting after subsection (c), the following new subsections:

''(d) Subject to subsection (h), not later than 12 months after the Secretary establishes test procedures for electric motors under section 343, the Secretary shall prescribe labeling rules under this section applicable to electric motors taking into consideration NEMA Standards Publication MG1–1987. Such rules shall provide that the labeling of any electric motor manufactured after the 12-month period beginning on the date the Secretary prescribes such labeling rules, shall—

''(1) indicate the energy efficiency of the motor on the permanent nameplate attached to such motor;

''(2) prominently display the energy efficiency of the motor in equipment catalogs and other material used to market the equipment; and

''(3) include such other markings as the Secretary determines necessary solely to facilitate enforcement of the standards established for electric motors under section 342.

''(e) Subject to subsection (h), not later than 12 months after the Secretary establishes test procedures for small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks under section 343, the Secretary shall prescribe labeling rules under this section for such equipment. Such rules shall provide that the labeling of any small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioner, packaged terminal heat pump, warm-air furnace, packaged boiler, storage water heater, instantaneous water heater, and unfired hot water storage tank manufactured after the 12-month period beginning on the date the Secretary prescribes such rules shall—

''(1) indicate the energy efficiency of the equipment on the permanent nameplate attached to such equipment or other nearby permanent marking;

''(2) prominently display the energy efficiency of the equipment in new equipment catalogs used by the manufacturer to advertise the equipment; and

''(3) include such other markings as the Secretary determines necessary solely to facilitate enforcement of the standards established for such equipment under section 342.''.

(d) STANDARDS.—Section 342 of such Act is amended to read as follows:

''STANDARDS

''Sec. 342. (a) SMALL AND LARGE COMMERCIAL PACKAGE AIR CONDITIONING AND HEATING EQUIPMENT, PACKAGED TERMINAL AIR CONDITIONERS AND HEAT PUMPS, WARM-AIR FURNACES, PACKAGED BOILERS, STORAGE WATER HEATERS, INSTANTANEOUS WATER HEATERS, AND UNFIRED HOT WATER STORAGE TANKS.—(1) Each small commercial package air conditioning and heating equipment manufactured on or after January 1, 1994, shall meet the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of the enactment of this paragraph, or, with respect to the equipment specified in subparagraphs (A), (B), (D), and (E), the standard levels set forth for such products in addendum a to ASHRAE/IES Standard 90.1. Such standards are as follows:

''(A) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 10.0.

''(B) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 9.7.

''(C) The minimum energy efficiency ratio of air-cooled central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 8.9 (at a standard rating of 95 degrees F db).

''(D) The minimum heating seasonal performance factor of air-cooled three-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 6.8.

''(E) The minimum heating seasonal performance factor of air-cooled three-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 6.6.

''(F) The minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 3.0 (at a high temperature rating of 47 degrees F db).

''(G) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity) shall be 9.3 (at a standard rating of 95 degrees F db, outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment).

''(H) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 10.5 (at a standard rating of 95 degrees F db, outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water source and water-cooled equipment).

''(I) The minimum coefficient of performance of water-source heat pumps less than 135,000 Btu per hour (cooling capacity) shall be 3.8 (at a standard rating of 70 degrees Fahrenheit entering water).

''(2) Each large commercial package air conditioning and heating equipment manufactured on or after January 1, 1995, shall meet the standard levels set forth for such

products in ASHRAE/IES Standard 90.1 as in effect on the date of the enactment of this paragraph. Such standards are as follows:

''(A) The minimum energy efficiency ratio of air-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 8.5 (at a standard rating of 95 degrees F db).

''(B) The minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 2.9.

''(C) The minimum energy efficiency ratio of water- and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) shall be 9.6 (according to ARI Standard 360-86).

''(3) Each packaged terminal air conditioner and packaged terminal heat pump manufactured on or after January 1, 1994, shall meet the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of the enactment of this paragraph. Such standards are as follows:

''(A) The minimum energy efficiency ratio of packaged terminal air conditioners and packaged terminal heat pumps in the cooling mode shall be 10.0 — (0.16 x Capacity [in thousands of Btu per hour] EER) (at a standard rating of 95 degrees F db, outdoor temperature). If a unit has a capacity of less than 7000 Btu per hour, then 7000 Btu per hour shall be used in the calculation. If a unit has a capacity of greater than 15,000 Btu per hour, then 15,000 Btu per hour shall be used in the calculation.

''(B) The minimum coefficient of performance of packaged terminal heat pumps in the heating mode shall be 1.3 + (0.16 x the minimum cooling EER as specified in subparagraph (A)) (at a standard rating of 47 degrees F db).

''(4) Each warm air furnace and packaged boiler manufactured on or after January 1, 1994, shall meet the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of the enactment of this paragraph. Such standards are as follows:

''(A) The minimum thermal efficiency at the maximum rated capacity of gas-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 80 percent.

''(B) The minimum thermal efficiency at the maximum rated capacity of oil-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 81 percent.

''(C) The minimum combustion efficiency at the maximum rated capacity of gas-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 80 percent.

''(D) The minimum combustion efficiency at the maximum rated capacity of oil-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 83 percent.

''(5) Each storage water heater, instantaneous water heater, and unfired water storage tank manufactured on or after January 1, 1994, shall meet the standard levels set forth for such products in ASHRAE/IES Standard 90.1 as in effect on the date of the enactment of this paragraph. Such standards are as follows:

''(A) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of electric storage water heaters shall be 0.30 + (27/Measured Storage Volume [in gallons]).

''(B) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of 155,000 Btu per hour or less shall be 1.30 + (114/Measured Storage Volume [in gallons]). The minimum thermal efficiency of such units shall be 78 percent.

''(C) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of more than 155,000 Btu per hour shall be 1.30 + (95/Measured Storage Volume [in gallons]). The minimum thermal efficiency of such units shall be 78 percent.

''(D) The minimum thermal efficiency of instantaneous water heaters with a storage volume of less than 10 gallons shall be 80 percent.

''(E) Except as provided in subparagraph (G), the minimum thermal efficiency of instantaneous water heaters with a storage volume of 10 gallons or more shall be 77 percent. The maximum standby loss, in percent/hour, of such units shall be 2.30 + (67/Measured Storage Volume [in gallons]).

''(F) Except as provided in subparagraph (G), the maximum heat loss of unfired hot water storage tanks shall be 6.5 Btu per hour per square foot of tank surface area.

''(G) Storage water heaters and hot water storage tanks having more than 140 gallons of storage capacity need not meet the standby loss or heat loss requirements specified in subparagraphs (A) through (C) and subparagraphs (E) and (F) if the tank surface area is thermally insulated to R–12.5 and if a standing pilot light is not used.

''(6)(A) If ASHRAE/IES Standard 90.1, as in effect on the date of enactment of the Comprehensive National Energy Policy Act, is amended with respect to any small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, or unfired hot water storage tanks, the Secretary shall establish an amended uniform national standard for that product at the minimum level for each effective date specified in the amended ASHRAE/IES Standard 90.1, unless the Secretary determines, by rule published in the Federal Register and supported by clear and convincing evidence, that adoption of a uniform national standard more stringent than such amended ASHRAE/IES Standard 90.1 for such product would result in significant additional conservation of energy and is technologically feasible and economically justified.

''(B)(i) If the Secretary issues a rule containing such a determination, the rule shall establish such amended standard. In determining whether a standard is economically justified for the purposes of subparagraph (A), the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—

''(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;

''(II) the savings in operating costs throughout the estimated average life of the product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the products which are likely to result from the imposition of the standard;

''(III) the total projected amount of energy savings likely to result directly from the imposition of the standard;

''(IV) any lessening of the utility or the performance of the products likely to result from the imposition of the standard;

''(V) the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the imposition of the standard;

''(VI) the need for national energy conservation; and

''(VII) other factors the Secretary considers relevant.

''(ii) The Secretary may not prescribe any amended standard under this paragraph which increases the maximum allowable energy use, or decreases the minimum required energy efficiency, of a covered product. The Secretary may not prescribe an amended standard under this subparagraph if the Secretary finds (and publishes such finding) that interested persons have established by a preponderance of the evidence that a standard is likely to result in the unavailability in the United States in any product type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States at the time of the Secretary's finding. The failure of some types (or classes) to meet this criterion shall not affect the Secretary's determination of whether to prescribe a standard for other types or classes.

''(C) A standard amended by the Secretary under this paragraph shall become effective for products manufactured—

''(i) with respect to small commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, on or after a date which is two years after the effective date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard referred to in subparagraph (A); and

''(ii) with respect to large commercial package air conditioning and heating equipment, on or after a date which is three years after the effective date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard referred to in subparagraph (A);

except that an energy conservation standard amended by the Secretary pursuant to a rule under subparagraph (B) shall become effective for products manufactured on or after a date which is four years after the date such rule is published in the Federal Register.

''(b) ELECTRIC MOTORS.—(1) Except for definite purpose motors, special purpose motors, and those motors exempted by the Secretary under paragraph (2), each electric motor manufactured (alone or as a component of another piece of equipment) after the 60-month period beginning on the date of the enactment of this subsection, or in the case of an electric motor which requires listing or certification by a nationally recognized safety testing laboratory, after the 84-month period beginning on such date, shall have a nominal full load efficiency of not less than the following:

	''Nominal Full-Load Efficiency					
	Open Motors			Closed Motors		
''Number of poles	6	4	2	6	4	2
Motor Horsepower						
1	80.0	82.5		80.0	82.5	75.5
1.5	84.0	84.0	82.5	85.5	84.0	82.5
2	85.5	84.0	84.0	86.5	84.0	84.0
3	86.5	86.5	84.0	87.5	87.5	85.5
5	87.5	87.5	85.5	87.5	87.5	87.5
7.5	88.5	88.5	87.5	89.5	89.5	88.5
10	90.2	89.5	88.5	89.5	89.5	89.5
15	90.2	91.0	89.5	90.2	91.0	90.2
20	91.0	91.0	90.2	90.2	91.0	90.2
25	91.7	91.7	91.0	91.7	92.4	91.0
30	92.4	92.4	91.0	91.7	92.4	91.0
40	93.0	93.0	91.7	93.0	93.0	91.7
50	93.0	93.0	92.4	93.0	93.0	92.4
60	93.6	93.6	93.0	93.6	93.6	93.0

	''Nominal Full-Load Efficiency					
	Open Motors			Closed Motors		
''Number of poles	6	4	2	6	4	2
75	93.6	94.1	93.0	93.6	94.1	93.0
100	94.1	94.1	93.0	94.1	94.5	93.6
125	94.1	94.5	93.6	94.1	94.5	94.5
150	94.5	95.0	93.6	95.0	95.0	94.5
200	94.5	95.0	94.5	95.0	95.0	95.0

''(2)(A) The Secretary may, by rule, provide that the standards specified in paragraph (1) shall not apply to certain types or classes of electric motors if—

''(i) compliance with such standards would not result in significant energy savings because such motors cannot be used in most general purpose applications or are very unlikely to be used in most general purpose applications; and

''(ii) standards for such motors would not be technically feasible or economically justified.

''(B) Not later than one year after the date of the enactment of this subsection, a manufacturer seeking an exemption under this paragraph with respect to a type or class of electric motor developed on or before the date of the enactment of such subsection shall submit a petition to the Secretary requesting such exemption. Such petition shall include evidence that the type or class of motor meets the criteria for exemption specified in subparagraph (A).

''(C) Not later than two years after the date of the enactment of this subsection, the Secretary shall rule on each petition for exemption submitted pursuant to subparagraph (B). In making such ruling, the Secretary shall afford an opportunity for public comment.

''(D) Manufacturers of types or classes of motors developed after the date of the enactment of this subsection to which standards under paragraph (1) would be applicable may petition the Secretary for exemptions from compliance with such standards based on the criteria specified in subparagraph (A).

''(3)(A) The Secretary shall publish a final rule no later than the end of the 24-month period beginning on the effective date of the standards established under paragraph (1) to determine if such standards should be amended. Such rule shall provide that any amendment shall apply to electric motors manufactured on or after a date which is five years after the effective date of the standards established under paragraph (1).

''(B) The Secretary shall publish a final rule no later than 24 months after the effective date of the previous final rule to determine whether to amend the standards in effect for such product. Any such amendment shall apply to electric motors manufactured after a date which is five years after—

''(i) the effective date of the previous amendment; or

''(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective.''.

(e) ADMINISTRATION, PENALTIES, ENFORCEMENT, AND PREEMPTION.—(1) Section 345(a) of such Act (42 U.S.C. 6316(a)) is amended—

(A) in the material preceding paragraph (1)—

(i) by inserting after ''to this part'' the following: ''(other than the equipment specified in subparagraphs (B), (C), (D), (E), and (F) of section 340(1))''; and

(ii) by striking out ''and sections 328'' and inserting in lieu thereof '', the provisions of subsections (l) through (s) of section 325, and sections 327'';

(B) in paragraph (1)—

(i) by striking out ''and 324'' and inserting in lieu thereof '', 324, and 325''; and

(ii) by striking out ''343 and 344, respectively'' and inserting in lieu thereof ''343, 344, and 342, respectively'';

(C) in paragraph (3), by striking out ''and'' at the end thereof;

(D) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(E) by adding after paragraph (4) the following new paragraphs:

''(5) section 327(a) shall be applied, in the case of electric motors, as if the National Appliance Energy Conservation Act of 1987 was the Comprehensive National Energy Policy Act;

''(6) section 327(b)(1) shall be applied as if electric motors were fluorescent lamp ballasts and as if the National Appliance Energy Conservation Amendments of 1988 were the Comprehensive National Energy Policy Act;

''(7) section 327(b)(4) shall be applied as if electric motors were fluorescent lamp ballasts and as if paragraph (5) of section 325(g) were section 342; and

''(8) notwithstanding any other provision of law, a regulation or other requirement adopted by a State or subdivision of a State contained in a State or local building code for new construction concerning the energy efficiency or energy use of an electric motor covered under this part is not superseded by the standards for such electric motor established or prescribed under section 342(b) if such regulation or requirement is identical to the standards established or prescribed under such section.''.

(2) Section 345 of such Act (42 U.S.C. 6316) is amended by adding at the end the following new subsection:

''(b)(1) The provisions of section 326(a), (b), and (d), section 327(a), and sections 328 through 336 shall apply with respect to the equipment specified in subparagraphs (B), (C), (D), (E), and (F) of section 340(1) to the same extent and in the same manner as they apply in part B. In applying such provisions for the purposes of such equipment, paragraphs (1), (2), (3), and (4) of subsection (a) shall apply.

''(2)(A) A standard prescribed or established under section 342(a) shall, beginning on the effective date of such standard, supersede any State or local regulation concerning the energy efficiency or energy use of a product for which a standard is prescribed or established pursuant to such section.

''(B) Notwithstanding subparagraph (A), a standard prescribed or established under section 342(a) shall not supersede a standard for such a product contained in a State or local building code for new construction if—

''(i) the standard in the building code does not require that the energy efficiency of such product exceed the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1; and

''(ii) the standard in the building code does not take effect prior to the effective date of the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1.

''(C) Notwithstanding subparagraph (A), a standard prescribed or established under section 342(a) shall not supersede the standards established by the State of California set forth in Table C-6, California Code of Regulations, Title 24, Part 2, Chapter 2–53, for water-source heat pumps below 135,000 Btu per hour (cooling capacity) that become effective on January 1, 1993.

''(D) Notwithstanding subparagraph (A), a standard prescribed or established under section 342(a) shall not supersede a State regulation which has been granted a waiver by the Secretary. The Secretary may grant a waiver pursuant to the terms, conditions, criteria, procedures, and other requirements specified in section 327(d) of this Act.''.

(3) Section 345 of such Act (42 U.S.C. 6316) is amended by striking out the section heading and inserting in lieu thereof ''ADMINISTRATION, PENALTIES, ENFORCEMENT, AND PREEMPTION''.

(f) TECHNICAL AMENDMENTS.—(1) Section 340(3) of such Act is amended by striking out ''(3) the'' and inserting in lieu thereof the following: ''(3) The''.

(2) Section 343 of such Act (42 U.S.C. 6314) is amended by redesignating the first subsection designated as subsection (d) as subsection (c).

(3) The table of contents of such Act is amended—

(A) by striking out the item relating to section 342 and inserting in lieu thereof the following new item:

''Sec. 342. Standards.'';

and

(B) by striking the item for section 345 and inserting in lieu thereof the following new item:

''Sec. 345. Administration, penalties, enforcement, and preemption.''.

SEC. 164. ENERGY CONSERVATION REQUIREMENTS FOR CERTAIN LAMPS AND PLUMBING PRODUCTS.

(a) STATEMENT OF PURPOSE.—Section 2 of the Energy Policy and Conservation Act (42 U.S.C. 6201) is amended—

(1) in paragraph (6), by striking out ''and'' at the end;

(2) in paragraph (7), by striking out the period at the end and inserting in lieu thereof ''; and''; and

(3) by adding at the end the following new paragraph:

''(8) to conserve water by improving the water efficiency of certain plumbing products and appliances.''.

(b) DEFINITIONS.—Section 321(a) of the Energy Policy and Conservation Act (42 U.S.C. 6291(a)) is amended—

(1) by striking out the subsection designation;

(2) in paragraph (1)—

(A) in subparagraph (A), by inserting before the semicolon the following: ''or, with respect to showerheads, faucets, water closets, and urinals, water''; and

(B) in subparagraph (B), by striking out ''ballasts'' and inserting in lieu thereof the following: ''ballasts, general service fluorescent lamps, incandescent reflector lamps, showerheads, faucets, water closets, and urinals'';

(3) in paragraph (6)—

(A) in subparagraph (A), by inserting '', or, in the case of showerheads, faucets, water closets, and urinals, water use,'' after ''energy use''; and

(B) in subparagraph (B)—

(i) by striking out ''and (14)'' and inserting in lieu thereof ''(15), (16), (17), and (19)''; and

(ii) by striking out ''325(o)'' and inserting in lieu thereof ''325(r)'';

(4) in paragraph (7), by inserting after ''to be consumed annually'' the following: '', and in the case of showerheads, faucets, water closets, and urinals, the aggregate retail cost of water and wastewater treatment services likely to be incurred annually,''; and

(5) by adding at the end the following new paragraphs:

''(30)(A) Except as provided in subparagraph (E), the term 'fluorescent lamp' means a low pressure mercury electric-discharge source in which a fluorescing coating transforms some of the ultraviolet energy generated by the mercury discharge into light, including only the following:

''(i) Any straight-shaped lamp (commonly referred to as 4-foot medium bi-pin lamps) with medium bi-pin bases of nominal overall length of 48 inches and rated wattage of 28 or more.

''(ii) Any U-shaped lamp (commonly referred to as 2-foot U-shaped lamps) with medium bi-pin bases of nominal overall length between 22 and 25 inches and rated wattage of 28 or more.

''(iii) Any rapid start lamp (commonly referred to as 8-foot high output lamps) with recessed double contact bases of nominal overall length of 96 inches and 0.800 nominal amperes, as defined in ANSI C78.1–1978 and related supplements.

''(iv) Any instant start lamp (commonly referred to as 8-foot slimline lamps) with single pin bases of nominal overall length of 96 inches and rated wattage of 52 or more, as defined in ANSI C78.3–1978 (R1984) and related supplement ANSI C78.3a–1985.

''(B) The term 'general service fluorescent lamp' means fluorescent lamps which can be used to satisfy the majority of fluorescent applications, but does not include any lamp designed and marketed for the following non-general lighting applications:

''(i) Fluorescent lamps designed to promote plant growth.

''(ii) Fluorescent lamps specifically designed for cold temperature installations.

''(iii) Colored fluorescent lamps.

''(iv) Impact-resistant fluorescent lamps.

''(v) Reflectorized or aperture lamps.

''(vi) Fluorescent lamps designed for use in reprographic equipment.

''(vii) Lamps primarily designed to produce radiation in the ultra-violet region of the spectrum.

''(viii) Lamps with a color rendering index of 82 or greater.

''(C) Except as provided in subparagraph (E), the term 'incandescent lamp' means a lamp in which light is produced by a filament heated to incandescence by an electric current, including only the following:

''(i) Any lamp (commonly referred to as lower wattage nonreflector general service lamps, including any tungsten-halogen lamp) that has a rated wattage between 30 and 199 watts, has an E26 medium screw base, has a rated voltage or voltage range that lies at least partially within 115 and 130 volts, and is not a reflector lamp.

''(ii) Any lamp (commonly referred to as a reflector lamp) which is not colored or designed for rough or vibration service applications, that contains an inner reflective coating on the outer bulb to direct the light, an R, PAR, or similar bulb shapes (excluding ER or BR) with E26 medium screw bases, a rated voltage or voltage range that lies at least partially within 115 and 130 volts, a diameter which exceed 2.75 inches, and is either—

''(I) a low(er) wattage reflector lamp which has a rated wattage between 40 and 205 watts; or

''(II) a high(er) wattage reflector lamp which has a rated wattage above 205 watts.

''(iii) Any general service incandescent lamp (commonly referred to as a high- or higher wattage lamp) that has a rated wattage above 199 watts (above 205 watts for a high wattage reflector lamp).

''(D) The term 'general service incandescent lamp' means incandescent lamps (other than miniature or photographic lamps) which can be used to satisfy the majority of lighting applications, but does not include any lamp specifically designed for—

''(i) traffic signal, or street lighting service;

''(ii) airway, airport, aircraft, or other aviation service;

''(iii) marine or marine signal service;

''(iv) photo, projection, sound reproduction, or film viewer service;

''(v) stage, studio, or television service;

''(vi) mill, saw mill, or other industrial process service;

''(vii) mine service;

''(viii) headlight, locomotive, street railway, or other transportation service;

''(ix) heating service;

''(x) code beacon, marine signal, lighthouse, reprographic, or other communication service;

''(xi) medical or dental service;

''(xii) microscope, map, microfilm, or other specialized equipment service;

''(xiii) swimming pool or other underwater service;

''(xiv) decorative or showcase service;

''(xv) producing colored light;

''(xvi) shatter resistance which has an external protective coating; or

''(xvii) appliance service.

''(E) The terms 'fluorescent lamp' and 'incandescent lamp' do not include any lamp excluded by the Secretary, by rule, as a result of a determination that standards for such lamp would not result in significant energy savings because such lamp is designed for special applications or has special characteristics not available in reasonably substitutable lamp types.

''(F) The term 'incandescent reflector lamp' means a lamp described in subparagraph (C)(ii).

''(G) The term 'average lamp efficacy' means the lamp efficacy readings taken over a statistically significant period of manufacture with the readings averaged over that period.

''(H) The term 'base' means the portion of the lamp which connects with the socket as described in ANSI C81.61–1990.

''(I) The term 'bulb shape' means the shape of lamp, especially the glass bulb with designations for bulb shapes found in ANSI C79.1–1980 (R1984).

''(J) The term 'color rendering index' or 'CRI' means the measure of the degree of color shift objects undergo when illuminated by a light source as compared with the color of those same objects when illuminated by a reference source of comparable color temperature.

''(K) The term 'correlated color temperature' means the absolute temperature of a blackbody whose chromaticity most nearly resembles that of the light source.

''(L) The term 'IES' means the Illuminating Engineering Society of North America.

''(M) The term 'lamp efficacy' means the lumen output of a lamp divided by its wattage, expressed in lumens per watt (LPW).

''(N) The term 'lamp type' means all lamps designated as having the same electrical and lighting characteristics and made by one manufacturer.

''(O) The term 'lamp wattage' means the total electrical power consumed by a lamp in watts, after the initial seasoning period referenced in the appropriate IES standard test procedure and including, for fluorescent, arc watts plus cathode watts.

''(P) The terms 'life' and 'lifetime' mean length of operating time of a statistically large group of lamps between first use and failure of 50 percent of the group in accordance with test procedures described in the IES Lighting Handbook-Reference Volume.

''(Q) The term 'lumen output' means total luminous flux (power) of a lamp in lumens, as measured in accordance with applicable IES standards as determined by the Secretary.

''(R) The term 'tungsten-halogen lamp' means a gas-filled tungsten filament incandescent lamp containing a certain proportion of halogens in an inert gas.

''(S) The term 'medium base compact fluorescent lamp' means an integrally ballasted fluorescent lamp with a medium screw base and a rated input voltage of 115 to 130 volts and which is designed as a direct replacement for a general service incandescent lamp.

''(31)(A) The term 'water use' means the quantity of water flowing through a showerhead, faucet, water closet, or urinal at point of use, determined in accordance with test procedures under section 323.

''(B) The term 'ASME' means the American Society of Mechanical Engineers.

''(C) The term 'ANSI' means the American National Standards Institute.

''(D) The term 'showerhead' means any showerhead (including a handheld showerhead), except a safety shower showerhead.

''(E) The term 'faucet' means a lavatory faucet, kitchen faucet, metering faucet, or replacement aerator for a lavatory or kitchen faucet.

''(F) The term 'water closet' has the meaning given such term in ASME A112.19.2M–1990, except such term does not include fixtures designed for installation in prisons.

''(G) The term 'urinal' has the meaning given such term in ASME A112.19.2M–1990, except such term does not include fixtures designed for installation in prisons.

''(H) The terms 'blowout', 'flushometer tank', 'low consumption', and 'flushometer valve' have the meaning given such terms in ASME A112.19.2M–1990.''.

(c) COVERAGE.—Section 322(a) of such Act (42 U.S.C. 6292(a)) is amended—

(1) by redesignating paragraph (14) as paragraph (19); and

(2) by inserting after paragraph (13) the following new paragraphs:

''(14) General service fluorescent lamps and incandescent reflector lamps.

''(15) Showerheads, except safety shower showerheads.

''(16) Faucets.

''(17) Water closets.

''(18) Urinals.''.

(d) TEST PROCEDURES.—Section 323 of such Act (42 U.S.C. 6293) is amended—

(1) in subsection (b)—

(A) in paragraph (3), by inserting after ''energy use,'' the following ''water use (in the case of showerheads, faucets, water closets and urinals),'';

(B) in paragraph (4)—

(i) by inserting ''or, in the case of showerheads, faucets, water closets, or urinals, water use'' after ''energy use'';

(ii) by inserting after ''such cycle'' the following: '', or in the case of showerheads, faucets, water closets, or urinals, representative average unit costs of water and wastewater treatment service resulting from the operation of such products during such cycle''; and

(iii) by inserting '', water, and wastewater treatment'' before the period at the end of the second sentence; and

(C) by adding at the end the following new paragraphs:

''(6) With respect to fluorescent lamps and incandescent reflector lamps to which standards are applicable under subsection (i) of section 325, the Secretary shall prescribe test procedures, to be carried out by accredited test laboratories, that take into consideration the applicable IES or ANSI standard.

''(7)(A) With respect to showerheads and faucets to which standards are applicable under subsection (j) of section 325, the Secretary shall, not later than six months after the date of the enactment of this paragraph, prescribe test procedures that are consistent with ASME A112.18.1M–1989.

''(B) If the test procedure requirements of ASME A112.18.1M–1989 are revised at any time and approved by ANSI, the Secretary shall amend the test procedures established by subparagraph (A) to conform to such revised ASME/ANSI requirements unless the Secretary determines, by rule, that to do so would not meet the requirements of paragraph (3).

''(8)(A) With respect to water closets and urinals to which standards are applicable under subsection (k) of section 325, the Secretary shall, not later than six months after the date of the enactment of this paragraph, prescribe test procedures that are consistent with ASME A112.19.6–1990.

''(B) If the test procedure requirements of ASME A112.19.6–1990 are revised at any time and approved by ANSI, the Secretary shall amend the test procedures established by subparagraph (A) to conform to such revised ASME/ANSI requirements unless the Secretary determines, by rule, that to do so would not meet the requirements of paragraph (3).'';

(2) in paragraphs (1) and (2) of subsection (c), by inserting ''or water use'' after ''efficiency''; and

(3) in subsection (e)—

(A) in paragraph (1), by striking out ''or measured energy use'' and inserting in lieu thereof '', measured energy use, or measured water use'';

(B) in paragraph (2), by striking out ''energy efficiency or energy use'' each place it appears and inserting in lieu thereof ''energy efficiency, energy use, or water use''; and

(C) in paragraph (3), by striking out ''energy efficiency or energy use'' and inserting in lieu thereof ''energy efficiency, energy use, or water use''.

(e) LABELING.—Section 324 of such Act (42 U.S.C. 6294) is amended—

(1) in subsection (a)(2), by adding at the end the following new subparagraphs:

''(C) Not later than one year after the date of the enactment of the Comprehensive National Energy Policy Act, the Commission shall prescribe labeling rules under this section applicable to general service fluorescent lamps, medium base compact fluorescent lamps, and general service incandescent lamps. Such rules shall provide that the labeling of any general service fluorescent lamp, medium base compact fluorescent lamp, and general service incandescent lamp manufactured after the 12-month period beginning on the date of the publication of such rule shall indicate conspicuously on the packaging of the lamp, in a manner prescribed by the Commission under subsection (b), such information as the Commission deems necessary to enable consumers to select the most energy efficient lamps which meet their requirements. Labeling information for incandescent lamps shall be based on performance when operated at 120 volts input, regardless of the rated lamp voltage.

''(D)(i) Not later than one year after the date of the enactment of the Comprehensive National Energy Policy Act, the Commission shall prescribe labeling rules under this section for showerheads and faucets to which standards are applicable under subsection (j) of section 325. Such rules shall provide that the labeling of any showerhead or faucet manufactured after the 12-month period beginning on the date of the publication of such rule shall be consistent with the marking and labeling requirements of ASME A112.18.1M-1989, except that each fitting shall bear a permanent legible marking indicating the flow rate, expressed in gallons per minute (gpm) or gallons per cycle (gpc), and the flow rate value shall be the actual flow rate or the maximum flow rate specified by the standards established in subsection (j) of section 325.

''(ii) If the marking and labeling requirements of ASME A112.18.1M–1989 are revised at any time and approved by ANSI, the Commission shall amend the labeling rules established pursuant to clause (i) to be consistent with such revised ASME/ANSI requirements unless such requirements are inconsistent with the purposes of this Act or the requirement specified in clause (i) requiring each fitting to bear a permanent legible marking indicating the flow rate of such fitting.

''(E)(i) Not later than one year after the date of the enactment of the Comprehensive National Energy Policy Act, the Commission shall prescribe labeling rules under this section for water closets and urinals to which standards are applicable under subsection (k) of section 325. Such rules shall provide that the labeling of any water closet or urinal manufactured after the 12-month period beginning on the date of the publication of such rule shall be consistent with the marking and labeling requirements of ASME A112.19.2M–1990, except that each fixture (and flushometer valve associated with such fixture) shall bear a permanent legible marking indicating the water use, expressed in gallons per flush (gpf), and the water use value shall be the actual water use or the maximum water use specified by the standards established in subsection (k) of section 325.

''(ii) If the marking and labeling requirements of ASME A112.19.2M–1990 are revised at any time and approved by ANSI, the Commission shall amend the labeling rules established pursuant to clause (i) to be consistent with such revised ASME/ANSI requirements unless such requirements are inconsistent with the purposes of this Act or the requirement specified in clause (i) requiring each fixture and flushometer valve to bear a permanent legible marking indicating the water use of such fixture or flushometer valve.'';

(2) in subsection (a)(3), by striking out ''(14)'' and inserting in lieu thereof ''(19)'';

(3) in subsection (b)(1)(B), by striking out ''(14)'' and inserting in lieu thereof ''(13), and paragraphs (15) through (19)'';

(4) in paragraphs (3) and (5) of subsection (b), by striking out ''(14)'' and inserting in lieu thereof ''(19)''; and

(5) in subsection (c)—

(A) in paragraph (7), by striking out ''paragraph (13) of section 322'' and inserting in lieu thereof ''paragraphs (13), (14), (16), and (18) of section 322(a)''; and

(B) by adding at the end the following:

''(8) If a manufacturer of a covered product specified in paragraph (15) or (17) of section 322(a) elects to provide a label for such covered product conveying the estimated annual operating cost of such product or the range of estimated annual operating costs for the type or class of such product—

''(A) such estimated cost or range of costs shall be determined in accordance with test procedures prescribed under section 323;

''(B) the format of such label shall be in accordance with a format prescribed by the Commission; and

''(C) such label shall be displayed in a manner, prescribed by the Commission, to be likely to assist consumers in making purchasing decisions and appropriate to carry out the purposes of this Act.''.

(f) STANDARDS.—Section 325 of such Act (42 U.S.C. 6295) is amended—

(1) by redesignating subsections (i) through (q) as subsections (l) through (t);

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

''(i) GENERAL SERVICE FLUORESCENT LAMPS AND INCANDESCENT REFLECTOR LAMPS.—(1)(A) Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured after the effective date specified in the tables listed in this paragraph shall meet or exceed the following lamp efficacy and CRI standards:

''FLUORESCENT LAMPS

''Lamp Type	Nominal Lamp Wattage	Minimum CRI	Minimum Average Lamp Efficacy (LPW)	Effective Date (Months)
4-foot medium bi-pin	>35 W	69	75.0	36
	≤35 W	45	75.0	36
2-foot U-shaped	>35 W	69	68.0	36
	≤35 W	45	64.0	36
8-foot slimline	65 W	69	80.0	18
	≤65 W	45	80.0	18
8-foot high output	>100 W	69	80.0	18
	≤100 W	45	80.0	18

''INCANDESCENT REFLECTOR LAMPS

''Nominal Lamp Wattage	Minimum Average Lamp Efficacy (LPW)	Effective Date (Months)
40–50	10.5	36
51–66	11.0	36
67–85	12.5	36
86–115	14.0	36
116–155	14.5	36
156–205	15.0	36

''(B) For the purposes of the tables set forth in subparagraph (A), the term 'effective date' means the last day of the month set forth in the table which follows the date of the enactment of the Comprehensive National Energy Policy Act.

''(2) Notwithstanding section 332(a)(5) and section 332(b), it shall not be unlawful for a manufacturer to sell a lamp which is in compliance with the law at the time such lamp was manufactured.

''(3) Not less than 36 months after the date of the enactment of this subsection, the Secretary shall initiate a rulemaking procedure and shall publish a final rule not later than the end of the 54-month period beginning on the date of the enactment of this subsection to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

''(4) Not less than eight years after the date of the enactment of this subsection, the Secretary shall initiate a rulemaking procedure and shall publish a final rule not later than nine years and six months after the date of the enactment of this subsection to determine if the standards in effect for fluorescent lamps and incandescent lamps should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

''(5) Not later than the end of the 24-month period beginning on the date labeling requirements under section 324(a)(2)(C) become effective, the Secretary shall initiate a rulemaking procedure to determine if the standards in effect for fluorescent lamps and incandescent lamps should be amended so that they would be applicable to additional general service fluorescent and general service incandescent lamps and shall publish, not later than 18 months after initiating such rulemaking, a final rule including such amended standards, if any. Such rule shall provide that the amendment shall apply to products manufactured after a date which is 36 months after the date such rule is published.

''(6)(A) With respect to any lamp to which standards are applicable under this subsection or any lamp specified in section 346, the Secretary shall inform any Federal entity proposing actions which would adversely impact the energy consumption or energy efficiency of such lamp of the energy conservation consequences of such action. It shall be the responsibility of such Federal entity to

carefully consider the Secretary's comments.

''(B) Notwithstanding section 325(n)(1), the Secretary shall not be prohibited from amending any standard, by rule, to permit increased energy use or to decrease the minimum required energy efficiency of any lamp to which standards are applicable under this subsection if such action is warranted as a result of other Federal action (including restrictions on materials or processes) which would have the effect of either increasing the energy use or decreasing the energy efficiency of such product.

''(7) Not later than the date on which standards established pursuant to this subsection become effective, or, with respect to high-intensity discharge lamps covered under section 346, the effective date of standards established pursuant to such section, each manufacturer of a product to which such standards are applicable shall file with the Secretary a laboratory report certifying compliance with the applicable standard for each lamp type. Such report shall include the lumen output and wattage consumption for each lamp type as an average of measurements taken over the preceding 12-month period. With respect to lamp types which are not manufactured during the 12-month period preceding the date such standards become effective, such report shall be filed with the Secretary not later than the date which is 12 months after the date manufacturing is commenced and shall include the lumen output and wattage consumption for each such lamp type as an average of measurements taken during such 12-month period.

''(j) STANDARDS FOR SHOWERHEADS AND FAUCETS.—(1)(A) The maximum water use allowed for any showerhead manufactured after January 1, 1994, is 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

''(B) When used as a component part of a showerhead, any flow restricting insert shall be mechanically retained at the point of manufacture. The requirement of the previous sentence shall not apply to showerheads which cause water to leak significantly from areas other than the spray face when the flow restricting insert is removed. For purposes of this subparagraph, the term 'mechanically retained' means that a pushing or pulling force of 8 pounds or more is required to remove the flow restricting insert.

''(2) The maximum water use allowed for any of the following faucets manufactured after January 1, 1994, when measured at a flowing water pressure of 80 pounds per square inch, is as follows:

''Lavatory faucets	2.5 gallons per minute
''Lavatory replacement aerators.	2.5 gallons per minute
''Kitchen faucets	2.5 gallons per minute
''Kitchen replacement aerators.	2.5 gallons per minute
''Metering faucets	0.25 gallons per cycle

''(3)(A) If the maximum flow rate requirements or the design requirements of ASME Standard A112.18.1M–1989, as in effect on the date of the enactment of the Comprehensive National Energy Policy Act, are amended to improve the efficiency of water use of any type or class of showerhead or faucet and are approved by ANSI, the Secretary shall, not later than 12 months after the date of such amendment, publish a final rule establishing an amended uniform national standard for that product at the level specified in the amended ASME/ANSI Standard A112.18.1M and providing that such standard shall apply to products manufactured after a date which is 12 months after the publication of such rule, unless the Secretary determines, by rule published in the Federal Register, that adoption of a uniform national standard at the level specified in such amended ASME/ANSI Standard A112.18.1M—

''(i) is not technologically feasible and economically justified under subsection (o);

''(ii) is not consistent with the maintenance of public health and safety; or

''(iii) is not consistent with the purposes of this Act.

''(B) As part of the rulemaking conducted under subparagraph (A), the Secretary shall also determine if adoption of a standard for any type or class of showerhead or faucet more stringent than such amended ASME/ANSI Standard A112.18.1M would result in additional conservation of energy or water. If the Secretary so determines, such rule shall waive the provisions of section 327(c) with respect to any State regulation concerning the water use or water efficiency of such type or class of showerhead or faucet if such State regulation—

''(i) is more stringent than the standard in effect for such type or class of showerhead or faucet; and

''(ii) is applicable to any sale or installation of all products in such type or class of showerhead or faucet.

''(C) If, after any period of five consecutive years, the maximum flow rate requirements of the ASME/ANSI standard for showerheads are not amended to improve the efficiency of water use of such products, or after such period such requirements for faucets are not amended to improve the efficiency of water use of such products, the Secretary shall, not later than six months after the end of such five-year period, publish a final rule waiving the provisions of section 327(c) with respect to any State regulation concerning the water use or water efficiency of such type or class of showerhead or faucet if such State regulation—

''(i) is more stringent than the standards in effect for such product; and

''(ii) is applicable to any sale or installation of all products in such type or class of showerhead or faucet.

''(k) STANDARDS FOR WATER CLOSETS AND URINALS.—(1)(A) Except as provided in subparagraph (B), the maximum water use allowed in gallons per flush for any of the following water closets manufactured after January 1, 1994, is the following:

''Gravity tank-type toilets	1.6 gpf.
''Flushometer tank toilets	1.6 gpf.
''Electromechanical hydraulic toilets	1.6 gpf.
''Blowout toilets	3.5 gpf.

''(B) The maximum water use allowed for any gravity tank-type toilet which bears a permanent mark conspicuous upon installation consisting of the words 'Commercial Use Only' manufactured after January 1, 1994, and before January 1, 1997, is 3.5 gallons per flush.

''(C) The maximum water use allowed for flushometer valve toilets, other than blowout toilets, manufactured after January 1, 1997, is 1.6 gallons per flush.

''(2) The maximum water use allowed for any urinal manufactured after January 1, 1994, is 1.0 gallons per flush.

''(3)(A) If the maximum flush volume requirements of ASME Standard A112.19.6–1990, as in effect on the date of the enactment of the Comprehensive National Energy Policy Act, are amended to improve the efficiency of water use of any low consumption water closet or low consumption urinal and are approved by ANSI, the Secretary shall, not later than 12 months after the date of such amendment, publish a final rule establishing an amended uniform national standard for that product at the level specified in amended ASME/ANSI Standard A112.19.6 and providing that such standard shall apply to products manufactured after a date which is one year after the publication of such rule, unless the Secretary determines, by rule published in the Federal Register, that adoption of a uniform national standard at the level specified in such amended ASME/ANSI Standard A112.19.6—

''(i) is not technologically feasible and economically justified under subsection (o);

''(ii) is not consistent with the maintenance of public health and safety; or

''(iii) is not consistent with the purposes of this Act.

''(B) As part of the rulemaking conducted under subparagraph (A), the Secretary shall also determine if adoption of a uniform national standard for any type or class of low consumption water closet or low consumption urinal more stringent than such amended ASME/ANSI Standard A112.19.6 for such product would result in additional conservation of energy or water. If the Secretary so determines, such rule shall waive the provisions of section 327(c) with respect to any State regulation concerning the water use or water efficiency of such type or class of low consumption water closet or low consumption urinal if such State regulation—

''(i) is more stringent than the standard in effect for such type or class of low consumption water closet or low consumption urinal; and

''(ii) is applicable to any sale or installation of all products in such type or class of low consumption water closet or low consumption urinal.

''(C) If, after any period of five consecutive years, the maximum flush volume requirements of the ASME/ANSI standard for low consumption water closets are not amended to improve the efficiency of water use of such products, or after such period such requirements for low consumption urinals are not amended to improve the efficiency of water use of such products, the Secretary shall, not later than six months after the end of such five-year period, publish a final rule waiving the provisions of section 327(c) with respect to any State regulation concerning the water use or water efficiency of such type or class of water closet or urinal if such State regulation—

''(i) is more stringent than the standards in effect for such type or class of water closet or urinal; and

''(ii) is applicable to any sale or installation of all products in such type or class of water closet or urinal.'';

(3) in subsection (l) (as redesignated by paragraph (1) of this subsection)—

(A) in paragraphs (1) and (2), by striking out ''(14)'' and inserting in lieu thereof ''(19)''; and

(B) in paragraphs (1) and (3), by striking out ''(l) and (m)'' and inserting in lieu thereof ''(o) and (p)'';

(4) in subsection (m) (as redesignated by paragraph (1) of this subsection), by striking out ''(h)'' and inserting in lieu thereof ''(i)'';

(5) in subsection (n) (as redesignated by paragraph (1) of this subsection)—

(A) in paragraph (1)—

(i) by striking out ''and in paragraph (13)'' and inserting in lieu thereof '', and in paragraphs (13) and (14)''; and

(ii) by striking out ''(h)'' and inserting in lieu thereof ''(i)'';

(B) in paragraph (2)(C), by striking out ''(l)(2)(B)(i)(II)'' and inserting in lieu thereof ''(o)(2)(B)(i)(II)''; and

(C) in paragraph (3)(B), by inserting ''general service fluorescent lamps, incandescent reflector lamps,'' after ''fluorescent lamp ballasts,'';

(6) in subsection (o) (as redesignated by paragraph (1) of this subsection)—

(A) in paragraph (1), by inserting ''or, in the case of showerheads, faucets, water clos-

ets, or urinals, water use,'' after ''energy use,'';

(B) in paragraph (2)(A), by inserting '', or, in the case of showerheads, faucets, water closets, or urinals, water efficiency,'' after ''energy efficiency'';

(C) in paragraph (2)(B)(i)(III), by inserting '', or as applicable, water,'' after ''energy'';

(D) in paragraph (2)(B)(i)(VI), by inserting ''and water'' after ''energy'';

(E) in paragraph (2)(B)(iii), by striking out ''energy savings'' and inserting ''energy, and as applicable water, savings''; and

(F) in paragraph (3)(B), by inserting '', in the case of showerheads, faucets, water closets, or urinals, water, or'' after ''energy or''; and

(7) in subsection (p)(3)(A) (as redesignated by paragraph (1) of this subsection)—

(A) by striking out ''(l)(2)'' and inserting in lieu thereof ''(o)(2)''; and

(B) by striking out ''(l)(4)'' and inserting in lieu thereof ''(o)(4)''.

(g) REQUIREMENTS OF MANUFACTURERS.—Section 326 of such Act (42 U.S.C. 6296) is amended—

(1) in subsection (b)(4), by inserting ''or water use'' after ''consumption''; and

(2) in subsection (d)(1), by striking out ''or energy use'' and inserting in lieu thereof '', energy use, or, in the case of showerheads, faucets, water closets, and urinals, water use''.

(h) EFFECT ON OTHER LAW.—Section 327 of such Act (42 U.S.C. 6297) is amended—

(1) in subsection (a)—

(A) in paragraph (1), in the material preceding subparagraph (A), by inserting ''or water use'' after ''energy consumption'';

(B) in paragraph (1)(A), by inserting '', water use,'' after ''energy consumption'';

(C) in paragraph (1)(B), by striking out ''or energy efficiency'' and inserting in lieu thereof '', energy efficiency, or water use''; and

(D) by amending paragraph (2) to read as follows:

''(2) For purposes of this section, the following definitions apply:

''(A) The term 'State regulation' means a law, regulation, or other requirement of a State or its political subdivisions. With respect to showerheads, faucets, water closets, and urinals, such term shall also mean a law, regulation, or other requirement of a river basin commission that has jurisdiction within a State.

''(B) The term 'river basin commission' means—

''(i) a commission established by interstate compact to apportion, store, regulate, or otherwise manage or coordinate the management of the waters of a river basin; and

''(ii) a commission established under section 201(a) of the Water Resources Planning Act (42 U.S.C. 1962b(a)).'';

(2) in subsection (b)—

(A) in the material preceding paragraph (1), by striking out ''or energy use of the covered product'' and inserting in lieu thereof '', energy use, or water use of the covered product'';

(B) by inserting before the semicolon at the end of paragraph (1) the following: '', or in the case of any portion of any regulation which establishes requirements for fluorescent or incandescent lamps, flow rate requirements for showerheads or faucets, or water use requirements for water closets or urinals, was prescribed or enacted before the date of the enactment of the Comprehensive National Energy Policy Act'';

(C) in paragraph (4), by inserting before the semicolon at the end the following: '', or is a regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those to which section 325(i) is applicable, or is a regulation (or portion thereof) regulating showerheads or faucets other than those to which section 325(j) is applicable or regulating lavatory faucets (other than metering faucets) for installation in public places, or is a regulation (or portion thereof) regulating water closets or urinals other than those to which section 325(k) is applicable'';

(D) in paragraph (5), by striking out ''or'';

(E) in paragraph (6), by striking out the period at the end and inserting ''; or''; and

(F) by adding at the end the following new paragraph:

''(7) is a regulation (or portion thereof) concerning the water efficiency or water use of low consumption flushometer valve water closets.'';

(3) in subsection (c)—

(A) in the material preceding paragraph (1)—

(i) by inserting '', subparagraphs (B) and (C) of section 325(j)(3), and subparagraphs (B) and (C) of section 325(k)(3)'' after ''section 325(b)(3)(A)(ii)''; and

(ii) by striking out ''or energy use'' and inserting in lieu thereof the following: '', energy use, or water use'';

(B) in paragraph (1), by inserting before the semicolon at the end the following: '', except that a State regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those for which section 325(i) is applicable shall be effective only until the effective date of a standard that is prescribed by the Secretary and is applicable to such lamps'';

(C) in paragraph (2), by striking out ''or'';

(D) in paragraph (3), by striking out the period at the end and inserting a semicolon; and

(E) by adding at the end the following new paragraphs:

''(4) is a regulation concerning the water use of lavatory faucets adopted by the State of New York or the State of Georgia before the date of the enactment of the Comprehensive National Energy Policy Act;

''(5) is a regulation concerning the water use of lavatory or kitchen faucets adopted by the State of Rhode Island prior to the date of the enactment of the Comprehensive National Energy Policy Act; or

''(6) is a regulation (or portion thereof) concerning the water efficiency or water use of gravity tank-type low consumption water closets for installation in public places, except that such a regulation shall be effective only until January 1, 1997.'';

(4) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by inserting ''or river basin commission'' after ''Any State''; and

(ii) by striking out ''or energy efficiency'' and inserting in lieu thereof '', energy efficiency, or water use'';

(B) in subparagraph (B)—

(i) by striking out ''State has'' and inserting ''State or river basin commission has''; and

(ii) by inserting ''or water'' after ''energy'';

(C) in subparagraph (C)—

(i) in the material preceding clause (i) and in clause (ii), by inserting ''or water'' after ''energy'' each place it appears; and

(ii) by inserting before the period at the end the following: '', and, with respect to a State regulation for which a petition has been submitted to the Secretary which provides for any energy conservation standard or requirement with respect to water use of a covered product, within the context of the water supply and groundwater management plan, water quality program, and comprehensive plan (if any) of the State or river basin commission for improving, developing, or conserving a waterway affected by water supply development''; and

(5) in subsection (d)(5)(B)(i)—

(A) in the material preceding subclause (I), by inserting ''or water'' after ''energy'';

(B) in subclause (I), by striking ''or electric energy'' and inserting '', electric energy, water, or wastewater treatment''; and

(C) in subclause (II), by inserting ''or water'' after ''energy''.

(i) INCENTIVE PROGRAMS.—Section 337 of such Act (42 U.S.C. 6307) is amended—

(1) by striking out ''337.'' and inserting ''337. (a) IN GENERAL.—''; and

(2) by adding at the end the following:

''(b) STATE AND LOCAL INCENTIVE PROGRAMS.—(1) The Secretary shall, not later than one year after the date of the enactment of this subsection, issue recommendations to the States for establishing State and local incentive programs designed to encourage the acceleration of voluntary replacement, by consumers, of existing showerheads, faucets, water closets, and urinals with those products that meet the standards established for such products pursuant to subsections (j) and (k) of section 325.

''(2) In developing such recommendations, the Secretary shall consult with the heads of other federal agencies, including the Administrator of the Environmental Protection Agency; State officials; manufacturers, suppliers, and installers of plumbing products; and other interested parties.''.

SEC. 165. ENERGY CONSERVATION REQUIREMENTS FOR CERTAIN OTHER EQUIPMENT AND ENERGY EFFICIENCY LABELING FOR LUMINAIRES.

(a) STANDARDS FOR CERTAIN OTHER EQUIPMENT.—Section 346 of the Energy Policy and Conservation Act (42 U.S.C. 6317) is amended to read as follows:

''ENERGY CONSERVATION STANDARDS FOR CERTAIN OTHER EQUIPMENT

''SEC. 346. (a)(1) The Secretary shall, within 18 months after the date of the enactment of the Comprehensive National Energy Policy Act, prescribe testing requirements for those high-intensity discharge lamps, distribution transformers, and certain office equipment for which the Secretary makes a determination that energy conservation standards, or, in the case of certain office equipment, labeling, would result in significant energy savings.

''(2) The Secretary shall, within 18 months after the date on which testing requirements are prescribed by the Secretary pursuant to paragraph (1), prescribe, by rule, energy conservation standards for those high-intensity discharge lamps and distribution transformers for which the Secretary prescribed testing requirements under paragraph (1).

''(3) Any standard prescribed under paragraph (2) with respect to high-intensity discharge lamps shall apply to such lamps manufactured 36 months after the date such rule is published.

''(b)(1) The Secretary shall, within 24 months after the date of the enactment of the Comprehensive National Energy Policy Act, prescribe testing requirements for those small electric motors for which the Secretary makes a determination that energy conservation standards would be technically feasible and economically justified, and would result in significant energy savings.

''(2) The Secretary shall, within 24 months after the date on which testing requirements are prescribed by the Secretary pursuant to paragraph (1), prescribe, by rule, energy conservation standards for those small electric motors for which the Secretary prescribed testing requirements under paragraph (1).

''(3) Any standard prescribed under paragraph (2) shall apply to small electric motors manufactured 60 months after the date such rule is published or, in the case of small electric motors which require listing or certification by a nationally recognized testing laboratory, 84 months after such date. Such standards shall not apply to any small elec-

tric motor which is a component of a covered product under section 322(a) or a covered equipment under section 340.

''(c) In establishing any standard under this section, the Secretary shall take into consideration the criteria contained in section 325(n).

''(d)(1) The Secretary shall, within six months after the date on which testing requirements are prescribed by the Secretary pursuant to subsection (a) for certain office equipment, prescribe labeling requirements for such equipment.

''(2) The Secretary, within six months after the date on which energy conservation standards are prescribed by the Secretary for distribution transformers pursuant to subsection (a)(2) and, within six months after the date on which energy conservation standards are prescribed by the Secretary for small electric motors pursuant to subsection (b)(2), shall prescribe labeling requirements for such transformers and small electric motors, respectively.

''(3) The Federal Trade Commission shall, within six months after the date on which energy conservation standards are prescribed by the Secretary for high-intensity discharge lamps pursuant to subsection (a)(2), prescribe labeling requirements for such lamps.

''(e) Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for a product under subsection (d), each manufacturer of a product to which such a rule applies shall provide a label which meets, and is displayed in accordance with, the requirements of such rule.

''(f)(1) After the date on which a manufacturer must provide a label for a product pursuant to subsection (e)—

''(A) each such product shall be considered, for purposes of paragraphs (1) and (2) of section 332(a), a new covered product to which a rule under section 324 applies; and

''(B) it shall be unlawful for any manufacturer or private labeler to distribute in commerce any new product—

''(i) in the case of high-intensity discharge lamps, distribution transformers, and small electric motors for which an energy conservation standard is prescribed under subsection (a)(2) or (b)(2), any such lamp, transformer, or small electric motor which is not in conformity with the applicable energy conservation standard; and

''(ii) in the case of certain office equipment to which a labeling rule is applicable under subsection (d)(1), any such office equipment which is not in conformity with the applicable labeling requirement prescribed for it under subsection (d)(1).

''(2) For purposes of section 333(a), paragraph (1) of this subsection shall be considered to be a part of section 332.''.

(b) ENERGY EFFICIENCY LABELING FOR LUMINAIRES.—Part C of title III of such Act (42 U.S.C. 6311 et seq.) is amended by adding at the end the following new section:

''ENERGY EFFICIENCY LABELING FOR LUMINAIRES

''SEC. 347. (a)(1) Not later than one year after the date of the enactment of this Act, and in consultation with the National Electric Manufacturers Association, representatives of the lighting and electric utility industries, the National Institute of Standards and Technology, and other appropriate organizations, the Secretary shall provide financial and technical assistance to support the voluntary development of a national energy efficiency rating and labeling program for luminaires.

''(2) Such program shall set forth information that will enable purchasers of luminaires to make informed decisions about the energy efficiency and costs of alternative luminaires. Such information may include labels affixed to equipment in product showrooms, information printed in product catalogs and other promotional material, and other reasonable and appropriate mechanisms.

''(b) Not later than three years after the date of the enactment of this Act, the Secretary shall, by rule, establish a rating and testing program for luminaires under section 343 and 344 to meet the objectives of subsection (a). In developing such rule, if a national energy efficiency rating and labeling program was successfully developed under subsection (a), the Secretary shall adopt such program, unless the Secretary determines, by rule, that to do so would not meet the requirements of subsection (a).

''(c)(1) Beginning on the date which occurs six months after the date on which a labeling rule is prescribed for luminaires under subsection (b), each manufacturer of a luminaire to which such a rule applies shall provide a label which meets, and is displayed in accordance with, the requirements of such rule.

''(2) After the date on which a manufacturer must provide a label for a luminaire pursuant to paragraph (1), each such luminaire shall be considered, for purposes of paragraphs (1) and (2) of section 332(a), a new covered product to which a rule under section 324 applies.

''(d) For purposes of sections 343 and 344, luminaires shall be considered covered equipment under section 340 to the extent necessary to carry out this section.

''(e) There are authorized to be appropriated $750,000 for each of the fiscal years 1993 and 1994 to carry out the purposes of this section.''.

(c) TECHNICAL AMENDMENT.—The table of contents of such Act is amended by striking out the item for section 346 and inserting in lieu thereof the following new items:

''Sec. 346. Energy conservation standards for certain other equipment.
''Sec. 347. Energy efficiency labeling for luminaires.''.

SEC. 166. COOPERATIVE ADVANCED APPLIANCE AND EQUIPMENT DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Energy shall establish and carry out a program, with funds available for such purpose, to assist utilities and appliance manufacturers in the early introduction of high-efficiency appliances and equipment. The purpose of this program shall be to promote the production and use of appliances and equipment which are substantially more efficient than required by Federal or State law.

(b) PLAN.—(1) Within 12 months after the date of enactment of this Act, the Secretary of Energy shall prepare, and submit to Congress, a plan for the program to be established under this section.

(2) Such plan shall identify candidate technologies, appliances, and equipment which meet the following criteria:

(A) The potential exists for substantial improvement in the technology's energy efficiency beyond the minimum established in Federal and State law.

(B) The potential for total energy savings at the national or regional level from widespread use of the technology is substantial.

(C) With an adequate volume of production, the technology is likely to be cost-effective for consumers.

(D) Electric, water, or gas utilities are prepared to support and promote the introduction of such appliances or equipment.

(E) Manufacturers are unlikely to undertake development and production of such appliances or equipment on their own, or development and production would be substantially accelerated by support to manufacturers.

(3) The program plan also shall—

(A) be developed in close consultation with utilities, appliance and equipment manufacturers, and other interested parties;

(B) describe the steps the Secretary of Energy will take to provide continuing coordination and assistance of utility efforts to speed the introduction of highly efficient appliances and equipment;

(C) describe proposals for the development and production of highly efficient appliances and equipment which would be jointly funded by the Secretary of Energy, utilities, and appliance manufacturers;

(D) identify methods by which Federal purchase of highly efficient appliances and equipment could assist the early introduction of such appliances and equipment and also assist utility and manufacturer efforts; and

(E) identify such additional budget authorizations as may be needed to carry out the plan.

SEC. 167. EVALUATION OF UTILITY EARLY REPLACEMENT PROGRAMS FOR APPLIANCES.

Within 1 year after the date of the enactment of this Act, the Secretary, in consultation with utilities and appliance manufacturers, shall evaluate and report to the Congress on the energy savings and environmental benefits of programs which are directed to the early replacement of older, less efficient appliances presently in use by consumers with existing products which are more efficient than required by Federal law.

Subtitle E—Miscellaneous

SEC. 171. COMMERCIAL APPLICATION OF ENERGY EFFICIENT LIGHTING TECHNOLOGY.

(a) PURPOSE.—The purpose of this section is to promote commercial application of energy efficient lighting technology.

(b) DEFINITION.—For purposes of this section, the term ''energy efficient lighting'' means lighting technologies, including but not limited to, advanced lighting technologies such as high intensity discharge, compact fluorescent, high efficiency fluorescent, and incandescent lamps; electronic ballasts; luminaires; day lighting strategies; shading strategies; and lighting controls, such as light sensors and continuous dimming systems.

(c) REGIONAL ENERGY EFFICIENT LIGHTING AND DEMONSTRATION CENTERS.—

(1) GRANTS FOR ESTABLISHMENT.—Not later than 12 months after the date of the enactment of this Act, the Secretary shall make grants to nonprofit institutions (or consortiums that may include nonprofit institutions, State and local governments, and utilities) to establish or enhance one regional energy efficient lighting demonstration center (hereafter in this section referred to as a ''regional center'') in each of the ten regions served by a Department of Energy regional support office.

(2) RESPONSIBILITIES.—Each regional center established under this subsection shall—

(A) hold special workshops for architects, lighting designers, and other professionals;

(B) prepare outreach materials and publications;

(C) provide information on energy efficient lighting technologies, design, installation, operation, and maintenance;

(D) display the latest energy efficient lighting technologies;

(E) serve as a clearing house to ensure that information about new energy efficient lighting technologies, including case studies of successful applications, is disseminated to end-users in the region; and

(F) study lighting needs of the region and make available region-specific lighting information to facilitate the adoption of cost-effective energy efficient lighting.

(3) APPLICATION.—Any nonprofit institution or consortium interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require. A lighting center in existence on the date of the enactment of this section which is owned and operated by a nonprofit institution or a consortium as described in paragraph (1) shall be eligible for a grant under this subsection.

(4) SELECTION CRITERIA.—The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

(A) The capability of the grant recipient to establish a board of directors for the regional center composed of representatives from State and local governments, industry trade and professional associations, lighting manufacturers, electric utilities, electrical contractors, lighting designers, and nonprofit energy and environmental organizations.

(B) The demonstrated resources available to the grant recipient for carrying out this subsection.

(C) The demonstrated ability of the grant recipient to disseminate results of energy efficient lighting technology developments.

(D) The projects which the grant recipient proposes to carry out under the grant.

(E) The demonstrated ability of the grant recipient to carry out the responsibilities specified in paragraph (2).

(5) REQUIREMENT OF MATCHING FUNDS.—

(A) FEDERAL SHARE.—The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional center.

(B) NON-FEDERAL CONTRIBUTIONS.—No grant may be made under this subsection in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will provide non-Federal contributions in an amount not less than an amount equal to the Federal share. Such non-Federal contributions may be provided through donations by State governments, nonprofit institutions, foundations, corporations, electric utilities, and other non-Federal entities.

(6) ALLOCATION OF FUNDS.—Of the amounts available to carry out this subsection for any fiscal year, not more than $500,000 shall be awarded to any regional center.

(7) TASK FORCE.—The Secretary shall establish a task force to—

(A) advise the Secretary on activities to be carried out by grant recipients;

(B) review and evaluate programs carried out by grant recipients; and

(C) make recommendations regarding possible future program modifications.

(8) MEMBERSHIP TERMS AND ADMINISTRATION OF TASK FORCE.—

(A) IN GENERAL.—The task force shall be composed of 25 members with expertise in the area of energy efficient lighting.

(B) APPOINTMENT.—Members of the task force shall be appointed by the Secretary as follows:

(i) Not less than 2 members shall be representatives from State or local energy offices.

(ii) Not less than 2 members shall be representatives from building industry trade or professional associations.

(iii) Not less than 2 members shall be representatives from engineering industry trade or professional associations.

(iv) Not less than 2 members shall be representatives from lighting manufacturers, design firms, or industry trade or professional associations.

(v) Not less than 2 members shall be representatives from electric utilities or related associations.

(vi) Not less than 2 members shall be representatives from electrical contractors or management companies.

(vii) Not less than 2 members shall be representatives from national laboratories.

(viii) Not less than 2 members shall be representatives from nonprofit energy or environmental organizations.

(C) GEOGRAPHIC REPRESENTATION.—Of the members appointed under this paragraph, the Secretary shall ensure that there is at least one member from each of the 10 regions in which a regional center is authorized to be established pursuant to paragraph (1).

(D) TERMS.—Members shall be appointed for a term of 3 years. A vacancy in the task force shall be filled in the manner in which the original appointment was made.

(E) PAY.—Members shall serve without pay. Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) CHAIRPERSON.—The Chairperson and Vice Chairperson of the task force shall be elected by the members.

(G) MEETINGS.—The task force shall meet biannually and at the call of the Chairperson.

(H) TERMINATION DATE INAPPLICABLE.—Section 14 of the Federal Advisory Committee Act shall not apply to the task force.

(9) REPORT.—The Secretary shall transmit annually to the Congress a report containing a detailed statement of the activities of regional centers established under this subsection, including the degree to which matching funds are being leveraged from private sources to operate such centers.

(10) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for purposes of carrying out this subsection not more than $5,000,000 for each of fiscal years 1993, 1994, and 1995.

(d) STATE ENERGY OFFICES.—

(1) WORKSHOPS.—State energy offices are encouraged to supplement the activities of the regional centers established under subsection (c) in providing workshops for local building owners, developers, and facility energy and financial managers regarding energy efficient lighting. Such workshops shall be conducted in cooperation with the regional center for the region in which the State is located.

(2) GRANTS TO STATES.—

(A) IN GENERAL.—The Secretary may provide matching grants to States for the purposes of carrying out paragraph (1).

(B) PREFERENCE.—In awarding grants under this paragraph, the Secretary shall give preference to States in which a regional center has not been established.

(C) APPLICATION.—The Secretary shall prescribe the form and procedures for States to follow in applying for grants under this paragraph.

(D) ALLOCATION OF FUNDS.—Of the amounts available to carry out this subsection for any fiscal year, not more than $100,000 shall be awarded to any State energy office.

(3) REPORT.—The Secretary shall transmit to the Congress an annual report containing a detailed description of the workshops supported by State energy offices on a State-by-State basis.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for purposes of carrying out this subsection not more than $2,000,000 for each of fiscal years 1993, 1994, and 1995.

SEC. 172. ENERGY EFFICIENCY IN INDUSTRIAL FACILITIES.

(a) INDUSTRIAL ENERGY SAVINGS TARGETS.—

(1) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall establish voluntary energy efficiency improvement targets for each major energy consuming industry specified in paragraph (5). The targets shall represent a percentage reduction in energy consumption per unit of production that the Secretary determines is cost effective and achievable by 1997.

(2) TARGETS FOR SPECIFIC INDUSTRIES.—Within each major energy consuming industry specified in paragraph (5), the Secretary may also set voluntary energy efficiency improvement targets for industries specified in 3-digit or 4-digit Standard Industrial Classification code levels.

(3) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary shall seek input from industries affected by this section and provide an opportunity for public comment in establishing voluntary energy efficiency improvement targets.

(4) MODIFICATION OF TARGETS.—The Secretary, in consultation with the Administrator of the Energy Information Administration, shall assess the degree to which industries have achieved the targets established by this subsection and shall modify the targets every 5 years, beginning in 1997 for targets that shall become applicable in 2002.

(5) DEFINITION.—For the purposes of this subsection, the term ''major energy consuming industry'' means the following industries:

(A) Food and kindred products.

(B) Textiles.

(C) Lumber and wood products.

(D) Paper.

(E) Chemicals.

(F) Petroleum.

(G) Stone, clay, and glass.

(H) Primary metals.

(I) Fabricated metal products.

(J) Transportation equipment.

(K) Such industries as the Secretary determines to be appropriate.

(b) MANUFACTURING ENERGY CONSUMPTION SURVEY.—Section 205(i)(1) of the Department of Energy Organization Act (42 U.S.C. 7135(i)(1)) is amended by striking out ''on at least a triennial basis'' and inserting in lieu thereof the following: ''at least once every two years''.

(c) AWARD PROGRAM.—The Secretary shall establish an annual award program to recognize industry associations and individual industrial companies that have significantly improved their energy efficiency.

(d) GRANTS.—

(1) IN GENERAL.—The Secretary shall make grants to industry associations (or otherwise as the Secretary determines is appropriate) to support achievement of the voluntary energy efficiency improvement targets established under subsection (a) through educational and promotional projects.

(2) AWARDING OF GRANTS.—The Secretary shall request project proposals and provide grants on a competitive basis each year. In evaluating grant proposals under this paragraph, the Secretary shall consider—

(A) potential energy savings;

(B) potential environmental benefits;

(C) the degree of cost sharing;

(D) the degree to which new and innovative technologies will be encouraged;

(E) the level of industry involvement; and

(F) estimated project cost effectiveness.

(3) ELIGIBLE PROJECTS.—Projects eligible for grants may include the following:

(A) Workshops.

(B) Training seminars.

(C) Handbooks.

(D) Newsletters.

(E) Data bases.

(F) Other activities approved by the Secretary.

(4) LIMITATION; COST SHARING.—A grant provided under this subsection shall not exceed $250,000 and shall not exceed 75 percent

of the total cost of the project for which the grant is made.

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

SEC. 173. PROCESS-ORIENTED INDUSTRIAL ENERGY EFFICIENCY.

(a) DEFINITIONS.—For the purposes of this section—

(1) the term ''covered industry'' means the food and food products industry, lumber and wood products industry, petroleum and coal products industry, and all other manufacturing specified in Standard Industrial Classification Codes 20 through 39 (or successor classification codes);

(2) the term ''process-oriented industrial assessment'' means—

(A) the identification of opportunities in the production process (from the introduction of materials to final packaging of the product for shipping) for—

(i) improving energy efficiency;

(ii) reducing environmental waste; and

(iii) technological improvements designed to increase competitiveness and achieve cost-effective product quality enhancement;

(B) the identification of opportunities for improving the energy efficiency of lighting, heating, ventilation, air conditioning, and building envelope systems operating outside of the production process; and

(C) the identification of opportunities for using renewable energy technology both in the production process and in the systems described in subparagraph (B);

(3) the term ''Secretary'' means the Secretary of Energy; and

(4) the term ''utility'' means any person, State agency (including any municipality), or Federal agency, which sells electric or gas energy to retail customers.

(b) GRANT PROGRAM—

(1) USE OF FUNDS.—The Secretary shall make grants to States to be used for the following purposes:

(A) To promote, through appropriate institutions such as universities, nonprofit organizations, State and local government entities, technical centers, utilities, and trade organizations, the use of energy-efficient technologies in covered industries.

(B) To establish programs to train individuals (on an industry-by-industry basis) in conducting process-oriented industrial assessments and to encourage the use of such trained assessors.

(C) To assist utilities in developing, testing, and evaluating energy efficiency programs and technologies for industrial customers in covered industries.

(2) CONSULTATION.—States receiving grants under this subsection shall consult with utilities and industry representatives, as appropriate, in determining the most effective use of such funds consistent with the requirements of paragraph (1).

(3) ELIGIBILITY CRITERIA.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall establish eligibility criteria for grants made pursuant to this subsection. Such criteria shall require a State applying for a grant to demonstrate that such State, by legislation or regulation—

(A) allows utilities to recover the prudently incurred costs of providing process-oriented industrial assessments;

(B) requires least-cost planning as provided in section 111(d)(7) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) (as added by section 131(a) of this Act);

(C) provides for investments in conservation and demand management as provided in section 111(d)(8) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) (as added by section 131(a) of this Act); and

(D) encourages utilities to provide to covered industries served—

(i) process-oriented industrial assessments; and

(ii) financial incentives for implementing energy efficiency improvements.

(4) ALLOCATION OF FUNDS.—Grants made pursuant to this subsection shall be allocated each fiscal year among States meeting the criteria of paragraph (3) who have submitted applications 60 days before the first day of such fiscal year. Such allocation shall be made in accordance with a formula to be prescribed by the Secretary based on each such State's share of value added in industry (as determined by the Census of Manufactures) as a percentage of the value added by all such States.

(5) RENEWAL OF GRANTS.—A grant under this subsection may be renewed for 1 additional year after 2 consecutive fiscal years during which a State receives a grant under this subsection, subject to the availability of funds, if—

(A) the Secretary determines that the funds made available to the State during the previous 2 years were used in a manner required under paragraph (1); and

(B) such State demonstrates, in a manner prescribed by the Secretary, utility participation in programs established pursuant to this subsection.

(6) COORDINATION WITH OTHER FEDERAL PROGRAMS.—In carrying out the functions described in paragraph (1), States shall, to the extent practicable, coordinate such functions with activities and programs conducted by the Energy Analysis and Diagnostic Centers of the Department of Energy and the Manufacturing Technology Centers of the National Institute of Standards and Technology.

(c) OTHER FEDERAL ASSISTANCE.—

(1) MODEL ASSESSMENT GUIDELINES.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall, by contract with one or more nonprofit organizations expert in process-oriented industrial energy efficiency technology, establish and update as appropriate, on an industry-by-industry basis, model guidelines for conducting process-oriented industrial assessments. Such guidelines shall be made available to State governments, public utility commissions, utilities, and other interested parties.

(2) DIRECTORY.—The Secretary shall establish a nationwide directory, on an industry-by-industry basis, of organizations offering industrial energy efficiency technologies and services consistent with the purposes of this section. Such directory shall be made available to State governments, public utility commissions, utilities, industry representatives, and other interested parties.

(3) AWARD PROGRAM.—The Secretary shall establish an annual award program to recognize utilities operating outstanding or innovative industrial energy efficiency technology assistance programs.

(4) MEETINGS.—The Secretary shall convene annual meetings of State energy officials, public utility commission officials, industry and utility representatives, and other interested parties for the purpose of developing strategies to—

(A) transfer information among States and utilities;

(B) encourage States to establish programs for encouraging utilities to provide energy efficiency financial and technical assistance to industry;

(C) encourage effective implementation of such programs; and

(D) provide coordination between such programs which are conducted by States and utilities and Federal programs such as those conducted by the Energy Analysis and Diagnostic Centers of the Department of Energy and the Manufacturing Technology Centers of the National Institute of Standards and Technology.

(d) REPORT.—Not later than 2 years after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to the Congress a report which—

(1) identifies barriers encountered in implementing this section;

(2) makes recommendations for overcoming such barriers;

(3) documents the results achieved as a result of the programs established and grants awarded pursuant to this section;

(4) reviews any difficulties encountered by industry in securing and implementing energy-efficient technologies recommended in process-oriented industrial assessments or otherwise identified as a result of programs established pursuant to this section; and

(5) recommends methods for further promoting the distribution and implementation of energy-efficient technologies consistent with the purposes of this section.

(e) AUTHORIZATION.—There are authorized to be appropriated $8,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, and $12,000,000 for fiscal year 1995 for the purposes of carrying out subsection (b).

SEC. 174. MISCELLANEOUS.

(a) ENERGY INFORMATION ADMINISTRATION.—Section 205 of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by adding after subsection (i) the following new subsections:

''(j) With regard to renewable energy, the Administrator shall, annually and on a State-by-State basis, including where applicable Indian reservations, as defined in section 2602(2)—

''(1) collect and analyze data on the number of new wind machines installed, the power production of such machines, total installed capacity, kilowatt hours produced, and measures of wind turbine efficiency as the Administrator deems appropriate;

''(2) collect and analyze data on the new installed capacity of geothermal power projects, the total installed capacity, kilowatt hours produced, and measures of geothermal powerplant efficiency the Administrator deems appropriate;

''(3) collect and analyze data on the new installed capacity of biomass fueled powerplants by type of biomass fuel (including wood, municipal solid waste, agricultural residues, methane, and any others the Administrator deems appropriate), heating systems, total installed capacity, kilowatt hours produced, British thermal units produced from industrial process heating systems and other information that the Administrator deems appropriate;

''(4) collect and analyze data on shipments of solar thermal collectors (determining how much of such shipments are installed domestically by State, and estimating the amount of energy produced annually from such collectors), the amount of solar thermal electric power capacity installed each year, and the total capacity and number of kilowatt hours generated each year; and

''(5) determine the percentage of photovoltaic production exported versus the percentage installed in the United States for remote and utility connected applications.

''(k) With regard to energy use, the Administrator shall conduct surveys of residential, commercial, and industrial energy use at least once every three years and make such information available to the public on a State-by-State basis.

''(l) With regard to utility demand side management, the Administrator shall, when surveying electric utilities, collect information on demand side management programs conducted by such utilities, including information regarding the types of demand side management programs being operated, the quantity of measures installed, expenditures on demand side management programs, and

estimates of energy savings resulting from such programs.''.

(b) REPEAL.—The National Energy Extension Service Act, title V of Public Law 95–39, is repealed.

(c) DISTRICT HEATING AND COOLING PROGRAMS.—(1) The Secretary of Energy, in consultation with appropriate industry organizations, shall conduct a study to—

(A) assess existing district heating and cooling technologies to determine cost-effectiveness, technical performance, energy efficiency, and environmental impacts compared to alternative methods for heating and cooling buildings;

(B) estimate the economic value of benefits that may result from implementation of district heating and cooling systems but that are not currently recognized, such as reduced emissions of air pollutants, local economic development, and energy security;

(C) evaluate the cost-effectiveness, including the economic value referred to in subparagraph (B), of cogenerated district heating and cooling technologies compared to other alternatives for generating or conserving electricity; and

(D) assess, and make recommendations for reducing, institutional and other constraints on the implementation of district heating and cooling systems.

(2) Within 24 months after the date of the enactment of this Act, the Secretary shall transmit to the Congress a report containing the findings and conclusions made by the Secretary as a result of the study conducted under paragraph (1).

(3) Based on such findings and conclusions, the Secretary shall, within 24 months after the date of the enactment of this Act, establish and carry out a program, with funds available for such purpose, to—

(A) provide information to city governments, electric utilities, and others about the technical performance, efficiency, costs, environmental aspects, and other characteristics of district heating and cooling systems; and

(B) assess the prospects for implementing new or expanded district heating and cooling systems, taking into consideration the needs of local governments and electric utilities and other factors.

(4) The Secretary may provide, with funds available for such purpose, technical and financial assistance to local governments, on a cost-share basis, for the assessment and design of district heating and cooling systems.

(d) STUDY AND REPORT.—(1) The Secretary of Energy shall, in consultation with the appropriate industry representatives, conduct a study to assess the cost-effectiveness, technical performance, energy efficiency, and environmental impacts of active noise and vibration cancellation technologies that use fast adapting algorithms.

(2) In carrying out such study, the Secretary shall—

(A) estimate the potential for conserving energy and the economic and environmental benefits that may result from implementing active noise and vibration abatement technologies in demand-side management; and

(B) evaluate the cost effectiveness of active noise and vibration cancellation technologies as compared to other alternatives for reducing noise and vibration.

(3) The Secretary shall transmit to the Congress, within 18 months after the date of the enactment of this Act, a report containing the findings and conclusions of the study carried out under this subsection.

(4) The Secretary may, based on the findings and conclusions of such study, carry out at least one project designed to demonstrate the commercial application of active noise and vibration cancellation technologies using fast adapting algorithims in products or equipment with a significant potential for increased energy efficiency.

TITLE II—NATURAL GAS PIPELINES

SEC. 201. FEWER RESTRICTIONS ON CERTAIN NATURAL GAS IMPORTS.

(a) Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended by inserting ''(a)'' before ''After six months''; and by adding at the end a new subsection as follows:

''(b) With respect to natural gas which is imported into the United States from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, and with respect to liquefied natural gas—

''(1) the importation of such natural gas shall be treated as a 'first sale' within the meaning of section 2(21) of the Natural Gas Policy Act of 1978;

''(2) neither the Commission nor a State may prohibit or condition the importation of such natural gas, nor treat such natural gas while it is within the United States differently than domestic natural gas, nor permit any pipeline transporting such natural gas to maintain rates, terms, or conditions of service for such natural gas different from those it maintains for domestic natural gas; and

''(3) for purposes of subsection (a), the importation of such natural gas shall be deemed to be consistent with the public interest, and applications for such importation shall be granted without modification or delay.''.

(b) Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding at the end the following new subsection:

''(h) In exercising its authority under this section and sections 5 and 7 of this Act with respect to the transportation rates and charges of an interstate pipeline (as such term is defined in section 2(15) of the Natural Gas Policy Act of 1978), the Commission shall base any determination of whether rates and charges are just and reasonable on costs and other relevant factors relating directly to an interstate pipeline's transportation function, and not on any factors relating to the natural gas being transported by the interstate pipeline or on rates and charges with respect to pipelines not subject to the Commission's jurisdiction.''.

SEC. 202. OPTIONAL CERTIFICATES FOR CERTAIN PROJECTS.

(a) OPTIONAL CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.—Section 7(c)(1) of the Natural Gas Act (15 U.S.C. 717f(c)(1)) is amended by adding at the end the following new subparagraph:

''(D) OPTIONAL CERTIFICATE.—

''(i) ISSUANCE.—

''(I) CONSTRUCTION OF NEW FACILITIES.—Upon application by any natural-gas company, or person which will become a natural-gas company upon completion of any proposed construction or extension, the Commission shall issue an optional certificate of public convenience and necessity for the construction, extension, and operation of, and transportation of natural gas through, open access facilities constructed after the date of enactment of this subparagraph, without requiring a hearing or further proof that the public convenience and necessity would be served by those facilities, if the requirements of this subparagraph are met.

''(II) CONVERSION OF EXISTING FACILITIES.—Upon application by any natural-gas company, or person which will become a natural-gas company upon completion of any proposed conversion or operation, the Commission shall issue an optional certificate of public convenience and necessity for the conversion and operation of existing facilities which are not subject to rate or abandonment regulation, and the transportation of natural gas through such facilities, provided that such facilities were not constructed under section 311 of the Natural Gas Policy Act of 1978 or this section, without requiring a hearing or further proof that the public convenience and necessity would be served by those facilities, if the requirements of this subparagraph are met.

''(III) NONEXCLUSIVITY.—An optional certificate issued under subclause (I) or (II) shall be nonexclusive and nonprejudicial to any other authorization under this Act or the Natural Gas Policy Act of 1978.

''(ii) CONDITIONS.—

''(I) IMPAIRMENT OF ADEQUATE SERVICE.—The Commission shall issue an optional certificate under this subparagraph unless it finds that the construction, extension, conversion, and operation of facilities will impair any certificate holder's ability to render adequate service to its customers.

''(II) ENVIRONMENTAL AND OTHER REQUIREMENTS.—The Commission shall attach to an optional certificate issued under this subparagraph conditions respecting the environment, including mitigation measures and alternate routes, and other conditions to ensure compliance with requirements under environmental and other applicable laws.

''(III) STAND ALONE PRICING.—No costs or expenses incurred in relation to the construction, extension, conversion, and operation of facilities, or the sale of facilities, covered by an optional certificate issued under this subparagraph may be included in the rates and charges of any other rate schedule filed with the Commission under this Act or the Natural Gas Policy Act of 1978.

''(IV) NO CREDITING.—The Commission shall not require the holder of an optional certificate issued under this subparagraph to credit any revenues received in relation to providing transportation under such certificate, or the sale of facilities authorized under such certificate, to any other rate filed with the Commission under this Act or the Natural Gas Policy Act of 1978.

''(V) PREVENTION OF DELAY.—Notwithstanding section 15(a) of this Act, the holder of an optional certificate issued under this subparagraph shall not participate in any proceedings (other than those it may initiate) for the construction, extension, conversion, or operation of facilities that would serve the same market served by the facilities authorized by the holder's optional certificate. The Commission may waive this subclause if the participation of the holder of an optional certificate will help expedite a proceeding.

''(VI) SEPARATE BOOKS.—The holder of an optional certificate issued under this subparagraph shall maintain a separate system of books, accounts, and records for the facilities and transportation authorized under such certificate.

''(iii) NEGOTIATION RULE.—The Commission shall ensure that all agreements between the certificate holder and all persons, including affiliates of the certificate holder, contracting for transportation utilizing facilities authorized in an optional certificate issued under this subparagraph are negotiated at arms length (or in the case of affiliates, the substantial equivalent thereof).

''(iv) PUBLIC NOTICE.—The Commission shall provide reasonable public notice of the application for the issuance of an optional certificate under this subparagraph, including notification at the time of application to the State commission for the State in which the pipeline facility will be located.

''(v) RATES REQUIRED TO BE PUBLIC.—Not later than 60 days before the commencement of transportation pursuant to an optional certificate issued under this subparagraph, or at such time as the Commission may find necessary and reasonable, the certificate holder shall file with the Commission copies of all agreements between the certificate holder and all persons, including affiliates of

the certificate holder, contracting for transportation utilizing facilities authorized in the optional certificate. After the commencement of such transportation, the certificate holder shall file with the Commission, not later than 10 days before the initiation of any new transportation utilizing such facilities, a copy of any new or amended agreement entered into by the certificate holder and any person, including any affiliate of the certificate holder, contracting for transportation utilizing such facilities. The Commission shall keep and make available for public inspection all agreements required to be filed with the Commission pursuant to this clause.

''(vi) NEGOTIATED RATES DEEMED LAWFUL; EXCEPTION.—The rates, charges, classifications, or practices for the transportation of natural gas contained in the agreements filed with the Commission pursuant to clause (v) shall be deemed to be lawful within the meaning of sections 4 and 5 of this Act. If, however, the Commission, after a hearing held upon the petition of a person who has made a bona-fide offer to enter into a contract for the transportation of natural gas utilizing facilities authorized in an optional certificate issued under this subparagraph, finds that the failure to provide a requested rate, charge, classification, or practice in connection with such requested transportation is an unjustifiable, effective denial of access to such facilities, the Commission shall determine the rates, charges, classifications, or practices which allow access, and shall fix the same by order. The Commission may not order the requested transportation to the extent that it finds that transportation capacity is not available. Unless the Commission issues a final order on a petition filed pursuant to this clause within 120 days after it is filed, such petition shall be deemed denied.''.

(b) NONAPPLICABILITY OF ABANDONMENT RULE.—Section 7(b) of the Natural Gas Act (15 U.S.C. 717c(b)) is amended by adding at the end the following: ''This subsection shall not apply to any facility or transportation certificated pursuant to subsection (c)(1)(D) of this section.''.

(c) NONAPPLICABILITY OF NATURAL GAS ACT SECTION 4 PROCEDURES.—Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding the following after subsection (e):

''(f) Subsections (c), (d) and (e) of this section shall not apply to the transportation of natural gas through facilities authorized by a certificate of public convenience and necessity issued under section 7(c)(1)(D) of this Act.''.

(d) NONAPPLICABILITY OF NATURAL GAS ACT SECTION 5 PROCEDURES.—Section 5(a) of the Natural Gas Act (15 U.S.C. 717d(a)) is amended by adding at the end the following: ''This subsection shall not apply to any rate, charge, classification, or practice by a natural-gas company in connection with the transportation of natural gas through facilities authorized by a certificate issued under section 7(c)(1)(D) of this Act.''.

SEC. 203. TRANSPORTATION UNDER SECTION 311 OF THE NATURAL GAS POLICY ACT OF 1978.

(a) AMENDMENT.—Section 311 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371) is amended—

(1) in the section head, by inserting ''; construction'' after ''sales and transportation'';

(2) in the subsection head for subsection (a), by inserting ''; CONSTRUCTION'' after ''APPROVAL OF TRANSPORTATION'';

(3) by striking subsection (a)(1), and inserting in lieu thereof the following:

''(1) INTERSTATE PIPELINES.—

''(A) IN GENERAL.—The Commission may, by rule or order, authorize any interstate pipeline to transport natural gas on behalf of—

''(i) any intrastate pipeline;

''(ii) any local distribution company; or

''(iii) any other person, including such interstate pipeline.

''(B) JUST AND REASONABLE RATES.—The rates and charges of any interstate pipeline with respect to any transportation authorized under subparagraph (A) shall be just and reasonable (within the meaning of the Natural Gas Act).

''(C) NONDISCRIMINATORY TRANSPORTATION.—Any transportation authorized under subparagraph (A) shall not be unjust, unreasonable, unduly discriminatory, or preferential (within the meaning of the Natural Gas Act).

''(D) CONSTRUCTION.—60 days after notification to the State commission (as such term is defined in the Natural Gas Act) for the State in which the pipeline facility will be located, an interstate pipeline may construct facilities of any size or capacity to be used solely for transportation provided under this subsection.'';

(4) by striking subsection (a)(2)(A), and inserting in lieu thereof the following:

''(A) IN GENERAL.—The Commission may, by rule or order, authorize any intrastate pipeline to transport natural gas on behalf of—

''(i) any interstate pipeline;

''(ii) any local distribution company served by an interstate pipeline; or

''(iii) any other person, including such intrastate pipeline.''; and

(5) by adding at the end the following new subsection:

''(d) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—The Commission shall prepare a programmatic environmental impact statement under the National Environmental Policy Act of 1969 to accompany the regulations to implement the amendments to this section made by the Comprehensive National Energy Policy Act. The programmatic environmental impact statement shall be prepared in accordance with the regulations of the Council on Environmental Quality implementing the National Environmental Policy Act of 1969.''.

(b) TABLE OF CONTENTS AMENDMENT.—The item relating to section 311 in the table of contents of the Natural Gas Policy Act of 1978 is amended to read as follows:

''Sec. 311. Authorization of certain sales and transporation; construction.''.

SEC. 204. RULES IN LOCAL DISTRIBUTION COMPANY BYPASS CASES.

(a) NOTICE.—In any case where service by a natural gas company under section 7(c)(1)(D) of the Natural Gas Act or section 311 of the Natural Gas Policy Act of 1978 would displace existing service by a local distribution company, no contract for such service shall be binding on the buyer, and no such service shall commence, before 60 days after notice to the local distribution company whose service would be displaced.

(b) RECOVERY OF TAKE OR PAY COSTS.—In any case where service by a natural gas company under section 7(c)(1)(D) of the Natural Gas Act or section 311 of the Natural Gas Policy Act of 1978 displaces existing service by a local distribution company, such natural gas company shall not recover from such local distribution company any take or pay costs allocated by the Federal Energy Regulatory Commission on a volumetric basis to the recipient of the new service. Such natural gas company may not reallocate costs not recoverable from the local distribution company by reason of this subsection to any other service provided by such natural gas company, except that those costs may be included in the rates charged to the recipient of the new service.

(c) APPLICABILITY.—This section shall apply to service under section 311 of the Natural Gas Policy Act of 1978 only if such service commences or will commence after the date of enactment of this Act.

(d) DEFINITIONS.—For purposes of this section—

(1) the term ''local distribution company'' means—

(A) a local distribution company, as such term is defined in section 2(17) of the Natural Gas Policy Act of 1978; and

(B) a holder of a service area determination described in section 7(f)(2) of the Natural Gas Act; and

(2) the term ''natural gas company'' has the meaning given the term ''natural-gas company'' in section 2(6) of the Natural Gas Act.

SEC. 205. THIRD PARTY CONTRACTING BY THE FEDERAL ENERGY REGULATORY COMMISSION FOR NATURAL GAS ACT FACILITIES.

(a) THIRD PARTY CONTRACTING.—Section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by adding the following after paragraph (2):

''(3) THIRD PARTY CONTRACTING.—

''(A) GENERAL RULE.—Where the Commission is required to prepare a draft or final environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in connection with applications for authority to construct, extend, or operate facilities under this Act, the Commission shall permit, at the election of the applicant, a contractor, consultant, or other person funded by the applicant to prepare such environmental impact statement for the Commission. Such contractor, consultant, or other person shall be selected by the applicant from among a list of individuals or companies determined by the Commission to be qualified to do such work. The Commission shall establish the scope of work for the environmental impact statement, and procedures to oversee the preparation of the statement and to ensure that the contractor, consultant, or other person has no financial or other potential conflict of interest in the outcome of the proceeding. To determine the scope of work, the Commission shall institute a scoping process in accordance with regulations issued by the Council on Environmental Quality.

''(B) ENVIRONMENTAL ASSESSMENTS.—Where an environmental assessment is required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in connection with an application for authority to construct, extend, or operate facilities under this Act, the Commission shall permit an applicant, or a contractor, consultant, or other person selected by the applicant, to prepare such environmental assessment. The Commission shall institute procedures, including preapplication consultations, to advise potential applicants of studies or other information related to such environmental assessment foreseeably required by the Commission. The Commission shall allow the filing of such environmental assessment as part of the application.

''(C) RELATIONSHIP TO OTHER LAW.—Nothing in this paragraph shall be construed to—

''(i) relieve the Commission of its responsibilities to review and approve or disapprove environmental documents or to otherwise carry out its responsibilities under the National Environmental Policy Act of 1969; or

''(ii) supersede the responsibility of any Federal agency under any Federal statute, including the National Environmental Policy Act of 1969.

''(D) FUNDS NOT CONSIDERED APPROPRIATIONS.—Funds paid to a contractor, consultant, or other person pursuant to this paragraph shall not be considered an appropriation to the Commission, except as otherwise specified in appropriations Acts.''.

(b) COMMUNICATIONS WITH THE COMMISSION.—The Federal Energy Regulatory Commission, within 1 year after the date of enactment of this Act, shall amend its rules governing ex parte communications to clarify that the prohibitions contained in such rules do not apply to communications between the Commission's environmental advisory staff and other Federal and State agencies that are cooperating agencies for purposes of compliance with title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4331–35). In the event of a communication between such parties, an accurate public record of all such communications shall be kept, and any party to the proceeding with respect to which such communication was made may respond in writing to such communication.

(c) NEPA COMPLIANCE.—Except as provided in sections 203(d) and 205, nothing in this title or the amendments made by this title shall be construed to modify, impair, or supersede the applicability and operation of the National Environmental Policy Act of 1969.

SEC. 206. NEW RATES AND JOINT THROUGH RATES.

(a) NOTICE OF CHANGES.—The first and third sentences of section 4(d) of the Natural Gas Act (17 U.S.C. 717c(d)) are amended by striking ''thirty days' notice'' and inserting in lieu thereof ''sixty days' notice''.

(b) JOINT RATES.—Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding after subsection (f) the following new subsection:

''(g) Under such rules and regulations as the Commission may prescribe to preclude anticompetitive conduct, natural-gas companies may jointly file with the Commission rates for the sequential transportation of natural gas through their facilities.''.

SEC. 207. UTILIZATION OF INFORMAL RULEMAKING PROCEDURES.

The first sentence of section 403(c) of the Department of Energy Organization Act (42 U.S.C. 7173(c)) is amended to read as follows: ''Any function described in section 402 of this Act which relates to the establishment of rates and charges under the Federal Power Act or to the establishment of rates and charges, the issuance of a certificate of public convenience and necessity, or the abandonment of facilities and services under the Natural Gas Act may be conducted by rulemaking procedures.''.

SEC. 208. FASTER ISSUANCE AND REVIEW OF COMMISSION ORDERS.

(a) NATURAL GAS ACT AMENDMENTS.—

(1) REHEARING.—Section 19(a) of the Natural Gas Act (15 U.S.C. 717r(a)) is amended by striking ''Unless the Commission acts upon the application for rehearing within thirty days after it is filed, such application may be deemed to have been denied.'' and inserting in lieu thereof ''Unless the Commission issues a final order on the application for rehearing within 60 days after it is filed, such application shall be deemed denied, except that the Commission may, for good cause, extend the period for rehearing an additional 90 days or, in the case of a rulemaking proceeding, an additional 120 days.''.

(2) COURT REVIEW.—Section 19(b) of the Natural Gas Act (15 U.S.C. 717r(b)) is amended by striking the first and second sentences and inserting in lieu thereof the following: ''Any party to a proceeding under this Act aggrieved by an order issued by the Commission in such proceeding may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein the natural-gas company to which the order relates is located or has its principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 30 days after the order of the Commission upon the application for rehearing, a written petition praying that the order of the Commission be modified or set aside in whole or in part. The petition shall set forth specifically the ground or grounds upon which such petition is based. A copy of such petition shall forthwith be transmitted by the clerk of the court to the Chairman of the Commission and thereupon the Commission shall file with the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code.''.

(b) NATURAL GAS POLICY ACT OF 1978 AMENDMENTS.—

(1) REHEARING.—Section 506(a)(2) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3416(a)(2)) is amended by striking ''Unless the Commission acts upon such application for rehearing within 30 days after it is filed, such application shall be deemed to have been denied.'' and inserting in lieu thereof ''Unless the Commission issues a final order on the application for rehearing within 60 days after it is filed, such application shall be deemed denied, except that the Commission may, for good cause, extend the period for rehearing an additional 90 days or, in the case of a rulemaking proceeding, an additional 120 days.''.

(2) COURT REVIEW.—Section 506(a)(4) of the Natural Gas Policy Act (15 U.S.C. 3416(a)(4)) is amended by striking the second and third sentences and inserting the following in lieu thereof: ''Review shall be obtained by filing a written petition, requesting that such order be modified or set aside in whole or in part, in such Court of Appeals within 30 days after the final action of the Commission on the application for rehearing required under paragraph (2). The petition shall set forth specifically the ground or grounds upon which such petition is based. A copy of such petition shall forthwith be transmitted by the clerk of the court to the Chairman of the Commission and thereupon the Commission shall file with the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code.''.

SEC. 209. STREAMLINED CERTIFICATE PROCEDURES.

(a) UNOPPOSED APPLICATIONS.—Section 7(c)(1) of the Natural Gas Act (15 U.S.C. 717f(c)(1)) is amended by striking subparagraph (B) and inserting in lieu thereof the following:

''(B) UNOPPOSED APPLICATIONS.—In any case not described in the proviso of subparagraph (A), the Commission shall file notice in the Federal Register of the proposed certificate of public convenience and necessity as soon as the required information in connection therewith has been received by the Commission. If no party has filed a protest or objection in response to such notice within 60 days after publication of such notice, or if all protests and objections are withdrawn, the certificate of public convenience and necessity shall, after completion by the Commission of any responsibilities under the National Environmental Policy Act of 1969, be issued.

''(C) HEARINGS; EMERGENCY CERTIFICATES.—

''(i) HEARING REQUIREMENT.—If a party has filed a protest or objection that has not been withdrawn, the Commission shall set the matter for hearing and shall give such reasonable notice of the hearing thereon to all interested persons as in its judgment may be necessary under rules and regulations to be prescribed by the Commission; and the application shall be decided in accordance with the procedure provided in subsection (e) of this section and such certificate shall be issued or denied accordingly. Within 90 days after the date of enactment of the Comprehensive National Energy Policy Act, the Commission shall institute a rulemaking to establish a procedure for dealing expeditiously with protests which do not raise material issues of fact necessitating an evidentiary hearing.

''(ii) CONCLUSIVE EVIDENCE OF NEED.—In a hearing under this subparagraph, proof of binding contractual commitments by bona fide shippers for firm natural gas service to be rendered utilizing substantially all the capacity of the facilities proposed to be constructed or extended shall be conclusive evidence of the need for such proposed service and facilities, and shall be sufficient to dismiss any claim of mutual exclusivity by another applicant.

''(iii) PHASED CERTIFICATE PROCEDURES.—In a hearing under this subparagraph, the Commission, where appropriate, may phase its consideration of issues raised in connection with the application and may issue an initial order containing preliminary findings with respect to such issues. Notwithstanding the preliminary findings in such initial order, the issuance of a certificate of public convenience and necessity shall be subject to a final order based upon the complete record of the hearing under this subparagraph.

''(iv) EMERGENCY CERTIFICATE.—The Commission may issue a temporary certificate in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may by regulation exempt from the requirements of this section temporary acts or operations for which the issuance of the certificate will not be required in the public interest.''.

(b) CERTIFICATE NOT REQUIRED FOR REPLACEMENT FACILITIES.—Section 7(c)(1) of the Natural Gas Act (15 U.S.C. 717f(c)(1)) is amended by adding at the end the following new subparagraph:

''(E) CERTAIN REPLACEMENT FACILITIES.—The replacement or repair of physically deteriorated or obsolete facilities shall not be subject to any certification requirements of this subsection if—

''(i) such replacement or repair does not result in a reduction or abandonment of service by means of such facilities;

''(ii) such replacement or repair has substantially equivalent designed delivery capacity as the particular facilities being replaced or repaired; and

''(iii) the cost of such replacement or repair does not exceed $20,000,000 per project, as adjusted pursuant to the implicit price deflator for gross national product.''.

(c) PRIORITY PROJECTS.—Section 7(c)(1) of the Natural Gas Act (15 U.S.C. 717f(c)(1)) is amended by adding at the end the following new subparagraph:

''(F) PRIORITY PROJECTS.—(i) If the Chairman of the Commission finds that the national interest requires expeditious construction or extension of facilities for the transportation of natural gas—

''(I) over a specific route;

''(II) from a specific gas-producing area; or

''(III) into a specific gas-consuming market,

the Chairman may designate facilities needed to serve such route, area, or market as a priority project for purposes of this subparagraph.

''(ii) If the Chairman designates facilities as a priority project under clause (i), the Commission shall issue, within such period as the Chairman may prescribe in such designation order, a certificate of public convenience and necessity under this section to authorize one or more proposals for the construction or extension of the facilities so designated. The Commission may impose such conditions under subsection (e) as it determines the public convenience and necessity require.

''(iii)(I) The Commission shall provide public notice and reasonable opportunity, consistent with time limits under the designation order, for the presentation of alternative proposals to construct or extend facilities designated as a priority project under this subparagraph, and for presentation of written data, views, and arguments on such proposals.

''(II) Sections 556 and 557 of title 5, United States Code, shall not apply to Commission proceedings under this subparagraph.

''(III) Nothing in this subparagraph shall affect the Commission's responsibility to comply with the National Environmental Policy Act of 1969.

''(iv) Actions taken under this subparagraph, and the validity of this subparagraph, shall be subject to judicial review in the same manner as are actions and provisions under section 10 (a), (b), and (c) (1) and (2) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719h (a), (b), and (c) (1) and (2)).''.

SEC. 210. EXPEDITED FEDERAL ENERGY REGULATORY COMMISSION RULES.

The Federal Energy Regulatory Commission shall, within 1 year after the date of enactment of this Act, issue regulations to expedite the process by which the Commission considers applications under section 7 of the Natural Gas Act for the grant of certificates of public convenience and necessity for natural gas transportation facilities.

SEC. 211. GAS DELIVERY INTERCONNECTIONS IN PRODUCTION AREAS.

Section 7(a) of the Natural Gas Act (15 U.S.C. 717f(a)) is amended by—

(1) by striking ''(a)'' and inserting in lieu thereof ''(a) EXTENSION OF FACILITIES.—

''(1) GENERAL RULE.—''; and

(2) inserting at the end the following new paragraph—

''(2) REQUIRED CONNECTIONS.—Upon the petition of any person, the Commission by order may direct a natural-gas company, for the sole purpose of receiving natural gas from the petitioner, to establish, at petitioner's expense, and upon such reasonable terms as the Commission may prescribe, physical connection of the natural-gas company's gas transportation facilities, including facilities constructed under section 311 of the Natural Gas Policy Act of 1978, with—

''(A) the petitioner's production or gathering facilities;

''(B) the petitioner's intrastate pipeline (as such term is defined in section 2(16) of the Natural Gas Policy Act of 1978) within a production area (as such term is defined by the Commission); or

''(C) the petitioner's pipeline certificated pursuant to subsection (c) of this section, within a production area (as such term is defined by the Commission).

The proviso in paragraph (1) shall apply to interconnections required under this paragraph.''.

SEC. 212. GAS DELIVERY INTERCONNECTIONS IN MARKET AREAS FOR LOCAL UTILITIES.

Section 7(a)(1) of the Natural Gas Act, as so redesignated by section 211 of this Act, is amended—

(1) by inserting ''or transport'' after ''facilities of, and sell''; and

(2) by inserting ''or transport'' after ''physical connection or sell''.

SEC. 213. TECHNICAL AMENDMENTS.

Section 7 of the Natural Gas Act (15 U.S.C. 717f) is amended—

(1) in subsection (b), by inserting ''ABANDONMENT.—'' before ''No natural-gas company'';

(2) in subsection (c)—

(A) by striking ''(c)(1)(A)'' and inserting in lieu thereof the following:

''(c) CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.—

''(1) TRADITIONAL AND OPTIONAL CERTIFICATES.—

''(A) GENERAL RULE.—''; and

(B) by inserting ''HIGH-PRIORITY CERTIFICATES.—'' before ''The Commission may issue'' in paragraph (2);

(3) in subsection (d), by inserting ''APPLICATIONS.—'' before ''Application for certificates'';

(4) in subsection (e), by inserting ''ISSUANCE OF CERTIFICATES; CONDITIONS.—'' before ''Except in the cases'';

(5) in subsection (f)—

(A) by striking ''(f)(1)'' and inserting in lieu thereof the following:

''(f) SERVICE AREAS.—

''(1) COMMISSION DETERMINATION.—''; and

(B) by inserting ''TRANSPORTATION EXCEPTION.—'' before ''If the Commission'' in paragraph (2);

(6) in subsection (g), by inserting ''NONEXCLUSIVITY.—'' before ''Nothing contained in '';

(7) in subsection (h), by inserting ''EMINENT DOMAIN.—'' before ''When any holder''; and

(8) by conforming the indentation of each subsection, paragraph, and subparagraph to those established in section 212 of this title.

SEC. 214. STATE REGULATION OF THE PRODUCTION OF NATURAL GAS.

Section 602 of the Natural Gas Policy Act of 1978 is amended by adding a new subsection (c), as follows:

''(c) STATE REGULATION OF THE PRODUCTION OF NATURAL GAS.—

''(1) CERTAIN STATE RESOURCE AND PROPERTY REGULATION AUTHORIZED.—State regulation of natural gas production, which has the substantial purpose or effect of furthering legitimate State interests in resource conservation, the prevention of physical waste, and the protection of correlative rights of producers in a common reservoir, including—

''(A) oil and natural gas well spacing;

''(B) prevention of flaring and physical waste;

''(C) prevention of undue drainage and protection of correlative rights of producers within, or probably within, a common reservoir;

''(D) flow restrictions against past overproducers within, or probably within, a common reservoir;

''(E) unitization of a reservoir;

''(F) restrictions on production of natural gas caps in oil/gas reservoirs;

''(G) gas/oil ratios; and

''(H) maximization of ultimate hydrocarbon production according to sound engineering practices,

is authorized, notwithstanding any incidental effect from such regulation of restricting production and increasing prices.

''(2) CERTAIN STATE PRICING REGULATION PROHIBITED.—A State may not engage in regulation of the production of natural gas which has the substantial purpose or effect of generally restricting natural gas production and raising the general price level of natural gas, including—

''(A) market demand prorationing;

''(B) statewide prorationing;

''(C) prorationing between reservoirs not reasonably shown to be in geologic communication; and

''(D) other prorationing which unreasonably prevents buyers from purchasing lower-priced natural gas in preference to higher-priced natural gas.

''(3) COURT ENFORCEMENT.—Any natural gas pipeline, private or municipal local distribution company, natural gas marketer, consumer of natural gas, or State public utility regulatory commission may bring a civil action in the Federal district court for the District of Columbia to enjoin any State regulation, including any State or State agency rule, order, or law, on grounds it is prohibited under paragraph (2). Such court shall, after considering the purpose and effect of such regulation and all relevant information, set aside and enjoin such regulation to the extent it is prohibited under paragraph (2).

''(4) STATE-OWNED PRODUCTION.—This subsection shall not apply to the regulation of a natural gas well wholly owned by a State or the portion of a natural gas well's production owned by a State.''.

TITLE III—ALTERNATIVE FUELS—GENERAL

SEC. 301. DEFINITIONS.

For purposes of this title, title IV, title V, and title VI—

(1) the term ''Administrator'' means the Administrator of the Environmental Protection Agency;

(2) the term ''alternative fuel'' means methanol, ethanol, and other alcohols; mixtures containing 85 percent or more (or such other percentage, but not less than 80 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of methanol, ethanol, and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; electricity; and any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits;

(3) the term ''alternative fueled vehicle'' means a dedicated vehicle or a dual fueled vehicle;

(4) the term ''dedicated vehicle'' means—

(A) a dedicated automobile, as such term is defined in section 513(h)(1)(C) of the Motor Vehicle Information and Cost Savings Act; or

(B) a motor vehicle, other than an automobile,

that operates solely on alternative fuel;

(5) the term ''domestic'' means derived from resources within the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, America Samoa, the Commonwealth of the Northern Mariana Islands, or any other Commonwealth, territory, or possession of the United States, including the outer Continental Shelf, as such term is defined in the Outer Continental Shelf Lands Act, or from resources within a Nation with which there is in effect a free trade agreement requiring national treatment for trade;

(6) the term ''dual fueled vehicle'' means—

(A) dual fueled automobile, as such term is defined in section 513(h)(1)(D) of the Motor Vehicle Information and Cost Savings Act; or

(B) a motor vehicle, other than an automobile,

that is capable of operating on alternative fuel and is capable of operating on gasoline or diesel fuel;

(7) the term ''fleet'' means a group of light duty motor vehicles, located in a metropolitan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1990 population of more than 250,000, that are centrally fueled or capable of being centrally fueled and are owned, operated, leased, or otherwise controlled by a governmental entity or other person, by any person who controls such person, by any person controlled by such person, and by any person under common control with such person, except that such term does not include—

(A) motor vehicles held for lease or rental to the general public;

(B) motor vehicles held for sale by motor vehicle dealers, including demonstration motor vehicles;

(C) motor vehicles used for motor vehicle manufacturer product evaluations or tests;

(D) law enforcement motor vehicles;

(E) emergency motor vehicles;

(F) motor vehicles acquired and used for military purposes that the Secretary of Defense has certified to the Secretary must be exempt for national security reasons;

(G) nonroad vehicles, including farm and construction motor vehicles; or

(H) motor vehicles which under normal operations are garaged at personal residences at night;

(8) the term ''fuel provider'' means—

(A) any person engaged in the importing, refining, or processing of crude oil to produce motor fuel;

(B) any person engaged in the importation, production, storage, transportation, distribution, or sale of motor fuel; and

(C) any person engaged in generating, trasmitting, importing, or selling at wholesale or retail electricity;

(9) the term ''light duty motor vehicle'' means a light duty truck or light duty vehicle, as such terms are defined under section 216(7) of the Clean Air Act (42 U.S.C. 7550(7)), of less than or equal to 8,500 pounds gross vehicle weight rating;

(10) the term ''motor fuel'' means any substance suitable as a fuel for a motor vehicle;

(11) the term ''motor vehicle'' has the meaning given such term under section 216(2) of the Clean Air Act (42 U.S.C. 7550(2));

(12) the term ''replacement fuel'' means the portion of any motor fuel that is methanol, ethanol, or other alcohols, natural gas, liquefied petroleum gas, hydrogen, electricity, ethers, or any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits; and

(13) the term ''Secretary'' means the Secretary of Energy.

SEC. 302. AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT.

(a) AMENDMENTS.—Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in subsection (a)(1)—

(A) by striking ''passenger automobiles and light duty trucks'' and inserting in lieu thereof ''vehicles''; and

(B) by striking ''alcohol powered vehicles, dual energy vehicles, natural gas powered vehicles, or natural gas dual energy vehicles.'' and inserting in lieu thereof ''alternative fueled vehicles. In no event shall the number of such vehicles acquired be less than the number required under subsection (h).'';

(2) by amending subsection (a)(3) to read as follows:

''(3)(A) To the extent practicable, the Secretary shall acquire both dedicated and dual fueled vehicles, and shall ensure that each type of alternative fueled vehicle is used by the Federal Government.

''(B) Vehicles acquired under this section shall be acquired from original equipment manufacturers. If such vehicles are not available from original equipment manufacturers, vehicles converted to use alternative fuels may be acquired if, after conversion, the original equipment manufacturer's warranty continues to apply to such vehicles, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion. This subparagraph shall not apply to vehicles acquired by the United States Postal Service pursuant to a contract entered into by the United States Postal Service before the date of enactment of this subparagraph and which terminates on or before December 31, 1997.

''(C) Alternative fueled vehicles, other than those described in subparagraph (B), may be acquired solely for the purposes of studies under subsection (b), whether or not original equipment manufacturer warranties still apply.

''(D) In deciding which types of alternative fueled vehicles to acquire in implementing this part, the Secretary shall consider as a factor—

''(i) which types of vehicles yield the greatest reduction in pollutants emitted per dollar spent; and

''(ii) the source of the fuel to supply the vehicles, giving preference to vehicles that operate on alternative fuels derived from domestic sources.

''(E) Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels unless the Secretary determines that operation on such alternative fuels is not feasible.

''(F) At least 50 percent of the alternative fuels used in vehicles acquired pursuant to this section shall be derived from domestic feedstocks. The Secretary shall issue regulations to implement this requirement. For purposes of this subparagraph, the term 'domestic' has the meaning given such term in section 301(5) of the Comprehensive National Energy Policy Act.

''(G) Vehicles acquired under this section shall be acquired from domestic manufacturers.'';

(3) by adding at the end of subsection (a) the following new paragraph:

''(4) Acquisitions of vehicles under this section shall, to the extent practicable, be coordinated with acquisitions of alternative fueled vehicles by State and local governments.'';

(4) in subsection (b), by inserting after paragraph (2) the following new paragraphs:

''(3)(A) The Secretary, in cooperation with the Environmental Protection Agency and the Department of Transportation, shall collect data and conduct a study of heavy duty vehicles acquired under subsection (a), which shall at a minimum address—

''(i) the performance of such vehicles, including reliability, durability, and performance in cold weather and at high altitude;

''(ii) the fuel economy, safety, and emissions of such vehicles; and

''(iii) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of conventionally fueled heavy duty vehicles.

''(B) The Secretary shall provide a report on the results of the study conducted under subparagraph (A) to the Committees on Commerce, Science, and Transportation and Governmental Affairs of the Senate, and the Committees on Energy and Commerce and Government Operations of the House of Representatives, within one year after the first such vehicles are acquired, and annually thereafter.

''(4)(A) The Secretary and the Administrator of the General Services Administration shall conduct a study of the advisability, feasibility, and timing of the disposal of heavy duty vehicles acquired under subsection (a) and any problems with such disposal. Such study shall take into account existing laws governing the sale of Government vehicles and shall specifically focus on when to sell such vehicles and what price to charge.

''(B) The Secretary and the Administrator of the General Services Administration shall report the results of the study conducted under subparagraph (A) to the Committees on Commerce, Science, and Transportation and Governmental Affairs of the Senate, and the Committee on Energy and Commerce and the Committee on Government Operations of the House of Representatives, within one year after funds are appropriated for carrying out this paragraph.

''(5) Studies undertaken under this subsection shall be coordinated with relevant testing activities of the Environmental Protection Agency and the Department of Transportation.'';

(5) in subsection (c)—

(A) by striking ''alcohol or natural gas, alcohol or natural gas'' and inserting in lieu thereof ''alternative fuels, such fuels''; and

(B) by striking ''alcohol or natural gas'' and inserting in lieu thereof ''alternative fuel'' in paragraph (1);

(6) in subsection (d)(2)(B), by striking ''The Secretary'' and inserting in lieu thereof ''To the extent that appropriations are available for such purposes, the Secretary'';

(7) in subsection (g), by striking paragraphs (2) through (6) and inserting in lieu thereof the following:

''(2) the term 'alternative fuel' means methanol, ethanol, and other alcohols; mixtures containing 85 percent or more (or such other percentage, but not less than 80 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of methanol, ethanol, and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; and electricity; and any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits;

''(3) the term 'alternative fueled vehicle' means a dedicated vehicle or a dual fueled vehicle;

''(4) the term 'dedicated vehicle' means—

''(A) a dedicated automobile, as such term is defined in section 513(h)(1)(C) of the Motor Vehicle Information and Cost Savings Act; or

''(B) a motor vehicle, other than an automobile,

that operates solely on alternative fuel;

''(5) the term 'dual fueled vehicle' means—

''(A) dual fueled automobile, as such term is defined in section 513(h)(1)(D) of the Motor Vehicle Information and Cost Savings Act; or

''(B) a motor vehicle, other than an automobile,

that is capable of operating on alternative fuel and is capable of operating on gasoline or diesel fuel; and

''(6) the term 'heavy duty vehicle' means a vehicle of greater than 8,500 pounds gross vehicle weight rating.'';

(8) by inserting after subsection (g) the following new subsection:

''(h) MINIMUM FEDERAL FLEET REQUIREMENT.—(1)(A) The Federal Government shall acquire at least—

''(i) 5,000 light duty alternative fueled vehicles in fiscal year 1993;

''(ii) 7,500 light duty alternative fueled vehicles in fiscal year 1994; and

''(iii) 10,000 light duty alternative fueled vehicles in fiscal year 1995.

''(B) The Secretary shall allocate the acquisitions necessary to meet the requirements under subparagraph (A).

''(2)(A) Of the total number of vehicles acquired by a Federal fleet, at least—

''(i) 25 percent in fiscal year 1996;

''(ii) 33 percent in fiscal year 1997; and

''(iii) 50 percent in fiscal year 1998 and thereafter,

shall be alternative fueled vehicles.

''(B) The Secretary, in consultation with the Administrator of General Services where appropriate, may permit a Federal fleet to acquire a smaller percentage than is required in subparagraph (A), so long as the aggregate percentage acquired by all Federal fleets is at least equal to the required percentage.

''(C) For purposes of this paragraph, the term 'Federal fleet' means 50 or more light duty motor vehicles, located in a metropoli-

tan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1990 population of more than 250,000, that are centrally fueled or capable of being centrally fueled and are owned, operated, leased, or otherwise controlled by or assigned to any Federal executive department, military department, Government corporation, independent establishment, or executive agency, the United States Postal Service, the Congress, the courts of the United States, or the Executive Office of the President. Such term does not include—

''(i) motor vehicles held for lease or rental to the general public;

''(ii) motor vehicles used for motor vehicle manufacturer product evaluations or tests;

''(iii) law enforcement vehicles;

''(iv) emergency vehicles;

''(v) motor vehicles acquired and used for military purposes that the Secretary of Defense has certified to the Secretary must be exempt for national security reasons; or

''(vi) nonroad vehicles, including farm and construction vehicles.

''(3) The General Services Administration, and any other Federal agency that procures motor vehicles for distribution to other Federal agencies may allocate the incremental cost of alternative fueled vehicles over the cost of comparable gasoline vehicles across the entire fleet of motor vehicles distributed by such agency.''; and

(9) in subsection (i)(1), by striking ''$3,000,000'' and all that follows and inserting in lieu thereof ''$60,000,000 for fiscal year 1992, and such sums as may be necessary for fiscal years 1993 through 1998, with amounts appropriated for fiscal years 1992 through 1998 to remain available until expended.''.

(b) REPEAL OF TERMINATION DATE.—Section 4(b) of the Alternative Motor Fuels Act of 1988 is repealed.

SEC. 303. ASSURANCE OF ACQUISITION OF A VARIETY OF FUELING FACILITIES.

(a) ACQUISITION OF ALTERNATIVE FUELING FACILITIES.—The Secretary shall ensure, with the cooperation of other appropriate agencies and consistent with applicable provisions of Federal law, that the maximum practicable number of a variety of alternative fueling facilities be acquired by purchase, lease, or contract, or through construction, or by other methods by the Federal Government or a joint venture in which the Federal Government is a participant. Such facilities may include facilities at commercial refueling stations and other locations.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $31,000,000 for fiscal year 1993 and such sums as may be necessary for fiscal years 1994 through 1998, to remain available until expended.

SEC. 304. INCREASED FEDERAL FLEET REQUIREMENT.

If, after January 1, 1998, the Secretary determines that the goals of replacement fuel use described in section 502(b)(2), as modified under section 504, are not likely to be achieved—

(1) the requirement for the Federal Government to acquire 50 percent alternative fueled vehicles, as established under section 400AA(h) of the Energy Policy and Conservation Act, shall be increased to a requirement of 60 percent for fiscal year 2000, 70 percent for fiscal year 2001, and 75 percent for fiscal year 2002 and thereafter; and

(2) the minimum size of Federal fleets subject to the requirements of section 400AA(h) of the Energy Policy and Conservation Act shall be 10 light duty motor vehicles.

SEC. 305. USE OF ALCOHOL-ENHANCED GASOLINE IN FEDERAL MOTOR VEHICLES.

(a) PROCUREMENT BY CONTRACT.—Whenever any Federal agency enters into a contract for the procurement of fuel for Federal motor vehicles, the Federal agency shall procure alcohol-enhanced gasoline if such gasoline is reasonably available, costs not more than any other comparable available gasoline, and complies with applicable requirements under the Clean Air Act. For the purposes of this subsection, the cost of gasoline shall be the net cost to the Federal Government of such gasoline.

(b) PURCHASES BY FEDERAL AGENCIES.—Any Federal agency that purchases fuel for Federal motor vehicles shall issue guidelines to ensure the purchase of alcohol-enhanced gasoline if such gasoline is reasonably available, costs not more than any other comparable available gasoline, and complies with applicable requirements under the Clean Air Act. For the purposes of this subsection, the cost of gasoline shall be the net cost to the Federal Government of such gasoline.

(c) EXCEPTION.—The acquisition of alternative fuel shall not be subject to the requirements of subsections (a) and (b).

(d) DEFINITIONS.—For purposes of this section—

(1) the term ''alcohol-enhanced gasoline'' means gasoline that is blended with alcohol or ether; and

(2) the term ''Federal motor vehicle'' means a motor vehicle that is owned or leased by a Federal agency and is capable of operating on alcohol-enhanced gasoline.

(e) EFFECTIVE DATE.—This section shall apply to contracts entered into, and fuel purchases made, after the expiration of 6 months after the date of enactment of this Act.

SEC. 306. DISADVANTAGED BUSINESS ENTERPRISES.

(a) GENERAL RULE.—Except to the extent that the head of each agency or department determines otherwise, not less than 10 percent of the total combined amounts obligated for contracts and subcontracts by each agency under subsection (b) shall be expended with small business concerns or other organizations controlled by socially and economically disadvantaged individuals and women, including historically Black colleges and universities and colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans or Native Americans.

(b) COVERED OBLIGATIONS.—The requirements of subsection (a) shall apply to the combined total for each agency or department of—

(1) the amounts obligated under titles I and III of this Act and the amendments made by titles I and III of this Act; and

(2) the amounts obligated for research under this Act and the amendments made by this Act.

(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the meaning such term has under section 3 of the Small Business Act (15 U.S.C. 632). However, for purposes of contracts and subcontracts requiring engineering services the applicable size standard shall be that established for military and aerospace equipment and military weapons.

(2) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ''socially and economically disadvantaged individuals'' has the meaning such term has under section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto.

TITLE IV—ALTERNATIVE FUELS—NON-FEDERAL PROGRAMS

SEC. 401. TRUCK COMMERCIAL APPLICATION PROGRAM.

(a) ALTERNATIVE FUELED TRUCKS.—Section 400BB(a) of the Energy Policy and Conservation Act (42 U.S.C. 6374a(a)) is amended by striking ''alcohol and natural gas'' and inserting in lieu thereof ''alternative fuels''.

(b) FUNDING.—Section 400BB(b)(1) of such Act (42 U.S.C. 6374a(b)(1)) is amended to read as follows: ''(1) There are authorized to be appropriated to the Secretary for carrying out this section $4,000,000 for fiscal year 1992, and such sums as may be necessary for fiscal years 1993 through 1995, to remain available until expended.''.

SEC. 402. CONFORMING AMENDMENTS.

Part J of title III of the Energy Policy and Conservation Act is amended—

(1) in section 400CC(a)—

(A) by striking ''alcohol and buses capable of operating on natural gas'' and inserting in lieu thereof ''alternative fuels''; and

(B) by striking ''both buses capable of operating on alcohol and buses capable of operating on natural gas'' and inserting in lieu thereof ''each of the various types of alternative fuel buses'';

(2) in section 400DD(d), by striking ''alcohols, natural gas, and other potential alternative motor'' and inserting in lieu thereof ''alternative''; and

(3) in section 400DD(d) and (e), by striking ''motor'' each place it appears.

SEC. 403. ALTERNATIVE MOTOR FUELS AMENDMENTS.

Title V of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001 et seq.) is amended—

(1) in section 501(1), by striking ''alcohol or natural gas'' and inserting in lieu thereof ''alternative fuel'';

(2) in section 502(e)—

(A) by striking ''alcohol powered automobiles or natural gas powered'' and inserting in lieu thereof ''dedicated''; and

(B) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'';

(3) in section 506(a)(4)—

(A) in subparagraph (A)—

(i) by striking ''alcohol powered automobiles or natural gas powered'' and inserting in lieu thereof ''dedicated''; and

(ii) by striking ''alcohol or natural gas, as the case may be'' and inserting in lieu thereof ''alternative fuels''; and

(B) in subparagraph (B)—

(i) by striking ''energy automobiles or natural gas dual energy'' and inserting in lieu thereof ''fueled''; and

(ii) by striking ''energy automobile or natural gas dual energy automobile, as the case may be'' and inserting in lieu thereof ''fueled automobile''; and

(4) in section 506(b)(3)—

(A) in subparagraph (A)—

(i) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'';

(ii) by striking ''alcohol or natural gas, as the case may be'' and inserting in lieu thereof ''alternative fuels'' in clause (i); and

(iii) by striking ''alcohol or natural gas, as the case may be'' and inserting in lieu thereof ''alternative fuels'' in clause (ii); and

(B) in subparagraph (B)—

(i) by striking ''dual energy'' and inserting in lieu thereof ''dual fueled''; and

(ii) by striking ''alcohol'' and inserting in lieu thereof ''alternative fuels'' in clauses (i) and (ii); and

(5) in section 513—

(A) in subsection (a)—

(i) by striking ''ALCOHOL POWERED'' and inserting in lieu thereof ''DEDICATED'';

(ii) by striking ''If'' and inserting in lieu thereof ''Except as provided in subsection (c) or in section 503(a)(3), if'';

(iii) by striking ''alcohol powered'' and inserting in lieu thereof ''dedicated'';

(iv) by striking ''content of the alcohol'' and inserting in lieu thereof ''content of the alternative fuel''; and

(v) by striking ''gallon of alcohol'' and inserting in lieu thereof ''gallon of a liquid alternative fuel'';

(B) in subsection (b)—

(i) by striking ''ENERGY'' and inserting in lieu thereof ''FUELED'';

(ii) by striking ''If'' and inserting in lieu thereof ''Except as provided in subsection (d) or in section 503(a)(3), if'';

(iii) by striking ''energy'' and inserting in lieu thereof ''fueled''; and

(iv) by striking ''alcohol'' and inserting in lieu thereof ''alternative fuel'' in paragraph (2);

(C) in subsection (c)—

(i) by striking ''NATURAL GAS POWERED'' and inserting in lieu thereof ''GASEOUS FUEL DEDICATED'';

(ii) by striking ''powered'' and inserting in lieu thereof ''dedicated'';

(iii) by striking ''natural gas'' each place it appears in the first sentence and inserting in lieu thereof ''gaseous fuel''; and

(iv) by adding at the end the following new sentence: ''For purposes of this section, the Secretary shall determine the appropriate gallons equivalent measurement for gaseous fuels other than natural gas, and a gallon equivalent of such gaseous fuel shall be considered to have a fuel content of 15 one-hundredths of a gallon of fuel.'';

(D) in subsection (d)—

(i) by striking ''NATURAL GAS DUAL ENERGY'' and inserting in lieu thereof ''GASEOUS FUEL DUAL FUELED'';

(ii) by striking ''dual energy'' and inserting in lieu thereof ''dual fueled''; and

(iii) by striking ''natural gas'' each place it appears and inserting in lieu thereof ''gaseous fuel'';

(E) in subsection (e), by striking ''alcohol powered automobile, dual energy automobile, natural gas powered automobile, or natural gas dual energy'' and inserting in lieu thereof ''dedicated automobile or dual fueled'';

(F) in subsection (f)(2)(A)(i), by striking ''alcohol powered automobiles, natural gas powered automobiles,'' and inserting in lieu thereof ''alternative fueled automobiles'';

(G) in subsection (g)—

(i) in paragraph (1)—

(I) by inserting '', other than electric automobiles,'' after ''each category of automobiles'' in subparagraph (A);

(II) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (A);

(III) by inserting '', other than electric automobiles,'' after ''each category of automobiles'' in subparagraph (B);

(IV) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (B);

(V) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'' both places it appears in subparagraph (C); and

(VI) by striking ''energy automobile or natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (C); and

(ii) in paragraph (2)—

(I) by striking ''energy passenger automobiles or natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (A);

(II) by striking ''alcohol powered automobiles or natural gas powered'' and inserting in lieu thereof ''dedicated'' in subparagraph (B); and

(III) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (B);

(H) in subsection (h)(1)—

(i) by striking subparagraphs (D) and (E) and redesignating subparagraph (C) as subparagraph (D);

(ii) by striking subparagraphs (A) and (B) and inserting in lieu thereof the following new subparagraphs:

''(A) the term 'alternative fuel' means methanol, ethanol, and other alcohols; mixtures containing 85 percent or more (or such other percentage, but not less than 80 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of methanol, ethanol, and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; electricity; and any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits;

''(B) the term 'alternative fueled automobile' means an automobile that—

''(i) is a dedicated automobile; or

''(ii) is a dual fueled automobile;

''(C) the term 'dedicated automobile' means an automobile that operates solely on alternative fuels; and''; and

(iii) in subparagraph (D), as so redesignated by clause (i) of this subpara- graph—

(I) by striking ''dual energy'' and inserting in lieu thereof ''dual fueled'';

(II) by striking ''alcohol'' and inserting in lieu thereof ''alternative fuel'' in clauses (i), (ii), and (iii);

(III) by inserting ''in the case of an automobile capable of operating on a mixture of an alternative fuel and gasoline or diesel fuel,'' before ''which, for model years'' in clause (iii); and

(IV) by striking the semicolon at the end of clause (iv) and inserting in lieu thereof a period; and

(I) in subsection (h)(2)—

(i) by striking ''paragraphs (1)(C) and (D)'' and inserting in lieu thereof ''paragraph (1)(D)'' in subparagraph (A);

(ii) by striking ''energy automobiles when operating on alcohol, and by natural gas dual energy automobiles when operating on natural gas'' and inserting in lieu thereof ''fueled automobiles when operating on alternative fuels'' in subparagraph (A);

(iii) by striking ''energy automobiles or natural gas dual energy'' and inserting in lieu thereof ''fueled'' both places it appears in subparagraph (A);

(iv) by striking ''energy automobiles and natural gas dual energy'' and inserting in lieu thereof ''fueled'' in subparagraph (A);

(v) by striking ''energy'' and inserting in lieu thereof ''fueled'' each place it appears in subparagraphs (B) and (C); and

(vi) by inserting ''other than electric automobiles'' after ''automobiles'' each place it appears in subparagraphs (B) and (C).

SEC. 404. VEHICULAR NATURAL GAS JURISDICTION.

(a) NATURAL GAS ACT AMENDMENTS.—(1) Section 1 of the Natural Gas Act (15 U.S.C. 717) is amended by inserting after subsection (c) the following new subsection:

''(d) The provisions of this Act shall not apply to any person solely by reason of, or with respect to, any sale or transportation of vehicular natural gas if such person is—

''(1) not otherwise a natural-gas company; or

''(2) subject to regulation by a State commission, whether or not such State commission has, or is exercising, jurisdiction over the sale, sale for resale, or transportation of vehicular natural gas.''.

(2) Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by inserting after paragraph (9) the following new paragraph:

''(10) 'Vehicular natural gas' means natural gas that is ultimately used as a fuel in a self-propelled vehicle.''.

(b) STATE LAWS AND REGULATIONS.—The transportation or sale of natural gas by any person who is not otherwise a public utility, within the meaning of State law—

(1) in closed containers; or

(2) otherwise to any person for use by such person as a fuel in a motor vehicle,

shall not be considered to be a transportation or sale of natural gas within the meaning of any State law, regulation, or order in effect before January 1, 1989. This subsection shall not apply to any State law, regulation, or order to the extent that such law, regulation, or order has as its primary purpose the protection of public safety.

(c) NONAPPLICABILITY OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.—(1) A company shall not be considered to be a gas utility company under section 2(a)(4) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79A(a)(4)) solely because it owns or operates facilities used for the distribution at retail of vehicular natural gas.

(2) Notwithstanding section 11(b)(1) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79J(b)(1)), a holding company registered under such Act solely by reason of the application of section 2(a)(7)(A) or (B) of such Act with respect to control of a gas utility company or subsidiary thereof, may acquire or retain, in any geographic area, any interest in a company that is not a public utility company and which, as a primary business, is involved in the sale of vehicular natural gas or the manufacture, sale, transport, installation, servicing, or financing of equipment related to the sale for consumption of vehicular natural gas.

(3) The sale or transportation of vehicular natural gas by a company, or any subsidiary of such company, shall not be taken into consideration in determining whether under section 3 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79B) such company is exempt from registration.

(4) For purposes of this subsection, terms that are defined under the Public Utility Holding Company Act of 1935 shall have the meaning given such terms in such Act.

(5) For purposes of this subsection, the term ''vehicular natural gas'' means natural or manufactured gas that is ultimately used as a fuel in a self-propelled vehicle.

SEC. 405. PUBLIC INFORMATION PROGRAM.

The Secretary, in consultation with appropriate Federal agencies and individuals and organizations with practical experience in the production and use of alternative fuels and alternative fueled vehicles, shall, for the purposes of promoting the use of alternative fuels and alternative fueled vehicles, establish a public information program on the benefits and costs of the use of alternative fuels in motor vehicles. Within 18 months after the date of enactment of this Act, the Secretary shall produce and make available an information package for consumers to assist them in choosing among alternative fuels and alternative fueled vehicles. Such information package shall provide relevant and objective information on motor vehicle characteristics and fuel characteristics as compared to gasoline, on a life cycle basis, including environmental performance, energy efficiency, domestic content, cost, maintenance requirements, reliability, and safety. Such information package shall also include information with respect to the conversion of conventional motor vehicles to alternative fueled vehicles. The Secretary shall include such other information as the Secretary determines is reasonable and nec-

essary to help promote the use of alternative fuels in motor vehicles. Such information package shall be updated annually to reflect the most recent available information.

SEC. 406. LABELING REQUIREMENTS.

The Federal Trade Commission, in consultation with the Secretary, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation, shall, within 18 months after the date of enactment of this Act, issue a notice of proposed rulemaking for a rule to establish uniform labeling requirements, to the greatest extent practicable, for alternative fuels and alternative fueled vehicles, including requirements for appropriate information with respect to costs and benefits, so as to reasonably enable the consumer to make choices and comparisons. Required labeling under the rule shall be simple and, where appropriate, consolidated with other labels providing information to the consumer. In formulating the rule, the Federal Trade Commission shall give consideration to the problems associated with developing and publishing useful and timely cost and benefit information, taking into account lead time, costs, the frequency of changes in costs and benefits that may occur, and other relevant factors. The Commission shall obtain the views of affected industries, consumer organizations, Federal and State agencies, and others in formulating the rule. A final rule shall be issued within 1 year after the notice of proposed rulemaking is issued. Such rule shall be updated periodically to reflect the most recent available information.

SEC. 407. AVAILABILITY OF FUELING FACILITIES.

(a) IDENTIFICATION.—The Secretary, within one year after the date of enactment of this Act, shall, to the greatest extent practicable, identify a list of all private and government alternative fueling facilities that are or could be made available to the public, and shall publish such list in the Federal Register. Within one year after the publication of such list, the Secretary shall submit a report to the Congress containing recommendations on how and to what extent to make listed facilities available to the public.

(b) AVAILABILITY TO PUBLIC.—The Secretary shall, within 1 year after the date of enactment of this Act, issue regulations requiring any person regulated under State law as a natural gas utility, and any interstate pipeline under the meaning of the Natural Gas Act, to make their alternative fueling facilities available, under reasonable terms, to the public.

SEC. 408. DATA ACQUISITION PROGRAM.

(a) Not later than one year after the date of enactment of this Act, the Secretary, through the Energy Information Administration, and in cooperation with appropriate State, regional, and local authorities, shall establish a data collection program to be conducted in at least 5 geographically and climatically diverse regions of the United States for the purpose of collecting data which would be useful to persons seeking to manufacture, convert, sell, own, or operate alternative fueled vehicles or alternative fueling facilities. Such data shall include—

(1) identification of the number and types of motor vehicle trips made daily and miles driven per trip, including commuting, business, and recreational trips;

(2) the projections of the Secretary as to the most likely combination of alternative fueled vehicle use and other forms of transit, including rail and other forms of mass transit;

(3) cost, performance, environmental, energy, and safety data on alternative fuels and alternative fueled vehicles; and

(4) other appropriate demographic information and consumer preferences.

(b) The Secretary shall consult with interested parties, including other appropriate Federal agencies, manufacturers, public utilities, owners and operators of fleets of light duty motor vehicles, and State or local governmental entities, to determine the types of data to be collected and analyzed under subsection (a).

SEC. 409. FEDERAL ENERGY REGULATORY COMMISSION AUTHORITY TO APPROVE RECOVERY OF CERTAIN EXPENSES IN ADVANCE.

(a) NATURAL GAS MOTOR VEHICLES.—The Federal Energy Regulatory Commission may, under section 4 of the Natural Gas Act, allow recovery of expenses, in advance, by natural-gas companies for research, development, and demonstration activities by the Gas Research Institute for projects on the use of natural gas, including fuels derived from natural gas, for transportation, and projects on the use of natural gas to control pollutants and to control emissions from the combustion of other fuels, if the Commission finds that the benefits, including environmental benefits, to existing and future ratepayers resulting from such activities exceed all direct costs to existing and future ratepayers. To the maximum extent practicable, through the establishment of cofunding requirements applicable to each project, the Commission shall ensure that, the costs of such activities shall be provided, in part, through contributions of cash, personnel, services, equipment, and other resources, by sources other than the recovery of expenses pursuant to this section.

(b) ELECTRIC MOTOR VEHICLES.—The Federal Energy Regulatory Commission may, under section 205 of the Federal Power Act, allow recovery of expenses, in advance, by electric utilities for research, development, and demonstration activities by the Electric Power Research Institute for projects on electric motor vehicles, if the Commission finds that the benefits, including environmental benefits, to existing and future ratepayers resulting from such activities exceed all direct costs to existing and future ratepayers. To the maximum extent practicable, through the establishment of cofunding requirements applicable to each project, the costs of such activities shall be provided, in part, through contributions of cash, personnel, services, equipment, and other resources, by sources other than the recovery of expenses pursuant to this section.

(c) REPEAL.—The second paragraph of the matter under the heading ''FEDERAL ENERGY REGULATORY COMMISSION, SALARIES AND EXPENSES'' in title III of the Energy and Water Development Appropriations Act, 1992, is repealed.

SEC. 410. STATE AND LOCAL INCENTIVES PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—(1) The Secretary shall, within one year after the date of enactment of this Act, issue regulations establishing guidelines for comprehensive State alternative fuels and alternative fueled vehicle incentives and program plans designed to accelerate the introduction and use of such fuels and vehicles. Such guideline shall address the development, modification, and implementation of such State plans and shall describe those program elements, as described in paragraph (3), to be addressed in such plans.

(2) The Secretary, after consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall invite the Governor of each State to submit to the Secretary a State plan within one year after the effective date of the regulations issued under paragraph (1). Such plan shall include—

(A) provisions designed to result in scheduled progress toward, and achievement of, the goal of introducing substantial numbers of alternative fueled vehicles in such State by the year 2000; and

(B) a detailed description of the requirements, including the estimated cost of implementation, of such plan.

(3) Each proposed State plan, in order to be eligible for Federal assistance under this section, shall describe the manner in which coordination shall be achieved with Federal and local governmental entities in implementing such plan, and shall include an examination of—

(A) exemption from State sales tax or other State or local taxes or surcharges (other than such taxes or surcharges which are dedicated for transportation purposes) with respect to alternative fueled vehicles, alternative fuels, or alternative fueling facilities;

(B) the introduction of alternative fueled vehicles into State-owned or operated motor vehicle fleets;

(C) special parking at public buildings and airport and transportation facilities;

(D) programs of public education to promote the use of alternative fueled vehicles;

(E) the treatment of sales of alternative fuels for use in alternative fueled vehicles;

(F) methods by which State and local governments might facilitate—

(i) the availability of alternative fuels; and

(ii) the ability to recharge electric motor vehicles at public locations;

(G) allowing public utilities to include in rates the incremental cost of—

(i) new alternative fueled vehicles;

(ii) converting conventional vehicles to operate on alternative fuels; and

(iii) installing alternative fuel fueling facilities,

but only to the extent that the inclusion of such costs in rates would not create competitive disadvantages for other market participants, and taking into consideration the effect inclusion of such costs would have on rates, service, and reliability to other utility customers;

(H) such other programs and incentives as the State may describe;

(I) whether accomplishing any of the goals in this subsection would require amendment to State law or regulation, including traffic safety prohibitions;

(J) services provided by municipal, county, and regional transit authorities; and

(K) effects of such plan on programs authorized by the Intermodal Surface Transportation Efficiency Act of 1991 and amendments made by that Act.

(b) FEDERAL ASSISTANCE TO STATES.—(1) Upon request of the Governor of any State with a plan approved under this section, the Secretary may provide to such State—

(A) information and technical assistance, including model State laws and proposed regulations relating to alternative fueled vehicles;

(B) grants of Federal financial assistance for the purpose of assisting such State in the implementation of such plan or any part thereof; and

(C) grants of Federal financial assistance for the acquisition of alternative fueled vehicles.

(2) In determining whether to approve a State plan submitted under subsection (a), and in determining the amount of Federal financial assistance, if any, to be provided to any State under this subsection, the Secretary shall take into account—

(A) the energy-related and environmental-related impacts, on a life cycle basis, of the introduction and use of alternative fueled vehicles included in the plan compared to conventional motor vehicles;

(B) the number of alternative fueled vehicles likely to be introduced by the year 2000 as a result of successful implementation of the plan; and

(C) such other factors as the Secretary considers appropriate.

(3) The Secretary, in consultation with the Administrator of General Services, shall provide assistance to States in procuring alternative fueled vehicles, including coordination with Federal procurements of such vehicles.

(4) The Secretary may not approve a State plan submitted under subsection (a) unless the State agrees to provide at least 20 percent of the cost of activities for which assistance is provided under paragraph (1).

(c) GENERAL PROVISIONS.—(1) In carrying out this section, the Secretary shall consult with the Secretary of Transportation on matters relating to transportation and with other appropriate Federal and State departments and agencies.

(2) The Secretary shall report annually to the President and the Congress, and shall furnish copies of such report to the Governor of each State participating in the program, on the operation of the program under this section. Such report shall include—

(A) an estimate of the number of alternative fueled vehicles in use in each State;

(B) the degree of each State's participation in the program;

(C) a description of Federal, State, and local programs undertaken in the various States, whether pursuant to a State plan under this section or not, to provide incentives for introduction of alternative fueled vehicles;

(D) an estimate of the energy and environmental benefits of the program; and

(E) the recommendations of the Secretary, if any, for additional action by the Federal Government.

(d) DEFINITIONS.—For the purposes of this section, the following definitions apply:

(1) GOVERNOR.—The term ''Governor'' means the chief executive of a State.

(2) STATE.—The term ''State'' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other Commonwealth, territory, or possession of the United States.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for carrying out this section, $10,000,000 for each of the 5 fiscal years beginning after the date of enactment of this Act.

SEC. 411. ALTERNATIVE FUEL BUS PROGRAM.

(a) COOPERATIVE AGREEMENTS AND JOINT VENTURES.—(1) The Secretary of Transportation, in consultation with the Secretary, may enter into cooperative agreements and joint ventures proposed by any municipal, county, or regional transit authority in an urban area with a population over 100,000 (according to latest available census information) to demonstrate the feasibility of commercial application, including safety of specific vehicle design, of using alternative fuels for urban buses.

(2) The cooperative agreements and joint ventures under paragraph (1) may include interested or affected private firms willing to provide assistance in cash, or in kind, for any such demonstration.

(3) Federal assistance provided under cooperative agreements and joint ventures entered into under paragraph (1) to demonstrate the feasibility of commercial application of using alternative fuels for urban buses shall be in addition to Federal assistance provided under any other law for such purpose.

(b) LIMITATIONS.—(1) The Secretary of Transportation may not enter into cooperative agreement or joint venture under subsection (a) with any municipal, county, or regional transit authority, unless such government body agrees to provide 20 percent of the costs of such demonstration.

(2) The Secretary of Transportation may grant such priority under this section to any entity that demonstrates that the use of alternative fuels for transportation would have a significant beneficial effect on the environment.

(c) SCHOOL BUSES.—The Secretary of Transportation may also provide, in accordance with such rules as he may prescribe, financial assistance to any agency, municipality, or political subdivision in an urban area referred to in subsection (a), of any State or the District of Columbia for the purpose of meeting the incremental costs of school buses that are dedicated vehicles and used regularly for such transportation during the school term. Such costs may include the purchase and installation of alternative fuel refueling facilities to be used for school bus refueling, and the conversion of school buses to dedicated vehicles. The Secretary of Transportation may provide such assistance directly to a person who is a contractor of such agency, municipality, or political subdivision, upon the request of the agency, municipality, or political subdivision, and who, under such contract, provides for such transportation.

(d) FUNDING AUTHORIZATION.—There are authorized to be appropriated not more than $30,000,000 for each of the fiscal years 1993, 1994, and 1995 for purposes of this section.

SEC. 412. CERTIFICATION OF TRAINING PROGRAMS.

The Secretary shall ensure that the Federal Government establishes and carries out a program for the certification of training programs for technicians who are responsible for motor vehicle installation of equipment that converts gasoline or diesel-fueled motor vehicles into dedicated vehicles or dual fueled vehicles, and for the maintenance of such converted motor vehicles. A training program shall not be certified under the program established under this section unless it provides technicians with instruction on the proper and safe installation procedures and techniques, adherence to specifications (including original equipment manufacturer specifications), motor vehicle operating procedures, emissions testing, and other appropriate mechanical concerns applicable to these motor vehicle conversions. The Secretary shall ensure that, in the development of the program required under this section, original equipment manufacturers, fuel suppliers, companies that convert conventional vehicles to use alternative fuels, and other affected persons are consulted.

SEC. 413. ALTERNATIVE FUEL USE IN NONROAD VEHICLES AND ENGINES.

(a) NONROAD VEHICLES AND ENGINES.—(1) The Secretary shall conduct a study to determine whether the use of alternative fuels in nonroad vehicles and engines would contribute substantially to reduced reliance on imported energy sources. Such study shall be completed, and the results thereof reported to Congress, within 2 years after the date of enactment of this Act.

(2) The study shall assess the potential of nonroad vehicles and engines to run on alternative fuels. Taking into account the nonroad vehicles and engines for which running on alternative fuels is feasible, the study shall assess the potential reduction in reliance on foreign energy sources that could be achieved if such vehicles were to run on alternative fuels.

(3) The report required under paragraph (1) may include the Secretary's recommendations for encouraging or requiring nonroad vehicles and engines which can feasibly be run on alternative fuels, to utilize such alternative fuels.

(b) DEFINITION OF NONROAD VEHICLES AND ENGINES.—Nonroad vehicles and engines, for purposes of this section, shall include nonroad vehicles and engines used for surface transportation or principally for industrial or commercial purposes, vehicles used for rail transportation, motor vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines at the discretion of the Secretary.

(c) DESIGNATION.—Upon completion of the study required pursuant to subsection (a) of this section, the Secretary may designate such vehicles and engines as qualifying for loans pursuant to section 415 of this title.

SEC. 414. REPORTS TO CONGRESS.

Within 6 months after the date of enactment of this Act, the Secretary shall—

(1) identify and report to Congress on purchasing policies of the Federal Government which inhibit or prevent the purchase by the Federal Government of alternative fueled vehicles; and

(2) report to Congress on Federal, State, and local traffic control measures and policies and how the use of alternative fueled vehicles could be promoted by granting such vehicles exemptions or preferential treatment under such measures.

SEC. 415. LOW INTEREST LOAN PROGRAM.

(a) ESTABLISHMENT.—Within 1 year after the date of enactment of this Act, the Secretary shall establish a program for making low interest loans, giving preference to small businesses that own or operate fleets, for—

(1) the conversion of motor vehicles to operation on alternative fuels;

(2) covering the incremental costs of the purchase of motor vehicles which operate on alternative fuels, when compared with purchase costs of comparable conventionally fueled motor vehicles; or

(3) covering the incremental costs of purchase of non-road vehicles and engines designated by the Secretary pursuant to section 413(c) of this title.

(b) LOAN TERMS.—The Secretary, to the extent practicable, shall establish reasonable terms for loans made under this subsection, with preference given to repayment schedules that enable such loans to be repaid by the borrower from the cost differential between gasoline and the alternative fuel on which the motor vehicle operates.

(c) CRITERIA.—In deciding who loans shall be made to under this subsection, the Secretary shall consider—

(1) the financial need of the applicant;

(2) the goal of assisting the greatest number of applicants; and

(3) the ability of an applicant to repay the loan, taking into account the fuel cost savings likely to accrue to the applicant.

(d) PRIORITIES.—Priority shall be given under this section to fleets where the use of alternative fuels would have a significant beneficial effect on energy security and the environment.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section, $25,000,000 for each of the fiscal years 1992, 1993, and 1994.

SEC. 416. COMMERCIAL APPLICATION FUNDING FOR ALTERNATIVE FUELED VEHICLES.

(a) MOTOR VEHICLE COMMERCIAL APPLICATION PROGRAM.—The Secretary shall carry out a program of commercial application of techniques related to improving alternative fueled vehicle technology, including the following areas:

(1) Fuel injection.

(2) Carburetion.

(3) Manifolding.

(4) Advanced combustion.

(5) Power optimization.

(6) Efficiency.

(7) Lubricants, detergents, and other additives.

(8) Engine and fuel system durability.

(9) Ignition, including fuel additives to assist ignition.

(10) Multifuel engines.

(11) Emissions control, including catalysts.

(12) Advanced storage systems.

(13) Advanced fueling technology.

(14) Fuel cells.

(15) Advanced cold starting systems.

(16) The incorporation of advanced materials in these areas.

(b) COOPERATIVE AGREEMENTS AND FINANCIAL ASSISTANCE.—The Secretary may enter into cooperative agreements with, and provide financial assistance to, public entities or interested or affected private firms willing to provide 50 percent of the costs of programs under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $20,000,000 for each of the fiscal years 1992, 1993, and 1994 for carrying out this section.

SEC. 417. PROHIBITED ACTS.

It shall be unlawful for any person to violate any provision of section 407(b), or any regulation issued under such subsection.

SEC. 418. ENFORCEMENT.

(a) Whoever violates section 417 shall be subject to a civil penalty of not more than $5,000 for each violation.

(b) Whoever willfully violates section 417 shall be fined not more than $10,000 for each violation.

(c) Any person who knowingly and willfully violates section 417 after having been subjected to a civil penalty for a prior violation of section 417 shall be fined not more than $50,000 or imprisoned not more than six months, or both.

TITLE V—AVAILABILITY AND USE OF REPLACEMENT FUELS, ALTERNATIVE FUELS, AND ALTERNATIVE FUELED PRIVATE VEHICLES

SEC. 501. MANDATE FOR ALTERNATIVE FUEL PROVIDERS.

(a) IN GENERAL.—(1) The Secretary shall, before January 1, 1993, issue regulations requiring that, beginning January 1, 1994, any new light duty motor vehicle, or any other new motor vehicle weighing less than 26,000 pounds gross vehicle weight, initially owned, operated, leased, or otherwise controlled after December 31, 1993, by—

(A) a person whose principal business is producing, storing, refining, processing, transporting, distributing, importing, or selling at wholesale or retail any alternative fuel other than electricity;

(B) a person whose principal business is generating, transmitting, importing, or selling at wholesale or retail electricity; and

(C) a person—

(i) who produces, imports, or produces and imports in combination, an average of 50,000 barrels per day or more of petroleum; and

(ii) a substantial portion of whose business is producing alternative fuels,

shall be acquired or operated as provided in subsections (b) and (c).

(2)(A) Regulations issued under paragraph (1) may provide for the exemption from the requirements of paragraph (1) of any person described in paragraph (1)(A) or (B) with demonstrated gross annual revenues of less than $100,000 from such principal business for the 3 immediately preceding calendar years.

(B) Regulations issued under paragraph (1) shall provide for the exemption from the requirements of paragraph (1) of any person, in whole or in part, if such person demonstrates to the satisfaction of the Secretary that alternative fueled vehicles that meet the normal requirements of that person's principal business are not available for acquisition.

(C) Regulations issued under paragraph (1) shall provide for the exemption from the requirements of paragraph (1) of the acquisition of diesel fueled vehicles of greater than 8,500 pounds gross vehicle weight rating.

(b) MOTOR VEHICLES CAPABLE OF BEING CENTRALLY FUELED.—The regulations issued under subsection (a) shall provide that any motor vehicle described in subsection (a) that is centrally fueled or is capable of being centrally fueled shall be a dedicated vehicle.

(c) OTHER MOTOR VEHICLES.—(1) Except as provided in paragraph (2), the regulations issued under subsection (a) shall provide that any light duty motor vehicle described in subsection (a) that is not capable of being centrally fueled shall be operated on alternative fuel at least 50 percent of the time.

(2) In the case of electric motor vehicles owned by a person whose principal business is generating, transmitting, importing, or selling at wholesale or retail electricity, the Secretary may establish different standards with respect to central fueling and the percentage of alternative fuel use required.

(d) OPTION FOR ELECTRIC UTILITIES.—The Secretary shall, within 1 year after the date of enactment of this Act, issue regulations requiring that, in the case of a person whose principal business is generating, transmitting, importing, or selling at wholesale or retail electricity, the requirements of subsection (a)(1) shall not apply until after December 31, 1997, with respect to electric motor vehicles. Any person described in this subsection which plans to acquire electric motor vehicles to comply with the requirements of this section shall so notify the Secretary before January 1, 1994.

(e) ENFORCEMENT.—(1) A person who violates regulations issued under subsection (a) or (d) shall be subject to a civil penalty of not more than $10,000 per violation. Each month in which compliance has not been achieved shall be a separate violation.

(2) In determining the amount of a penalty to be assessed under this section, the Secretary or the court, as appropriate, shall take into consideration, in addition to other factors justice may require, the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation as established by any credible evidence, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation.

(f) REPORT TO CONGRESS.—The Secretary shall, before January 1, 1997, submit a report to the Congress providing detailed information on actions taken to carry out this section, and the progress made and problems encountered thereunder.

SEC. 502. REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to promote the development and use in light duty motor vehicles of domestic replacement fuels. Such program shall promote the replacement of petroleum motor fuels with replacement fuels to the maximum extent practicable. Such program shall, to the extent practicable, ensure the availability of those replacement fuels that will have the greatest impact in reducing oil imports, improving the health of our Nation's economy and reducing greenhouse gas emissions.

(b) DEVELOPMENT PLAN AND PRODUCTION GOALS.—Under the program established under subsection (a), the Secretary, before October 1, 1993, in consultation with the Administrator, the Secretary of Transportation, the Secretary of Agriculture, the Secretary of Commerce, and the heads of other appropriate agencies, shall review appropriate information and—

(1) estimate the domestic and nondomestic production capacity for replacement fuels and alternative fueled vehicles needed to implement this section;

(2) determine the technical and economic feasibility of achieving the goals of producing sufficient replacement fuels to replace, on an energy equivalent basis—

(A) at least 10 percent by the year 2000; and

(B) at least 30 percent by the year 2010,

of the projected consumption of motor fuel in the United States for each such year, with at least one half of such replacement fuels being domestic fuels;

(3) determine the most suitable means and methods of developing and encouraging the production, distribution, and use of replacement fuels and alternative fueled vehicles in a manner that would meet the program goals described in subsection (a);

(4) identify ways to encourage the development of reliable replacement fuels and alternative fueled vehicle industries in the United States, and the technical, economic, and institutional barriers to such development; and

(5) determine the greenhouse gas emission implications of increasing the use of replacement fuels, including an estimate of the maximum feasible reduction in such emissions from the use of replacement fuels.

The Secretary shall publish in the Federal Register the results of actions taken under this subsection, and provide for an opportunity for public comment.

SEC. 503. REPLACEMENT FUEL DEMAND ESTIMATES AND SUPPLY INFORMATION.

(a) ESTIMATES.—Not later than October 1, 1993, and annually thereafter, the Secretary, in consultation with the Administrator, the Secretary of Transportation, and other appropriate State and Federal officials, shall estimate for the following calendar year—

(1) the number of each type of alternative fueled vehicle likely to be in use in the United States;

(2) the probable geographic distribution of such vehicles;

(3) the amount and distribution of each type of replacement fuel; and

(4) the greenhouse gas emissions likely to result from replacement fuel use.

(b) INFORMATION.—Beginning on October 1, 1994, the Secretary shall annually require—

(1) fuel providers to report to the Secretary on the amount of each type of replacement fuel that such provider—

(A) has provided in the previous calendar year; and

(B) plans to provide for the following calendar year;

(2) suppliers of alternative fueled vehicles to report to the Secretary on the number of each type of alternative fueled vehicle that such supplier—

(A) has made available in the previous calendar year; and

(B) plans to make available for the following calendar year; and

(3) such fuel providers and suppliers to provide the Secretary information necessary to determine the greenhouse gas emissions of the replacement fuels used, taking into account the entire fuel cycle.

(c) PROTECTION OF INFORMATION.—Information provided to the Secretary under subsection (b) shall be subject to applicable provisions of law protecting the confidentiality of trade secrets and business and financial information, including section 1905 of title 18, United States Code.

SEC. 504. MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY.

(a) EXAMINATION OF GOALS.—Within 3 years after the date of enactment of this Act, and periodically thereafter, the Secretary shall examine the goals established under section 502(b)(2), in the context of the program goals stated in section 502(a), to determine if the goals under section 502(b)(2), including the applicable percentage requirements and dates, should be modified under this section.

The Secretary shall publish in the Federal Register the results of each examination under this subsection and provide an opportunity for public comment.

(b) MODIFICATION OF GOALS.—If, after analysis of information obtained in connection with carrying out subsection (a) or section 502, or other information, and taking into account the determination of technical and economic feasibility made under section 502(b)(2), the Secretary determines that goals described in section 502(b)(2), including the percentage requirements or dates, are not achievable, the Secretary, in consultation with appropriate Federal agencies, shall, by rule, establish goals that are achievable, for purposes of this title. The modification of goals under this section may include changing the target dates specified in section 502(b)(2).

(c) ADDITIONAL RULEMAKING AUTHORITY.—If the Secretary determines that the achievement of goals described in section 502(b)(2) would result in a significant and correctable failure to meet the program goals described in section 502(a), the Secretary shall issue such additional regulations as are necessary to remedy such failure.

SEC. 505. VOLUNTARY SUPPLY COMMITMENTS.

The Secretary shall, by January 1, 1996, and thereafter, undertake to obtain voluntary commitments in geographically diverse regions of the United States—

(1) from fuel providers to make available to the public replacement fuels, including providing for the construction or availability of related fuel delivery systems;

(2) from owners of fleets of 10 or more motor vehicles to acquire and use alternative fueled vehicles and alternative fuels; and

(3) from suppliers of alternative fueled vehicles to make available to the public alternative fueled vehicles and to ensure the availability of necessary related services,

in sufficient volume to achieve the goals described in section 502(b)(2) or established under section 504. The Secretary shall periodically report to the Congress on the results of efforts under this section. All voluntary commitments obtained pursuant to this section shall be available to the public, except to the extent provided in applicable provisions of law protecting the confidentiality of trade secrets and business and financial information, including section 1905 of title 18, United States Code.

SEC. 506. TECHNICAL AND POLICY ANALYSIS.

(a) REQUIREMENT.—Not later than March 1, 1995, and March 1, 1997, the Secretary shall prepare and transmit to the President and the Congress a technical and policy analysis under this section. The Secretary shall utilize the analytical capability and authorities of the Energy Information Administration and such other offices of the Department of Energy as the Secretary considers appropriate.

(b) PURPOSES.—The technical and policy analysis prepared under this section shall be based on the best available data and information obtainable by the Secretary under section 503, or otherwise, and on experience under this title and other provisions of law in the development and use of replacement fuels and alternative fueled vehicles, and shall evaluate—

(1) progress made in achieving the goals described in section 502(b)(2), as modified under section 504;

(2) the actual and potential role of replacement fuels and alternative fueled vehicles in significantly reducing United States reliance on imported oil to the extent of the goals referred to in paragraph (1); and

(3) the actual and potential availability of various domestic replacement fuels and dedicated vehicles and dual fueled vehicles.

(c) PUBLICATION.—The Secretary shall publish a proposed version of each analysis under this section in the Federal Register for public comment before transmittal to the President and the Congress. Public comment received in response to such publication shall be preserved for use in rulemaking proceedings under section 507.

SEC. 507. FLEET REQUIREMENT PROGRAM.

(a) ADVANCE NOTICE OF PROPOSED RULEMAKING.—Not later than April 1, 1998, the Secretary shall publish an advance notice of proposed rulemaking for the purpose of—

(1) evaluating the progress toward achieving the goals of replacement fuel use described in section 502(b)(2), as modified under section 504;

(2) identifying the problems associated with achieving those goals;

(3) assessing the adequacy and practicability of those goals; and

(4) considering all actions needed to achieve those goals.

The Secretary shall provide for at least 3 regional hearings on the advance notice of proposed rulemaking, with respect to which official transcripts shall be maintained. The comment period in connection with such advance notice of proposed rulemaking shall be completed within 7 months after publication of the advance notice.

(b) PROPOSED RULE.—Before May 1, 1999, the Secretary shall publish in the Federal Register a proposed rule for the rule required under subsection (e), and shall provide for a public comment period, with hearings, of not less than 90 days.

(c) DETERMINATION.—(1) Not later than January 1, 2000, the Secretary shall, through the rule required under subsection (e), determine whether a fleet requirement program is necessary under this section. Such a program shall be considered necessary if the Secretary finds that—

(A) the goal of replacement fuel use described in section 502(b)(2)(B), as modified under section 504, is not expected to be actually achieved by 2010, or such other date as is established under section 504, by voluntary means or pursuant to this title or any other law without such a fleet requirement program, taking into consideration the status of the achievement of the interim goal described in section 502(b)(2)(A), as modified under section 504; and

(B) such goal is practicable and actually achievable within periods specified in section 502(b)(2), as modified under section 504, through implementation of such a fleet requirement program in combination with voluntary means and the application of other programs relevant to achieving such goals.

(2) The rule under subsection (e) shall also modify the goal described in section 502(b)(2)(B) and establish a revised goal pursuant to section 504 if the Secretary determines, based on the proceeding required under subsection (a), that the goal in effect at the time of that proceeding is inadequate or impracticable, and not expected to be achievable. Such goal as modified and established shall be applicable in making the findings described in paragraph (1). If the Secretary modifies the goal under this paragraph, he may also modify the percentages stated in subsection (e)(1) and the minimum percentage stated in subsection (e)(2) shall be not less than 10 percent.

(d) EXPLANATION OF DETERMINATION THAT FLEET REQUIREMENT PROGRAM IS NOT NECESSARY.—If the Secretary determines, based on findings under subsection (c), that a fleet requirement program under this section is not necessary, the Secretary shall, by January 1, 2000, publish such determination in the Federal Register as a final agency action, including an explanation of the findings on which such determination is made and the basis for the determination.

(e) FLEET REQUIREMENT PROGRAM.—(1) If the Secretary determines under subsection (c) that a fleet requirement program is necessary, the Secretary shall, by January 1, 2000, by rule require that, except as provided in paragraph (2), of the total number of new light duty motor vehicles acquired for a non-Federal fleet—

(A) 20 percent of the motor vehicles acquired in model year 2002;

(B) 40 percent of the motor vehicles acquired in model year 2003;

(C) 60 percent of the motor vehicles acquired in model year 2004; and

(D) 70 percent of the motor vehicles acquired in model year 2005 and thereafter,

shall be alternative fueled vehicles.

(2) With respect to model years 2003 and thereafter, and so long as the goal described in section 502(b)(2)(B), as modified under section 504, will be achieved, the Secretary may—

(A) revise the percentage requirements under paragraph (1) downward, except that under no circumstances shall the percentage requirement for a model year be less than 20 percent; and

(B) extend the time under paragraph (1) for up to 2 model years.

(3) Nothing in this section shall be construed as requiring any fleet to acquire alternative fueled vehicles or alternative fuels that do not meet the normal business requirements and practices and needs of that fleet.

(4) A vehicle operating only on gasoline that complies with applicable requirements of the Clean Air Act shall not be considered an alternative fueled vehicle under this subsection, except that the Secretary, as part of the rule under this subsection, may determine that such vehicle should be treated as an alternative fueled vehicle for purposes of this section, for fleets subject to part C of title II of the Clean Air Act, taking into consideration the impact on energy security and the goals stated in section 502(a).

(f) EXTENSION OF DEADLINES.—The Secretary may, by notice published in the Federal Register, extend the deadlines established under subsections (c), (d), and (e) for an additional 90 days if the Secretary is unable to meet such deadlines. Such extension shall not be reviewable.

(g) EXEMPTIONS.—The rule issued under subsection (e) shall provide for the prompt exemption by the Secretary, through a simple and reasonable process, of any fleet from the requirements of subsection (e), in whole or in part, if it is demonstrated to the satisfaction of the Secretary that—

(1) alternative fueled vehicles that meet the normal requirements and practices of the principal business of the fleet owner are not reasonably available for acquisition;

(2) alternative fuels that meet the normal requirements and practices of the principal business of the fleet owner are not available in the area in which the vehicles are to be operated; or

(3) in the case of local government entities, the application of such requirements would pose an unreasonable financial hardship.

(h) SUBSTITUTION.—The rule issued under subsection (e) shall permit a fleet owner to substitute, or enter into an agreement with another party to substitute, an equal number of alternative fueled vehicles not subject to the requirements of subsection (a), including vehicles purchased before the effective date of such rule, for vehicles otherwise subject to subsection (a). Such substitute vehicles shall be counted toward meeting the requirement established under subsection (e). Such substitute vehicles may include vehicles converted to alternative fueled vehicles in accordance with applicable law, except that such substitute vehicles may not be conversions of or replacements for diesel fueled ve-

hicles. Nothing in this title or the amendments made by this title shall require a fleet owner to acquire conversion vehicles.

(i) MINIMUM FLEET SIZE.—(1) Except as provided in paragraph (2), fleet requirements established under this section shall apply to fleets of 10 or more motor vehicles.

(2) So long as the goal described in section 502(b)(2)(B), as modified under section 504, will be achieved, the Secretary may increase the minimum fleet size to which the fleet requirement program under this section applies, except that under no circumstances shall such minimum fleet size be greater than 100.

(j) INCLUSION OF LAW ENFORCEMENT VEHICLES AND URBAN BUSES.—(1) If the Secretary determines, by rule, that the inclusion of fleets of law enforcement motor vehicles in the fleet requirement program established under this section would contribute to achieving the goal described in section 502(b)(2)(B), as modified under section 504, and the Secretary finds that such inclusion would not hinder the use of the motor vehicles for law enforcement purposes, the Secretary may include such fleets in such program. The Secretary may only initiate one rulemaking under this paragraph.

(2) If the Secretary determines, by rule, that the inclusion of new urban buses, as defined by the Administrator under title II of the Clean Air Act, in the fleet requirement program established under this section would contribute to achieving the goal described in section 502(b)(2)(B), as modified under section 504, the Secretary may include such buses in such program, if the Secretary finds that such application will be consistent with energy security goals and the needs and objectives of encouraging and facilitating the greater use of such buses by the public, taking into consideration the impact of such application on public transit entities. The Secretary may only initiate one rulemaking under this paragraph.

(3) Rulemakings under paragraph (1) or (2) shall be separate from a rulemaking under subsection (e), but may not occur unless a rulemaking is carried out under subsection (e).

(k) CONSIDERATION OF FACTORS.—In carrying out this section, the Secretary shall take into consideration energy security, costs, safety, lead time requirements, vehicle miles traveled annually, effect on greenhouse gases, technological feasibility, energy requirements, economic impacts, including impacts on workers and the impact on consumers and fleets, the availability of alternative fuels and alternative fueled vehicles, and other relevant factors.

(l) CONSULTATION AND PARTICIPATION OF OTHER FEDERAL AGENCIES.—In carrying out this section and section 506, the Secretary shall consult with the Secretary of Transportation, the Administrator, and other appropriate Federal agencies. The Secretary shall provide for the participation of the Secretary of Transportation and the Administrator in the development and issuance of the rule under this section, including the public process concerning such rule.

SEC. 508. SECRETARY'S RECOMMENDATIONS TO CONGRESS.

(a) RECOMMENDATIONS TO REQUIRE AVAILABILITY OR ACQUISITION.—If the Secretary determines, under section 507(d), that a fleet requirement program under section 507 is not necessary, the Secretary shall so notify the Congress. If the Secretary so notifies the Congress, the Secretary shall, within 2 years after such notification and by rule, prepare and submit to the Congress recommendations for requirements or incentives for—

(1) fuel providers to make available to the public replacement fuels, including providing for the construction or availability of related fuel delivery systems;

(2) suppliers of alternative fueled vehicles to make available to the public alternative fueled vehicles and to ensure the availability of necessary related services; and

(3) motor vehicle drivers to use replacement fuels,

to the extent necessary to achieve such goals of replacement fuel use and to ensure that the availability of alternative fuels and of alternative fueled vehicles are consistent with each other.

(b) FAIR AND EQUITABLE APPLICATION.—In carrying out this section, the Secretary shall recommend the imposition of requirements proportionately on all appropriate fuel providers and purchasers of motor fuels and suppliers and purchasers of motor vehicles in a fair and equitable manner.

SEC. 509. EFFECT ON OTHER LAWS.

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act shall be construed to alter, affect, or modify the provisions of the Clean Air Act, or regulations issued thereunder.

(b) COMPLIANCE BY ALTERNATIVE FUELED VEHICLES.—Alternative fueled vehicles, whether dedicated vehicles or dual fueled vehicles, and the alternative fuels for operating such vehicles, shall comply with requirements of the Clean Air Act applicable to such vehicles and fuels.

SEC. 510. PROHIBITED ACTS.

It shall be unlawful for any person to violate any provision of section 503(b) or 507, or any regulation issued under such sections.

SEC. 511. ENFORCEMENT.

(a) Whoever violates section 510 shall be subject to a civil penalty of not more than $5,000 for each violation.

(b) Whoever willfully violates section 510 shall be fined not more than $10,000 for each violation.

(c) Any person who knowingly and willfully violates section 510 after having been subjected to a civil penalty for a prior violation of section 510 shall be fined not more than $50,000 or imprisoned not more than six months, or both.

SEC. 512. POWERS OF THE SECRETARY.

For the purpose of carrying out title III, title IV, this title, and title VI, the Secretary, or the duly designated agent of the Secretary, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary of Transportation is authorized to do under section 505(b)(1) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2005(b)(1)).

SEC. 513. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary for carrying out this title $10,000,000 for each of the fiscal years 1992 through 1996, and such sums as may be necessary for fiscal years 1997 through 2000.

TITLE VI—ELECTRIC MOTOR VEHICLES

SEC. 601. DEFINITIONS.

For the purposes of this title—

(1) the term ''associated equipment'' means equipment necessary for the regeneration, refueling, or recharging of batteries or other forms of electrical energy used to power an electric motor vehicle;

(2) the term ''comparable conventionally fueled motor vehicle'' means a motor vehicle powered by an internal combustion engine that utilizes gasoline or diesel fuel as its fuel source and provides passenger capacity or payload capacity the same or similar to an electric motor vehicle, as determined by the Secretary;

(3) the term ''electric motor vehicle'' means a motor vehicle primarily powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current, and that may include a nonelectrical source of supplemental power;

(4) the term ''price differential'' means—

(A) in the case of a purchased motor vehicle, the difference between the manufacturer's suggested retail price of such motor vehicle and the manufacturer's suggested retail price of a comparable conventionally fueled motor vehicle; and

(B) in the case of a leased motor vehicle, the difference between the monthly lease payment of such motor vehicle and the monthly lease payment of a comparable conventionally fueled motor vehicle;

(5) the term ''State'' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other Commonwealth, territory, or possession of the United States; and

(6) the term ''user'' means a person or entity that purchases or leases an electric motor vehicle.

Subtitle A—Electric Motor Vehicle Commercial Demonstration Program

SEC. 611. APPLICATIONS.

(a) The Secretary shall request proposals to demonstrate electric motor vehicles or electric motor vehicles and associated equipment in one or more metropolitan areas. The initial request for proposals shall be issued within 18 months after the date of enactment of this Act.

(b) Requests for proposals under this section shall require the proposals to include a description of the proposer, the manufacturer, the proposed users, the metropolitan area or areas, the number of motor vehicles to be demonstrated and their type, characteristics, and life-cycle costs, the price differential, the proposed discount payment, the contributions of State or local governments and other parties to the demonstration project, the domestic content of the motor vehicles, and any other information the Secretary requires to make selections under section 612.

SEC. 612. SELECTION OF PROPOSERS.

(a) After consulting with the Secretary of Transportation, the Secretary of Commerce, and the Administrator of the Environmental Protection Agency, and within 240 days after a request for proposals has been made under section 611, the Secretary may select one or more proposals to receive financial support pursuant to section 613.

(b)(1) No one project selected under this section shall receive more than 25 percent of the funds made available under section 615.

(2) A demonstration project may include electric vehicles in more than one metropolitan area and in more than one State.

(c) In determining whether to select a proposal the Secretary shall consider—

(1) the ability of the manufacturer, directly, indirectly, or in combination with the proposer, to develop, assist in the demonstration of, manufacture, distribute, sell, service, and ensure the continued availability of parts for, electric motor vehicles that are proposed to be included in the demonstration project;

(2) the geographic and climatic diversity of the metropolitan area or areas in which the demonstration project is to be undertaken, when considered in combination with other proposals or other selected demonstration projects;

(3) the suitability of the motor vehicles for their intended use;

(4) the environmental effects of the use of the proposed motor vehicles;

(5) the long-term technical and competitive viability of the electric motor vehicles;

(6) the price differential and the proposed discount payment;

(7) the extent of involvement of State or local government and other parties in the demonstration project, and whether such involvement will permit a reduction of the Federal cost share per vehicle or will otherwise be used to leverage the Federal contribution to be provided among a greater number of electric vehicles;

(8) the proportion of domestic content of the electric motor vehicles;

(9) the safety of the electric motor vehicles; and

(10) other criteria as the Secretary considers appropriate.

(d) The Secretary shall require that—

(1) the electric motor vehicles will be used primarily in the metropolitan area or areas identified in the proposal;

(2) as a part of the demonstration project the user or users of the electric motor vehicles will provide to the proposer and the manufacturer information regarding the operation, maintenance, and usability of the electric motor vehicles for 5 years after purchase or lease;

(3) the proposer shall provide such information regarding the operation, maintenance, and use of the electric motor vehicles as the Secretary may request during the period of the demonstration project; and

(4) in the case of automobiles or light duty trucks, the number of electric vehicles to be included in the demonstration project shall be no less than 100 vehicles, except that the Secretary may select a demonstration project with fewer than 100 vehicles if the Secretary determines that selection of such a proposal will ensure that there is geographic or climatic diversity of the proposals selected and that an adequate demonstration to accelerate the development and use of electric vehicles can be undertaken with fewer than 100 electric vehicles.

SEC. 613. DISCOUNTS TO USERS.

(a) The Secretary shall provide a discount payment to a proposer reimbursing the proposer for a discount provided to users if the proposer certifies to the Secretary, in such form and at such time as may be required by the Secretary, that—

(1) electric motor vehicles have been purchased or leased by a user in accordance with the requirements of this subtitle; and

(2) the proposer has provided to the user a discount in accordance with this subtitle.

(b) Not later than 30 days after receipt from the proposer of certification which the Secretary determines satisfies the requirements of subsection (a), the Secretary shall pay to the proposer the full amount of the discount payment.

(c) The discount payment shall be—

(1) no greater than the price differential;

(2) no greater than the manufacturer's suggested retail price of a comparable conventionally fueled motor vehicle; and

(3) used by the proposer solely to reimburse the user for the purchase or lease of an electric motor vehicle.

(d) No discount payment shall be provided under this section if the actual purchase price of an electric motor vehicle, adjusted to reflect the discount payment and any additional reduction that may result from contributions provided by other parties, is more than 10 percent less than the manufacturer's suggested retail price of a comparable conventionally fueled motor vehicle.

SEC. 614. REPORTS TO CONGRESS.

(a) PROGRESS REPORTS.—The Secretary shall annually report to Congress on the progress being made, through demonstration projects supported under this subtitle, to accelerate the development and use of electric motor vehicles.

(b) REPORT ON ENCOURAGING THE PURCHASE AND USE OF ELECTRIC VEHICLES.—Within 18 months after the date of enactment of this Act, the Secretary shall submit to the Congress and the President a report on methods for encouraging the purchase and use of electric vehicles. Such report shall focus on the potential cost of purchasing and maintaining electric vehicles, including the initial cost of the batteries and the cost of replacement batteries, and shall identify methods for reducing, subsidizing, or sharing such costs. Such report shall also include recommendations for legislative and administrative measures to support and encourage the purchase and use of electric vehicles.

SEC. 615. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this subtitle $50,000,000 for the 10 fiscal year period beginning with the first full fiscal year after the date of enactment of this Act.

SEC. 616. TECHNOLOGY TRANSFER PROGRAM.

(a) The Secretary shall conduct a program designed to accelerate wider application of advanced electric vehicle technology, including advanced battery technologies.

(b) The Secretary, in carrying out the program authorized by subsection (a), shall—

(1) undertake an inventory and assessment of advanced electric vehicle technologies and their commercial capability; and

(2) develop a Federal-industry information exchange program to improve technology transfer, which may consist of workshops, publications, conferences, and a data base for use by the public and private sectors.

Subtitle B—Electric Motor Vehicle Infrastructure and Support Systems Development Program

SEC. 621. DEFINITIONS.

For purposes of this subtitle—

(1) the term ''infrastructure and support systems'' includes support and maintenance services and facilities, electricity delivery mechanisms and methods, regulatory treatment of investment in electric motor vehicles and associated equipment, consumer education programs, safety and health procedures, and battery availability, replacement, recycling, and disposal, that may be required to enable electric utilities, automobile manufacturers, and others to support the operation and maintenance of an electric motor vehicle and associated equipment; and

(2) the term ''non-Federal person'' means an entity not part of the Federal Government that is organized under the laws of the United States, including—

(A) a for-profit business;

(B) a private foundation;

(C) a nonprofit organization such as a university;

(D) a trade or professional society; or

(E) a unit of State or local government.

SEC. 622. GENERAL AUTHORITY.

(a) The Secretary shall undertake a program to enter into joint ventures with one or more eligible non-Federal persons for cost-shared research, development, or demonstration of an infrastructure and support systems program or system designed to support the use of electric motor vehicles.

(b) A non-Federal person shall be eligible to participate in a joint venture under this subtitle only if it demonstrates to the satisfaction of the Secretary that it will conduct a substantial portion of its activities under the joint venture in the United States using United States labor and materials.

(c) Activities under this subtitle shall be coordinated with activities under subtitle A.

SEC. 623. SOLICITATION OF JOINT VENTURES.

(a) Not later than 1 year after funds are appropriated for such purpose under this subtitle, the Secretary shall solicit proposals for joint ventures representing geographically and climatically diverse regions of the United States. Within 240 days after proposals have been solicited, the Secretary shall select proposals and thereafter enter into negotiations in order to obtain a final agreement where possible between the Secretary and the non-Federal person or persons submitting the proposal selected by the Secretary.

(b) The infrastructure and support systems programs for which joint ventures are selected under this section may be designed to address—

(1) the ability to service electric motor vehicles and to provide or service associated equipment;

(2) the installation of charging facilities;

(3) rates and cost recovery for electric utilities who invest in infrastructure capital-related expenditures;

(4) the conduct of information dissemination programs;

(5) the development of safety and health procedures and guidelines related to battery charging, watering, and emissions; and

(6) such other requirements as the Secretary considers necessary in order to address the infrastructure and support systems needed to support electric motor vehicles.

(c) The Secretary shall require at least 50 percent of the costs directly and specifically related to any selected proposal to be provided from non-Federal sources.

(d) In the case of joint ventures activities under this title and, in the case of any existing or future joint ventures related primarily to battery technology for electric motor vehicles under other provisions of law, where the knowledge resulting from research and development activities conducted pursuant to such joint ventures is for the benefit of the participating companies (particularly domestic companies) that provide financial resources to the program, the Secretary, for a period of up to 5 years after the development of information that—

(1) results from research and development activities conducted under such joint ventures; and

(2) would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a participating company,

may, notwithstanding any other provision of law, provide appropriate protections against the dissemination of such information to the public, and the provisions of section 1905 of title 18, United States Code, shall apply to such information. Nothing in this subsection provides protections against the dissemination of such information to Congress. For purposes of this subsection, a ''domestic company'' means an entity which is substantially involved in the United States in the domestic production of motor vehicles for sale in the United States and has a substantial percentage of its production facilities in the United States.

SEC. 624. ELECTRIC UTILITY PARTICIPATION STUDY.

The Secretary, in consultation with appropriate Federal departments and agencies, representatives of State regulatory commissions and electric utilities, and such other persons as the Secretary considers appropriate, shall undertake or cause to have undertaken a study to determine the means by which electric utilities may invest in, own, sell, lease, service, or recharge batteries used to power electric motor vehicles.

SEC. 625. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this subtitle not to exceed $10,000,000 for each of the 5 fiscal years beginning after the date of enactment of this Act.

TITLE VII—ELECTRICITY

SEC. 701. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) in 1970, 24 percent of the fuel consumed in the United States was used to produce

electricity; this figure rose to 36 percent in 1990 and is projected to rise to more than 41 percent by 2010;

(2) the energy efficiency and economic efficiency of the electric utility sector and the energy security of the Nation are best served by a regulatory structure providing for freer wholesale market entry by independent power producers;

(3) the Nation's environment is best served by the encouragement and further development of independent power producers, who account for 28 percent of new electric generation capacity made available in the last 5 years in conformity with the Clean Air Act new source performance standards;

(4) the protection of the public health, safety and welfare, preservation of national security, and the proper exercise of congressional authority under the Constitution to regulate interstate commerce require a program to—

(A) enhance the Nation's energy security by increasing the potential supplies and suppliers of electric power,

(B) allow for the broadest range of options for electric utilities that need new increments of electric power,

(C) build upon the established success of the cogeneration and small power production provisions of title II of the Public Utility Regulatory Policies Act of 1978,

(D) increase the reliability of electric supplies in order to bolster the Nation's reserves of electric power, which have dwindled substantially during the last decade,

(E) deliver electricity to consumers at the lowest reasonable price, and

(F) clarify existing Federal authority to ensure that essential transmission services will be available to facilitate independent power and other wholesale sales, while maintaining reliability of service and protecting other consumer interests.

(b) PURPOSES.—The purposes of this title are to—

(1) ensure an adequate and economical supply of electricity in the United States;

(2) encourage greater use of abundant domestic resources for generating electricity;

(3) facilitate power plant ownership by those best able to build power plants at the lowest reasonable cost;

(4) encourage conservation of the fuel and capital resources used to generate electricity; and

(5) clarify Federal authority to ensure that transmission service is provided on a nondiscriminatory basis.

Subtitle A—Public Utility Holding Company Act Amendments

SEC. 711. TREATMENT OF INDEPENDENT POWER PRODUCERS UNDER PUHCA.

Title I of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79 and following) is amended by adding the following new section after section 31 and by redesignating sections 32 and 33 as sections 33 and 34 respectively:

"SEC. 32. INDEPENDENT POWER PRODUCERS.

''(a) DEFINITIONS.—For purposes of this section—

''(1) INDEPENDENT POWER PRODUCER.—The term 'independent power producer' means any person determined by the Federal Energy Regulatory Commission, under rules promulgated by such Commission, to be engaged directly and exclusively in the business of owning or operating (or both owning and operating) all or part of one or more eligible facilities. No person shall be deemed to be an independent power producer under this section unless such person has applied to the Federal Energy Regulatory Commission for a determination under this paragraph. The Federal Energy Regulatory Commission shall notify the Securities and Exchange Commission whenever a determination is made under this paragraph that any person is an independent power producer.

''(2) ELIGIBLE FACILITY.—

''(A) WHOLESALE GENERATION FACILITIES.—Except as provided in subparagraph (B), the term 'eligible facility' means a facility, wherever located, that is used for the generation of electric energy exclusively for sale at wholesale. Such term includes interconnecting transmission facilities necessary to effect such sale at wholesale.

''(B) EXISTING RATE-BASED FACILITIES NOT ELIGIBLE.—No facility which is included (in whole or in part), as of the date of enactment of this section, in the rate base of a State regulated electric utility, shall be deemed to be an eligible facility notwithstanding any subsequent sale or lease of such facility by such State regulated electric utility.

''(b) EXEMPTIONS FOR INDEPENDENT POWER PRODUCERS.—An independent power producer (1) shall not be deemed to be an electric utility company under section 2(a)(3) of this Act, and (2) shall be exempt from all provisions of this Act other than the provisions of this section. The preceding sentence shall apply whether or not the independent power producer is a subsidiary company, an affiliate, or an associate company of a holding company.

''(c) COMPANIES EXEMPT UNDER SECTION 3.—Notwithstanding any other provision of this Act, a holding company that is exempt under section 3 shall be permitted, without condition or limitation under this Act, to acquire and maintain an interest in the business of one or more independent power producers.

''(d) REGISTERED HOLDING COMPANIES.—Notwithstanding any other provision of this Act, a registered holding company shall be permitted (without the need to apply for, or receive approval from, the Commission, and otherwise without condition under any other provision of this Act) to acquire and hold the securities, or interest in the business, of one or more independent power producers. Any interest in the business of one or more independent power producers by a registered holding company (regardless of where facilities owned or operated by such independent power producers are located) shall be considered to be—

''(1) consistent with the operation of an integrated public utility system; and

''(2) reasonably incidental, or economically necessary or appropriate, to the operation of an integrated public utility system: *Provided*, That—

''(A) the creation or maintenance of any relationship (including any service, sales, or construction contract) with, and

''(B) the issuance of securities to finance an acquisition of securities of, or the guarantee of securities of,

an independent power producer, by a registered holding company (or a subsidiary or affiliate company of a registered company) shall remain subject to section 6 of this Act. In determining whether to approve any action under subparagraphs (A) and (B), the Commission shall not find that the security is not reasonably adapted to the earning power or the security structure of the registered company, or that the transaction is an improper risk, unless the Commission first finds that the issuance of the security or the transaction would have a substantial adverse impact on the financial integrity of the registered company system; and *Provided further*, That in determining whether to approve the issuance or sale of a security, or any other transactions by a registered company or its subsidiaries other than those with an independent power producer, the Commission shall not consider the effect of the capitalization or earnings of any subsidiary which is an independent power producer upon the registered holding company system unless the transaction, if approved, would have a substantial adverse impact on the financial integrity of the registered holding company system. The Commission may not make any determination or finding under subparagraph (A) or (B) until the Commission has promulgated regulations with respect to the actions which would be considered, for purposes of this subsection, to have a substantial adverse impact on the financial integrity of the registered holding company system. Such regulations shall ensure that the action has no adverse impact on any utility subsidiary or its customers, or on the ability of State commissions to protect such subsidiary or customers, and shall take into account the amount and type of capital invested in independent power producers, the ratio of such capital to the total capital invested in utility operations, the availability of books and records, and the financial and operating experience of the registered holding company and the independent power producer. The Commission shall promulgate regulations under this subsection within 6 months after the enactment of the Comprehensive National Energy Policy Act.

''(e) APPLICATION OF ACT TO OTHER ELIGIBLE FACILITIES.—After the date of the enactment of this section, in the case of any person engaged directly and exclusively in the business of owning or operating (or both owning and operating) all or part of one or more eligible facilities, an advisory letter from the Commission staff under this Act or an order issued by the Commission under this Act shall not be required for the purpose, or have the effect, of exempting such person from treatment as an electric utility company under section 2(a)(3) or exempting such person from any provision of this Act.

''(f) STATE AUTHORITIES.—Nothing in this section shall be construed to affect or limit in any way any authority of any State commission to review the financial structure of any independent power producer selling electric power to a State regulated electric utility, the rates and charges of which are subject to the jurisdiction of such State commission. Nothing in this section shall be construed to eliminate or reduce any existing State jurisdiction to define or regulate electric utilities.''.

SEC. 712. OWNERSHIP OF INDEPENDENT POWER PRODUCERS AND QUALIFYING FACILITIES.

Section 3 of the Federal Power Act (16 U.S.C. 791a and following) is amended by adding the following after the semicolon at the end of paragraph (17)(C)(ii) and after the semicolon at the end of paragraph (18)(B)(ii): ''the ownership by a person of one or more independent power producers shall not result in such person being considered as being primarily engaged in the generation or sale of electric power within the meaning of this clause;''.

SEC. 713. AFFILIATE TRANSACTIONS; STATE AUTHORITIES.

(a) AFFILIATE TRANSACTIONS.—(1) Section 205 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

''(g)(1) It shall be a violation of this Act for an independent power producer to sell electric energy to a public utility if the independent power producer is an affiliate, associate company, or subsidiary company of the public utility.

''(2) As used in this subsection the terms 'affiliate', 'associate company', and 'subsidiary company' shall have the same meaning as when used in the Public Utility Holding Company Act of 1935.

''(3) This subsection shall take effect with respect to the sale of electric energy the rates and charges for which are approved or fixed by the Commission, or which the Commission permits to take effect, under section

205 or 206 after the date of the enactment of this subsection.''.

(b) BOOKS AND RECORDS.—Section 201 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

''(g) BOOKS AND RECORDS.—(1) Upon written order of a State Commission, a State commission may examine the books, accounts, memoranda, contracts, and records of—

''(A) an electric utility company subject to its regulatory authority under State law,

''(B) any independent power producer selling power at wholesale to such electric utility,

''(C) any subsidiary company, associate company, or affiliate of the electric utility company, and

''(D) any subsidiary company, associate company, or affiliate of the independent power producer which independent power producer sells power at wholesale to an electric utility company referred to in subparagraph (A),

wherever located, if such examination is required for the effective discharge of the State commission's regulatory responsibilities affecting the provision of electric service.

''(2) Any United States district court located in the State in which the State commission referred to in paragraph (1) is located shall have jurisdiction to issue an injunction compelling compliance with an order issued by the State commission under this subsection.

''(3) As used in this subsection the terms 'affiliate', 'associate company', 'electric utility company', and 'subsidiary company' shall have the same meaning as when used in the Public Utility Holding Company Act of 1935.''.

Subtitle B—Federal Power Act; Interstate Commerce in Electricity

SEC. 721. INTERCONNECTION.

Section 210 of the Federal Power Act is amended in subsection (a) by striking ''geothermal power producer'' and all that follows down through ''qualifying small power producer,'' and inserting '', or any other person generating electric energy for sale for resale'' in paragraph (1).

SEC. 722. AMENDMENTS TO SECTION 211 OF FEDERAL POWER ACT.

Section 211 of the Federal Power Act (16 U.S.C. 824j) is amended as follows:

(1) The first sentence of subsection (a) is amended to read as follows: ''Any electric utility, Federal power marketing agency, or any other person generating electric energy for sale for resale, may apply to the Commission for an order under this subsection requiring a transmitting utility to provide transmission services (including any enlargement of transmission capacity necessary to provide such services) to the applicant.''.

(2) In the second sentence of subsection (a), strike ''the Commission may'' and all that follows and insert ''the Commission shall issue such order if it finds that such order meets the requirements of section 212, would maintain the reliability of any electric utility system to which the order applies, would otherwise be in the public interest, and would—

''(1) conserve a significant amount of energy,

''(2) significantly promote the efficient use of facilities and resources,

''(3) promote competition in the wholesale power market,

''(4) enhance protection of the environment, or

''(5) prevent, arrest, or abate discriminatory practices that are subject to the jurisdiction of the Commission.''.

(3) In subsection (b)—

(A) Strike out ''other electric utility'' and insert ''transmitting utility'' in both places such term appears.

(B) After ''affected electric utility,'' insert ''each affected transmitting utility,''.

(C) Strike out ''an evidentiary hearing'' in the second sentence and insert ''a hearing''.

(4) In subsection (c)—

(A) Strike out paragraph (1).

(B) In paragraph (2) strike ''which requires the electric'' and insert ''which requires the transmitting''.

(C) In paragraph (3) strike ''electric'' and insert ''electric utilities or transmitting''.

(5) In subsection (d)—

(A) In the first sentence of paragraph (1), strike ''electric'' and insert ''transmitting'' in each place it appears.

(B) In the second sentence of paragraph (1) before ''and each affected electric utility,'' insert ''each affected transmitting utility,''.

(C) In paragraph (3), strike ''electric'' and insert ''transmitting''.

(D) Strike the period in subparagraph (B) of paragraph (1) and insert '', or'' and after subparagraph (B) insert the following new subparagraph:

''(C) the order to provide such transmission services requires enlargement of transmission capacity and the transmitting utility subject to the order has failed, after making a good faith effort, to obtain the necessary approvals under applicable Federal, State, and local environmental and siting laws.''.

SEC. 723. TRANSMISSION SERVICES.

(a) AMENDMENTS TO SECTION 212.—Section 212 of the Federal Power Act is amended as follows:

(1) Strike subsections (a) and (b) and insert the following:

''(a) LIMITATIONS.—No order under section 211 or 213 shall require any transmitting utility to provide transmission services which will (1) unduly impair the reliability of any transmitting utility, public utility, or electric utility, affected by the order; (2) unduly impair the ability of any such utility to render adequate services to its customers; or (3) unduly economically disadvantage the customers of the transmitting utility subject to the order. Whenever the Commission finds that any proposed order under section 211 or 213 would have any effect referred to in the preceding sentence, the Commission shall issue an order requiring the transmitting utility to provide so much of the proposed wholesale transmission services as would not have any such effect.

''(b) CHARGES FOR WHOLESALE TRANSMISSION SERVICES.—(1) An order under section 211 or 213 shall require the transmitting utility subject to the order to provide wholesale transmission services at rates and charges which permit the recovery by such utility of all prudent costs incurred in connection with the transmission services and necessary associated services, including an appropriate share of the costs of any enlargement of transmission facilities (plus a reasonable rate of return on investment, as appropriate) as determined by the Commission. Orders under section 211 or 213 which provide for tariffs of general applicability shall include in such tariffs, rates, terms, and conditions for firm and nonfirm, and long and short-term transmission services. Such rates, terms, and conditions shall not be unjust, unreasonable, unduly discriminatory or preferential.

''(2) Rates, charges, terms, and conditions applicable to transmission service ordered under sections 211 or 213, to the extent practicable, based on the facts and circumstances present at the time, shall be designed to—

''(A) compensate native load customers for legitimate and verifiable economic costs of providing the transmission service,

''(B) provide the lowest reasonable transmission rates for the transmission service, and

''(C) prevent the collection of monopoly rents by the transmitting utility and promote the efficient transmission and generation of electricity.

Such rates, charges, terms, and conditions shall account for any benefits to the transmission system of providing the transmission service, and a reasonable balance among subparagraphs (A), (B), and (C).''.

(2) Subsection (e) is amended to read as follows:

''(e) SAVINGS PROVISIONS.—(1) No provision of section 210, 211, 213, or 215 shall be treated as requiring any person to utilize the authority of section 210, 211, 213, or 215 in lieu of any other authority of law, or as limiting, impairing, or otherwise affecting any authority of the Commission under any other provision of law.

''(2) Sections 210, 211, 213, 214, and 215, and this section, shall not be construed to modify, impair, or supersede the operation of the antitrust laws. For purposes of this section, the term 'antitrust laws' has the meaning given in subsection (a) of the first sentence of the Clayton Act, except that such term includes section 5 of the Federal Trade Commission Act to the extent that such section relates to unfair methods of competition.''.

(3) Add the following new subsections at the end thereof:

''(g) PROHIBITION ON MANDATORY RETAIL WHEELING.—No order issued under this Act shall require the mandatory transmission of electric energy directly to an ultimate consumer.

''(h) LAWS APPLICABLE TO FEDERAL COLUMBIA RIVER TRANSMISSION SYSTEM.—(1) The Commission shall have authority pursuant to section 210, section 211, this section, section 213, and section 214 to (A) order the Administrator of the Bonneville Power Administration to provide transmission service and (B) establish the terms and conditions of such service. In applying such sections to the Federal Columbia River Power System, the Commission shall assure that—

''(i) the provisions of otherwise applicable Federal laws shall continue in full force and effect and shall continue to be applicable to the system; and

''(ii) the rates for the transmission of electric power on the system shall be governed only by such otherwise applicable provisions of law and not by any provision of section 210, section 211, this section, section 213, or section 214, except that no rate for the transmission of power on the system shall be unjust, unreasonable, or unduly discriminatory or preferential, as determined by the Commission.

''(2) Notwithstanding any other provision of this Act with respect to the procedures for the determination of terms and conditions for transmission service—

''(A) when the Administrator of the Bonneville Power Administration either (i) in response to a written request for specific transmission service terms and conditions does not offer the requested terms and conditions, or (ii) proposes to establish terms and conditions of general applicability for transmission service on the Federal Columbia River Transmission System, then the Administrator may provide opportunity for a hearing and, in so doing, shall—

''(I) give notice in the Federal Register and state in such notice the written explanation of the reasons why the specific terms and conditions for transmission services are not being offered or are being proposed;

''(II) adhere to the procedural requirements of paragraphs (1) through (3) of section 7(i) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839(i)(1) through (3)), except that the

hearing officer shall, unless the hearing officer becomes unavailable to the agency, make a recommended decision to the Administrator that states the hearing officer's findings and conclusions, and the reasons or basis thereof, on all material issues of fact, law, or discretion presented on the record; and

''(III) make a determination, setting forth the reasons for reaching any findings and conclusions which may differ from those of the hearing officer, based on the hearing record, consideration of the hearing officer's recommended decision, section 211 and this section, as amended by the Comprehensive National Energy Policy Act, and the provisions of law as preserved in this section; and

''(B) if application is made to the Commission under section 211 for transmission service under terms and conditions different than those offered by the Administrator, or following the denial of a request for transmission service by the Administrator, and such application is filed within 60 days of the Administrator's final determination and in accordance with Commission procedures, the Commission shall—

''(i) in the event the Administrator has conducted a hearing as herein provided for (I) accord parties to the Administrator's hearing the opportunity to offer for the Commission record materials excluded by the Administrator from the hearing record, (II) accord such parties the opportunity to submit for the Commission record comments on appropriate terms and conditions, (III) afford those parties the opportunity for a hearing if and to the extent that the Commission finds the Administrator's hearing record to be inadequate to support a decision by the Commission, and (IV) establish terms and conditions for or deny transmission service based on the Administrator's hearing record, the Commission record, section 211 and this section, as amended by the Comprehensive National Energy Policy Act, and the provisions of law as preserved in this section, or

''(ii) in the event the Administrator has not conducted a hearing as herein provided for, determine whether to issue an order for transmission service in accordance with section 211 and this section, including providing the opportunity for a hearing.

''(3) Notwithstanding those provisions of section 313(b) of this Act (16 U.S.C. 825l) which designate the court in which review may be obtained, any party to a proceeding concerning transmission service sought to be furnished by the Administrator of the Bonneville Power Administration seeking review of an order issued by the Commission in such proceeding shall obtain a review of such order in the United States Court of Appeals for the Pacific Northwest, as that region is defined by section 3(14) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839a(14)).

''(4) To the extent the Administrator of the Bonneville Power Administration cannot be required under section 211 or 213, as a result of the Administrator's other statutory mandates, either to (A) provide transmission service to an applicant which the Commission would otherwise order, or (B) provide such service under rates, terms, and conditions which the Commission would otherwise require, the applicant shall not be required to provide similar transmission services to the Administrator or to provide such services under similar rates, terms, and conditions.

''(5) The Commission shall not issue any order under section 210, section 211, this section, section 213, or section 214 requiring the Administrator of the Bonneville Power Administration to provide transmission service if such an order would impair the Administrator's ability to provide such transmission service to the Administrator's power and transmission customers in the Pacific Northwest, as that region is defined in section 3(14) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839a(14)), as is needed to assure adequate and reliable service to loads in that region.

''(i) EQUITABILITY WITHIN TERRITORY RESTRICTED ELECTRIC SYSTEMS.—With respect to an electric utility which is prohibited by Federal law from being a source of power supply, either directly or through a distributor of its electric energy, outside an area set forth in such law, no order issued under section 211 may require such electric utility (or a distributor of such electric utility) to provide transmission services to another entity if the electric energy to be transmitted will be consumed within the area set forth in such Federal law, unless the order is in furtherance of a sale of electric energy to that electric utility: *Provided, however,* That the foregoing provision shall not apply to any area served at retail by an electric transmission system which was such a distributor on the date of enactment of this subsection and which before October 1, 1991, gave its notice of termination under its power supply contract with such electric utility.

''(j) SHAM TRANSACTIONS.—No order may be issued under section 211 or 213 to transmit electric energy if the applicant does not have a contractual right to purchase or sell such electric energy, or does not have a contractual right to, or an ownership interest in, a generation facility, or would not utilize transmission or distribution facilities owned or controlled by it to deliver such electric energy to retail consumers, or is not a State, political subdivision thereof, or any agency or instrumentality thereof, authorized by State law to generate, transmit, or distribute electric energy.''.

(b) VOLUNTARY PROVISION OF TRANSMISSION SERVICES.—Title II of the Federal Power Act is amended by adding the following new section after section 212:

"SEC. 213. VOLUNTARY PROVISION OF TRANSMISSION SERVICES.

''(a) COVERED SALES.—For purposes of this section, a sale of electric energy shall be considered a 'covered sale of electric energy' if the sale is—

''(1) subject to the jurisdiction of the Commission; and

''(2) pursuant to rates and charges which are not based on the costs of providing such energy, including a reasonable rate of return,

except that no economy sale or sale which results from economic dispatch performed by a regional power pool arrangement, each as defined by the Commission, shall be treated as a covered sale of electric energy and no sale of electric energy by a qualifying small power production facility or qualifying cogenerator shall be treated as a covered sale of electric energy.

''(b) UTILITIES TO PROVIDE WHOLESALE TRANSMISSION SERVICES.—Whenever—

''(1) any order is issued permitting any transmitting utility or any affiliate thereof to make any covered sale of electric energy, or

''(2) any order is issued under section 203 permitting a transmitting utility or any affiliate thereof to merge or consolidate with any other public utility,

the Commission shall issue an order requiring each such transmitting utility (and each affiliate thereof which provides wholesale transmission service in a service area directly affected by the covered sale, merger, or consolidation, as determined by the Commission), to provide wholesale transmission services in accordance with this section and section 212. An order under this section shall include tariffs of general applicability for the transmission services to be provided and shall include such other terms and conditions as necessary pursuant to section 212.

''(c) SAVINGS CLAUSE.—Nothing in this section shall restrict or prevent any person from seeking interconnection pursuant to section 210 or transmission service pursuant to section 211.''.

SEC. 724. INFORMATION REQUIREMENTS.

Part II of the Federal Power Act is amended by adding the following new section after section 213:

"SEC. 214. INFORMATION REQUIREMENTS.

''(a) REQUESTS FOR WHOLESALE TRANSMISSION SERVICES.—Whenever any electric utility, Federal power marketing agency, or any other person generating electric energy for sale for resale requests a transmitting utility to provide wholesale transmission services and requests specific rates and charges, and other terms and conditions, unless the transmitting utility agrees to provide such services in accordance with such rates and charges and other conditions, the transmitting utility shall, within 30 days of its receipt of the request, provide such person with a written explanation of the reasons why such wholesale transmission services are not being offered in accordance with such rates and charges and other conditions.

''(b) TRANSMISSION CAPACITY AND CONSTRAINTS.—Not later than 1 year after the enactment of this section, the Commission shall promulgate a rule requiring that the information be submitted annually to the Commission by transmitting utilities regarding:

''(1) existing and planned transmission facilities;

''(2) forecasts of load growth (firm and nonfirm);

''(3) existing and planned transmission arrangements;

''(4) actual line losses;

''(5) reliability assessments; and

''(6) such other matters related to electric power transmission as the Commission finds necessary.

Such information shall be adequate to enable the Commission to carry out the purposes of this section and sections 210, and 211, and to inform potential transmission customers, State regulatory authorities, and the public of available transmission capacity and potential constraints.''.

SEC. 725. SALES BY INDEPENDENT POWER PRODUCERS.

Part II of the Federal Power Act is amended by adding the following new section after section 214:

"SEC. 215. SALES BY INDEPENDENT POWER PRODUCERS.

''(a) UNLAWFUL AGREEMENTS.—The Commission shall determine, after notice and opportunity for hearing, whether any agreement for the sale of electric energy by an independent power producer would result in the granting of any undue preference or advantage or would result in any undue prejudice or disadvantage. Any such agreement that would have such an effect shall be unlawful.

''(b) DENIAL OF TRANSMISSION ACCESS.—It shall be treated as an undue prejudice or disadvantage for any transmitting utility which purchases electric energy from an independent power producer to unreasonably deny or restrict access by potential competing sellers to nondiscriminatory transmission services.

''(c) COMPETITIVE SALES.—No agreement for the sale of electric energy by an independent power producer which—

''(1) results from a competitive process established by a State regulatory authority, and

''(2) satisfies such requirements as the Commission may, by rule, establish to ensure that genuine competition exists,

shall be treated as unlawful under subsection (a) unless an aggrieved person establishes that such agreement would result in the granting of any undue preference or advantage or would result in any undue prejudice or disadvantage.

''(d) STATE AUTHORITIES.—Nothing in this section shall be construed to eliminate or reduce any existing State jurisdiction to define or regulate electric utilities.''.

SEC. 726. PENALTIES.

(a) EXISTING PENALTIES NOT APPLICABLE TO TRANSMISSION PROVISIONS.—Sections 315 and 316 of the Federal Power Act are each amended by adding the following at the end thereof:

''(c) This subsection shall not apply in the case of any provision of section 211, 212, 213, 214, or 215 or any rule or order issued under any such provision.''.

(b) PENALTIES APPLICABLE TO TRANSMISSION PROVISIONS.—Title III of the Federal Power Act is amended by inserting the following new section after section 316:

''SEC. 316A. ENFORCEMENT CERTAIN PROVISIONS.

''(a) GENERAL RULE.—It shall be unlawful for any person to violate any provision of section 211, 212, 213, 214, or 215 or any rule or order issued under any such provision.

''(b) CIVIL PENALTIES.—

''(1) IN GENERAL.—Any person who knowingly violates any provision of section 211, 212, 213, 214, or 215 or any provision of any rule or order thereunder shall be subject to a civil penalty, which the Commission may assess, of not more than $25,000 for any one violation.

''(2) 'KNOWINGLY' DEFINED.—For purposes of paragraph (1), the term 'knowingly' means the having of—

''(A) actual knowledge; or

''(B) the constructive knowledge deemed to be possessed by a reasonable individual who acts under similar circumstances.

''(3) EACH DAY SEPARATE VIOLATION.—For purposes of this paragraph, in the case of a continuing violation, each day of violation shall constitute a separate violation.

''(4) STATUTE OF LIMITATIONS.—No person shall be subject to any civil penalty under this paragraph with respect to any violation occurring more than 3 years before the date on which such person is provided notice of the proposed penalty under subparagraph (5). The preceding sentence shall not apply in any case in which an untrue statement of material fact was made to the Commission or a State or Federal agency by, or acquiesced to by, the violator with respect to the acts or omissions constituting such violation, or if there was omitted a material fact necessary in order to make any statement made by, or acquiesced to by, the violator with respect to such acts or omissions not misleading in light of the circumstances under which such statement was made.

''(5) ASSESSED BY COMMISSION.—Before assessing any civil penalty under this paragraph, the Commission shall provide to such person notice of the proposed penalty. Following receipt of notice of the proposed penalty by such person, the Commission shall, by order, assess such penalty.

''(6) JUDICIAL REVIEW.—If the civil penalty has not been paid within 60 calendar days after the assessment order has been made under paragraph (5), the Commission shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and the facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, such assessment.''.

SEC. 727. DEFINITIONS.

(a) ADDITIONAL DEFINITIONS.—Section 3 of the Federal Power Act is amended by adding the following at the end thereof:

''(23) TRANSMITTING UTILITY.—The term 'transmitting utility' means any electric utility or Federal power marketing agency which owns or operates electric power transmission facilities which are used for the sale of electric energy at wholesale.

''(24) WHOLESALE TRANSMISSION SERVICES.—The term 'wholesale transmission services' means the transmission of electric energy sold, or to be sold, at wholesale in interstate commerce.

''(25) INDEPENDENT POWER PRODUCER.—The term 'independent power producer' shall have the meaning provided by section 32 of the Public Utility Holding Company Act of 1935.''.

(b) CLARIFICATION OF TERMS.—Section 3(22) of the Federal Power Act is amended by inserting ''(including any municipality)'' after ''State agency''.

Subtitle C—State and Local Authorities

SEC. 731. STATE AUTHORITIES.

Nothing in this title or in any amendment made by this title shall be construed as affecting or intending to affect, or in any way to interfere with, the authority of any State or local government relating to environmental protection or the siting of facilities.

TITLE VIII—HIGH-LEVEL RADIOACTIVE WASTE

SEC. 801. ENVIRONMENTAL PROTECTION AGENCY STANDARDS FOR DISPOSAL.

Section 121 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10141) is amended by adding at the end the following new subsection:

''(d) REINSTATEMENT AND REISSUANCE OF EPA STANDARDS.—

''(1) REINSTATEMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the generally applicable environmental standards for the disposal of high-level radioactive waste, spent nuclear fuel, and transuranic waste that were contained in subpart B of part 191 of title 40, Code of Federal Regulations, as in effect on July 1, 1987, are reinstated.

''(B) EXCEPTION.—Subparagraph (A) shall not apply to sections 191.15 and 191.16 of such subpart B.

''(2) REISSUANCE.—

''(A) PROPOSED.—The Administrator shall issue and publish in the Federal Register, not later than 3 months after the date of the enactment of this subsection, proposed revisions to the standards described in subsection (a). Such proposed revisions shall include—

''(i) proposed standards governing the matters contained in sections 191.15 and 191.16 of subpart B of part 191 of title 40, Code of Federal Regulations, as in effect on July 1, 1987; and

''(ii) any other revisions that the Administrator considers to be appropriate.

''(B) FINAL.—The Administrator shall issue, not later than 9 months after the date of the issuance of the proposed revisions described in subparagraph (A), final revisions to the standards described in subsection (a).''.

SEC. 802. INFLATION ADJUSTMENT FOR FEES.

Section 302(a) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(a)) is amended by adding at the end the following new paragraph:

''(7)(A) In the case of any fiscal year beginning after September 30, 1992, the fee amount specified in paragraphs (2) and (3) shall be increased by an amount equal to—

''(i) such fee amount; multiplied by

''(ii) the inflation adjustment determined under subparagraph (B).

''(B) For purposes of subparagraph (A), the inflation adjustment for any fiscal year is the percentage (if any) by which—

''(i) the inflation index for the preceding fiscal year; exceeds

''(ii) the inflation index for fiscal year 1991.

''(C) For purposes of subparagraph (B), the inflation index for any fiscal year is the average of the Consumer Price Index (as published by the Department of Labor) for the 12 months in such fiscal year.''.

SEC. 803. PLAN FOR TIMELY PAYMENT OF COSTS FOR DISPOSAL OF DEFENSE WASTE IN REPOSITORY.

Section 8(b)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10107(b)(2)) is amended by adding at the end the following new sentence: ''Not later than 12 months after the date of the enactment of the Energy Development and Environmental Protection Act, the Secretary shall submit to the Congress a plan for the payment in full by January 1, 2010, of all amounts obligated to be paid under such arrangements with respect to such waste.''.

SEC. 804. SITE CHARACTERIZATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) In 1987, Congress directed the Department of Energy to characterize the Yucca Mountain site to determine its suitability for the disposal of high-level radioactive waste and spent nuclear fuel.

(2) The State of Nevada has delayed, and could continue to delay for an unacceptable length of time, the processing of environmental permits required for the commencement of site characterization activities at Yucca Mountain.

(3) The Department of Energy will need at least 18 permits from the State of Nevada during the site characterization process.

(4) If the Department of Energy is to determine, in a timely fashion, whether the Yucca Mountain site is suitable for the disposal of high-level radioactive waste and spent nuclear fuel, the State permitting process must be expedited.

(b) PERMITS AND ENFORCEMENT.—Section 113 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10133) is amended by adding at the end the following new subsection:

''(e) PERMITS AND ENFORCEMENT.—

''(1) PERMITS.—No State or local permit (including any permit based on Federal authority that has been delegated to a State or local government) shall be required in order for the Secretary to conduct site characterization activities at the Yucca Mountain site.

''(2) ENFORCEMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the State of Nevada may bring an action to enforce any Federal or State standard requirement, criteria, or limitation applicable to the conduct of site characterization activities at the Yucca Mountain site. Such an action may be brought only in the United States District Court for the District of Nevada.

''(B) REQUIREMENTS THAT RESULT IN PROHIBITION OF SITE CHARACTERIZATION.—A State standard, requirement, criteria, or limitation (including any State siting standard or requirement) that could effectively result in the prohibition of site characterization activities shall not apply unless each of the following conditions is met:

''(i) The State standard, requirement, criteria, or limitation is of general applicability and was adopted by formal means.

''(ii) The State standard, requirement, criteria, or limitation was adopted on the basis of hydrologic, geologic, or other relevant scientific considerations and was not adopted for the purpose of precluding site characterization activities for reasons unrelated to protection of human health and the environment.

''(C) NO NEW AUTHORITY.—The provisions of this subsection shall not be construed to grant to the State of Nevada any authority to enforce a Federal or State standard, requirement, criteria, or limitation that the State of Nevada did not have on the date of the enactment of the Comprehensive National Energy Policy Act.''.

(c) CAPACITY OF REPOSITORY AT YUCCA MOUNTAIN.—

(1) IN GENERAL.—Section 114(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)) is amended by striking the second sentence and all that follows through the end of the subsection and inserting the following: ''The Secretary shall determine, by rule, the volume of high-level radioactive waste and spent nuclear fuel that may be emplaced in any repository to be constructed at Yucca Mountain.''.

(2) CONFORMING AMENDMENT.—The caption of section 114(d) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10134(d)) is amended to read as follows:

''(d) COMMISSION AND DEPARTMENT ACTION.—''.

SEC. 805. EXTENSION OF OFFICE OF THE NUCLEAR WASTE NEGOTIATOR.

Section 410 of the Nuclear Waste Policy Act of 1982 is amended by striking ''5 years'' and inserting ''8 years''.

TITLE IX—URANIUM ENRICHMENT CORPORATION

SEC. 901. ESTABLISHMENT OF THE URANIUM ENRICHMENT CORPORATION.

(a) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended—

(1) by inserting at its beginning after

''ATOMIC ENERGY ACT OF 1954''

the following:

''TABLE OF CONTENTS

''TITLE I—ATOMIC ENERGY'';

and

(2) by adding at the end of the table of contents the following:

''TITLE II—URANIUM ENRICHMENT CORPORATION

''CHAPTER 22—GENERAL PROVISIONS

''Sec. 1201. Definitions.
''Sec. 1202. Purposes.

''CHAPTER 23—ESTABLISHMENT, POWERS, AND ORGANIZATION OF CORPORATION

''Sec. 1301. Establishment of the Corporation.
''Sec. 1302. Corporate offices.
''Sec. 1303. Powers of the Corporation.
''Sec. 1304. Board of Directors.
''Sec. 1305. Employees of the Corporation.
''Sec. 1306. Audits.
''Sec. 1307. Annual reports.
''Sec. 1308. Accounts.
''Sec. 1309. Obligations.
''Sec. 1310. Exemption from taxation and payments in lieu of taxes.
''Sec. 1311. Cooperation with other agencies.
''Sec. 1312. Applicability of certain Federal laws.
''Sec. 1313. Security.
''Sec. 1314. Control of information.
''Sec. 1315. Transition.
''Sec. 1316. Working Capital Account.

''CHAPTER 24—RIGHTS, PRIVILEGES, AND ASSETS OF THE CORPORATION

''Sec. 1401. Marketing and contracting authority.
''Sec. 1402. Pricing.
''Sec. 1403. Option to lease gaseous diffusion facilities of the Department.
''Sec. 1404. AVLIS.
''Sec. 1405. Assets, initial debt, and dividend policy.
''Sec. 1406. Patents and inventions.
''Sec. 1407. Liabilities.
''Sec. 1408. Uranium inventories.

''CHAPTER 25—PRIVATIZATION OF THE CORPORATION

''Sec. 1501. Strategic plan for privatization.
''Sec. 1502. Predeployment activities.
''Sec. 1503. Privatization.
''Sec. 1504. Restructuring of Corporation and Board.''.

(b) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is further amended by adding at the end of title I the following new title:

''TITLE II—URANIUM ENRICHMENT CORPORATION

''CHAPTER 22—GENERAL PROVISIONS

''SEC. 1201. DEFINITIONS.

''As used in this title:

''(1) The term 'alternative technologies for uranium enrichment' means technologies to enrich uranium by methods other than the gaseous diffusion process.

''(2) The term 'AVLIS' means atomic vapor laser isotope separation technology.

''(3) The term 'Board' means the Board of Directors of the Corporation established under section 1305.

''(4) The term 'Corporation' means the Uranium Enrichment Corporation.

''(5) The term 'corrective actions' shall have the meaning given such term by the Administrator of the Environmental Protection Agency under section 3004(u) of the Solid Waste Disposal Act (42 U.S.C. 6924 (u)).

''(6) The term 'decontamination and decommissioning' means those activities, other than response actions or corrective actions, undertaken to decontaminate and decommission inactive uranium enrichment facilities that have residual radioactive or mixed radioactive and hazardous chemical contamination, including depleted tailings.

''(7) The term 'Department' means the Department of Energy.

''(8) The term 'response actions' shall have the meaning given the term 'response' in section 101(25) of The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(25)).

''(9) the term 'releases' shall have the meaning given the term 'release' in section 101(22) of The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(25)).

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

''(11) The term 'uranium enrichment' means the separation of uranium of a given isotopic content into two components, one having a higher percentage of a fissile isotope and one having a lower percentage.

''SEC. 1202. PURPOSES.

''The Corporation is created for the following purposes:

''(1) To operate as a business enterprise on a profitable and efficient basis.

''(2) To maximize the long-term value of the Corporation to the Treasury of the United States and private investors.

''(3) To lease Department uranium enrichment facilities, as needed.

''(4) To acquire uranium for uranium enrichment, as needed.

''(5) To market and sell its enriched uranium and uranium enrichment and related services to—

''(A) the Department for governmental purposes; and

''(B) domestic and foreign persons, as provided in section 1303(6).

''(6) To conduct research and development as required to meet business objectives for the purposes of identifying, evaluating, improving, and testing alternative technologies for uranium enrichment.

''(7) To conduct the business as a self-financing corporation and eliminate the need for Federal Government appropriations or sources of Federal financing other than those provided in this title.

''(8) To help maintain a reliable and economical domestic source of uranium enrichment services.

''(9) To comply with laws, and regulations promulgated thereunder, to protect the public health, safety, and the environment.

''(10) To continue at all times to meet the objectives of ensuring the Nation's common defense and security, including abiding by United States laws and policies concerning special nuclear materials and nonproliferation of atomic weapons and other nonpeaceful uses of atomic energy.

''(11) To contribute to the recovery of the cost of decontamination and decommissioning of uranium enrichment facilities and costs under section 161 v.

''(12) To take all other lawful actions in furtherance of these purposes.

''CHAPTER 23—ESTABLISHMENT, POWERS, AND ORGANIZATION OF CORPORATION

''SEC. 1301. ESTABLISHMENT OF THE CORPORATION.

''(a) There is established a body corporate to be known as the Uranium Enrichment Corporation.

''(b) The Corporation shall be established as a wholly owned Government corporation subject to chapter 91 of title 31, United States Code (commonly referred to as the Government Corporation Control Act), except as otherwise provided in this title.

''SEC. 1302. CORPORATE OFFICES.

''(a) Notwithstanding subsection (b), the Corporation shall incorporate under the jurisdiction of a State of its choosing, and shall be subject to service of process and papers and venue in civil actions, only in that jurisdiction.

''(b) The Corporation shall maintain an office in the District of Columbia and may establish offices in any other place it determines necessary or appropriate in the conduct of its business.

''SEC. 1303. POWERS OF THE CORPORATION.

''In order to accomplish its purposes, the Corporation—

''(1) shall, subject to its articles of incorporation and applicable Federal and State law, have all the powers of a private corporation unless otherwise stated in this title;

''(2) shall have the priority of the United States with respect to the payment of debts out of bankrupt, insolvent, and decedents' estates;

''(3) may obtain from the Administrator of General Services the services the Administrator is authorized to provide agencies of the United States, on the same basis as those services are provided to other agencies of the United States;

''(4) shall enrich uranium, acquire enriched uranium, or provide for uranium to be enriched by others;

''(5) may conduct, or provide for conducting, those research and development activities related to uranium enrichment and related processes and activities the Corporation considers necessary or advisable to maintain the Corporation as a commercial enterprise operating on a profitable and efficient basis;

''(6) may enter into transactions regarding uranium, enriched uranium, or depleted uranium with—

''(A) persons licensed under section 53, 63, 103, or 104 of title I in accordance with the licenses held by those persons;

''(B) persons in accordance with, and within the period of, an agreement for cooperation arranged under section 123 of title I; or

''(C) persons otherwise authorized by law to enter into such transactions;

''(7) may enter into contracts with persons licensed under section 53, 63, 103, or 104 of title I, for as long as the Corporation considers necessary or desirable, to provide uranium or uranium enrichment and related services;

''(8) may enter into contracts to provide uranium or uranium enrichment and related

services in accordance with, and within the period of, an agreement for cooperation arranged under section 123 of title I or as otherwise authorized by law; and

''(9) shall sell to the Department as provided in this title, without regard to section 57 e. of title I, the amounts of uranium enrichment and related services that the Department determines from time to time are required for it to—

''(A) carry out Presidential directions and authorizations under section 91 of title I; and

''(B) conduct other Department programs.

''SEC. 1304. BOARD OF DIRECTORS.

''(a) The powers of the Corporation are vested in the Board of Directors.

''(b) The Board of Directors shall consist of eleven individuals, to be appointed by the President by and with the advice and consent of the Senate. The President shall designate a Chairman of the Board from among members of the Board.

''(c) Members of the Board shall be citizens of the United States. No member of the Board shall be an employee of the Corporation or have any direct financial relationship with the Corporation other than that of being a member of the Board.

''(d)(1) Except as provided in paragraph (2), members of the Board shall serve five-year terms or until the election of a new Board of Directors under section 1604, whichever comes first.

''(2) Of the members first appointed to the Board—

''(A) two shall be appointed for one-year terms;

''(B) two shall be appointed for two-year terms;

''(C) two shall be appointed for three-year terms; and

''(D) two shall be appointed for four-year terms.

''(e) Upon the occurrence of a vacancy on the Board, the President by and with the advice and consent of the Senate shall appoint an individual to fill such vacancy for the remainder of the applicable term. No member of the Board shall serve in more than two terms.

''(f) The Board shall meet at least ten times a year. Seven members of the Board shall constitute a quorum. A majority of the Board shall adopt and from time to time may amend bylaws for the operation of the Board.

''(g) The Board shall be responsible for general management of the Corporation and shall, subject to its articles of incorporation and bylaws, have the same authority, privileges, and responsibilities as the board of directors of a private corporation.

''(h) Members of the Board shall serve on a part-time basis and shall receive per diem, when engaged in the actual performance of Corporation duties, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

''(i) Members of the Board, officers, and other management level employees of the Corporation shall, as a condition of continued service or employment, comply with the conflict of interest provisions described in part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 et seq.) in the same manner as persons who are supervisory employees of the Department are required to comply with such provisions.

''SEC. 1305. EMPLOYEES OF THE CORPORATION.

''(a) Officers and employees of the Corporation shall not be officers and employees of the United States.

''(b)(1) It is the purpose of this subsection to ensure that the establishment of the Corporation pursuant to this chapter shall not result in any adverse effects on the employment rights, wages, or benefits of employees at facilities that are operated, directly or under contract, in the performance of the functions vested in the Corporation.

''(2) Any employer (including the Corporation) at a facility described in paragraph (1) shall abide by the terms of a collective bargaining agreement in effect on April 30, 1991, at such facility until—

''(A) the earlier of the date on which a new bargaining agreement is signed; or

''(B) the end of the 2-year period beginning on the date of the enactment of this title.

''(3) Except as specifically provided in this subsection, the Corporation is subject to the provisions of the National Labor Relations Act (29 U.S.C. 151 et seq.).

''SEC. 1306. AUDITS.

''(a)(1) The financial statements of the Corporation shall be prepared in accordance with generally accepted accounting principles and shall be audited annually by an independent certified public accountant in accordance with auditing standards issued by the Comptroller General.

''(2) The Comptroller General may review any audit of the Corporation's financial statements conducted under paragraph (1). The Comptroller General shall report to the Congress and the Corporation the results of any such review and shall include in such report appropriate recommendations.

''(b)(1) The Comptroller General may audit the financial statements of the Corporation for any year in the manner provided in subsection (a)(1).

''(2) The Corporation shall reimburse the Comptroller General for the full cost of any audit conducted under this subsection, as determined by the Comptroller General.

''(c) All books, accounts, financial records, reports, files, papers, and other property belonging to or in use by the Corporation and its auditor that the Comptroller General considers necessary to the performance of any audit or review under this section shall be made available to the Comptroller General.

''(d) Activities the Comptroller General conducts under this section shall be in lieu of any other audit of the financial transactions of the Corporation the Comptroller General is required to make under chapter 91 of title 31, United States Code, or other law.

''SEC. 1307. ANNUAL REPORTS.

''(a) The Corporation shall prepare and submit an annual report of its activities to the President and the Congress. This report shall contain—

''(1) a general description of the Corporation's operations;

''(2) a summary of the Corporation's operating and financial performance, including an explanation of the decision to pay or not pay dividends;

''(3) copies of audit reports prepared under section 1305 of this title;

''(4) the information required under regulations issued under section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

''(5) an identification and assessment of any impairment of capital or ability of the Corporation to comply with this title.

''(b) The report shall be completed not later than 150 days following the close of each of the Corporation's fiscal years and shall accurately reflect the financial position of the Corporation at fiscal year end.

''SEC. 1308. ACCOUNTS.

''There is established in the Treasury of the United States a revolving fund, to be known as the 'Uranium Enrichment Corporation Fund', which shall be available to the Corporation without fiscal year limitation for carrying out its purposes, functions, and powers, and which shall not be subject to apportionment under subchapter II of chapter 15 of title 31, United States Code.

''SEC. 1309. OBLIGATIONS.

''(a)(1) The Corporation may issue and sell bonds, notes, and other evidences of indebtedness (collectively referred to in this title as 'bonds') except that the Corporation may not issue or sell bonds for the purpose of constructing new uranium enrichment facilities or conducting directly related preconstruction activities.

''(2) The Corporation may pledge and use its revenues for payment of the principal of and interest on its bonds, for their purchase or redemption, and for other purposes incidental to these functions, including creation of reserve funds and other funds which may be similarly pledged and used.

''(3) The Corporation may enter into binding covenants with the holders and trustees of its bonds with respect to—

''(A) the establishment of reserve and other funds;

''(B) stipulations concerning the subsequent issuance of bonds; and

''(C) other matters not inconsistent with this title,

that the Corporation determines necessary or desirable to enhance the marketability of the bonds.

''(b) Bonds issued by the Corporation under this section shall not be obligations of, nor shall payments of the principal thereof or interest thereon be guaranteed by, the United States.

''(c)(1) Bonds issued by the Corporation under this section shall be negotiable instruments unless otherwise specified in the bond and shall mature not more than 30 years after their date of issuance.

''(2) The Corporation may set the terms and conditions of bonds issued under this section, subject to disapproval of such terms and conditions by the Secretary of the Treasury within 15 days after the Secretary of the Treasury is notified of the following terms and conditions of the bonds:

''(A) Their forms and denominations.

''(B) The times, amounts, and prices at which they are sold.

''(C) Their rates of interest.

''(D) The terms at which they may be redeemed by the Corporation before maturity.

''(E) The priority of their claims on the Corporation's net revenues with respect to principal and interest payments.

''(F) Any other terms and conditions.

''(d) Section 9108(a) of title 31, United States Code, shall not apply to the Corporation.

''(e) The Corporation shall be considered an executive department of the United States for purposes of section 3(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(c)).

''(f) The Corporation shall not issue or sell any bonds to the Federal Financing Bank.

''SEC. 1310. EXEMPTION FROM TAXATION AND PAYMENTS IN LIEU OF TAXES.

''(a) In order to render financial assistance to those States and localities in which the facilities of the Corporation are located, the Corporation shall, beginning in fiscal year 1998, make payments to State and local governments as provided in this section. These payments shall be in lieu of any and all State and local taxes on the real and personal property of the Corporation. All property of the Corporation is expressly exempted from taxation in any manner or form by any State, county, or other local government entity including State, county, or other local government sales tax.

''(b) Beginning in fiscal year 1998, the Corporation shall make annual payments, in amounts determined by the Corporation to be fair and reasonable, to the State and local governmental agencies having tax jurisdiction in any area where facilities of the Corporation are located. In making these determinations, the Corporation shall be guided by the following criteria:

''(1) The Corporation shall take into account the customs and practices prevailing in the area with respect to appraisal, assessment, and classification of industrial property and any special considerations extended to large-scale industrial operations.

''(2) The payment made to any taxing authority for any period shall not be less than the payments which would have been made to the taxing authority for the same period by the Department and its cost-type contractors on behalf of the Department with respect to property that has been transferred to the Corporation under section 1404 of this title and which would have been attributable to the ownership, management, operation, and maintenance of the Department's uranium enrichment facilities, applying the laws and policies prevailing immediately prior to the date of enactment of this title.

''(c) Payments shall be made by the Corporation at the time when payments of taxes by taxpayers to each taxing authority are due and payable.

''(d) The determination by the Corporation of the amounts due under this section shall be final and conclusive.

''SEC. 1311. COOPERATION WITH OTHER AGENCIES.

''The Corporation may request to use on a reimbursable basis the available services, equipment, personnel, and facilities of agencies of the United States, and on a similar basis may cooperate with such agencies in the establishment and use of services, equipment, and facilities of the Corporation. Further, the Corporation may confer with and avail itself of the cooperation, services, records, and facilities of State, territorial, municipal, or other local agencies.

''SEC. 1312. APPLICABILITY OF CERTAIN FEDERAL LAWS.

''(a) The Corporation shall conduct its activities in a manner consistent with the policies expressed in the following antitrust laws:

''(1) The Sherman Act (15 U.S.C. 1–7).

''(2) The Clayton Act (15 U.S.C. 12–27).

''(3) Sections 73 and 74 of the Wilson Tariff Act (15 U.S.C. 8 and 9).

''(b) Except as specifically provided in this title, the Corporation is subject to Federal, State, and local laws to the same extent as a privately owned corporation.

''(c) The Corporation shall be subject to, and comply with, all Federal and State, interstate, and local environmental laws and requirements, both substantive and procedural, in the same manner, and to the same extent, as any person is subject to such laws and requirements. For purposes of enforcing any such law or substantive or procedural requirements (including any injunctive relief, administrative order, or civil or administrative penalty or fine) against the Corporation, the United States expressly waives any immunity otherwise applicable to the Corporation. For the purposes of this subsection, the term 'person' means an individual, trust, firm, joint stock company, corporation, partnership, association, State, municipality, or political subdivision of a State.

''(d) Notwithstanding sections 3(5), 4(b)(1), and 19 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 652(5), 653(b)(1), and 668)), the Corporation shall be subject to, and comply with, such Act and all regulations and standards promulgated thereunder in the same manner, and to the same extent, as an employer is subject to such Act. For the purposes of enforcing such Act (including any injunctive relief, administrative order, or civil, administrative, or criminal penalty or fine) against the Corporation, the United States expressly waives any immunity otherwise applicable to the Corporation.

''(e) The Act of March 3, 1931 (known as the Davis-Bacon Act) (40 U.S.C. 276a et seq.) and the Service Contract Act of 1965 (41 U.S.C. 351 et seq.) shall apply to the Corporation. All laborers and mechanics employed on the construction, alteration, or repair of projects funded, in whole or in part, by the Corporation shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality as determined by the Secretary of Labor in accordance with such Act of March 3, 1931. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 64 Stat. 1267) and the Act of June 13, 1934 (40 U.S.C. 276c).

''(f) The Corporation is subject to the provisions of section 210 of the Energy Reorganization Act of 1974 to the same extent as an employer subject to such section.

''SEC. 1313. SECURITY.

''Any references to the term 'Commission' or to the Department in sections 161 k., 221 a., and 230 of title I shall be considered to include the Corporation.

''SEC. 1314. CONTROL OF INFORMATION.

''Section 552(d) of title 5, United States Code, shall apply to the Corporation, and the employees of the Corporation shall be considered employees of the Federal Government for the purposes of section 1905 of title 18, United States Code.

''SEC. 1315. TRANSITION.

''For the purpose of continuity of operations, maintenance, and authority, the Department shall detail, for up to 18 months after the date of enactment of this title, appropriate Department personnel as may be required in an acting capacity, until such time as a Board is confirmed and top officers of the Corporation are hired. The Corporation shall reimburse the Department and its contractors for the detail of such personnel.

''SEC. 1316. WORKING CAPITAL ACCOUNT.

''There shall be established within the Corporation a Working Capital Account in which the Corporation may retain all revenue necessary for legitimate business expenses related to carrying out its purposes.

''CHAPTER 24—RIGHTS, PRIVILEGES, AND ASSETS OF THE CORPORATION

''SEC. 1401. MARKETING AND CONTRACTING AUTHORITY.

''(a) The Corporation shall act as the exclusive marketing agent on behalf of the United States Government for entering into contracts for providing uranium enrichment and related services. The Department may not market uranium enrichment and related services after the date of the enactment of this title.

''(b) All contracts, agreements, and leases with the Department, including all uranium enrichment contracts and power purchase contracts, that have been executed by the Department before the date of enactment of this title and that relate to uranium enrichment and related services shall transfer to the Corporation, except that the rights and responsibilities of the Department under the settlement agreement with the Tennessee Valley Authority, filed on December 18, 1987, with the United States Claims Court, shall not transfer to the Corporation.

''SEC. 1402. PRICING.

''The Corporation shall charge prices to the Department for uranium enrichment services provided under section 1303(9) on a basis that will—

''(1) allow it to recover its costs, on a yearly basis, for providing products, materials, and services, including a proportionate share of depreciation and interest and the costs of decontamination and decommissioning of the Corporation's uranium enrichment facilities; and

''(2) provide for a reasonable profit.

''SEC. 1403. OPTION TO LEASE GASEOUS DIFFUSION FACILITIES OF THE DEPARTMENT.

''(a) The Corporation shall have the exclusive rights to an option to lease the gaseous diffusion uranium enrichment facilities and related property of the Department.

''(b) The Corporation and the Department shall set mutually agreeable terms for a lease under subsection (a), including specifying annual payments to the Department by the Corporation to be made. In setting the level of annual leasing payments, the Department and the Corporation shall take into account—

''(1) the need to maintain a viable Corporation;

''(2) the importance of maximizing revenue to the Treasury; and

''(3) the equitable treatment of utility ratepayers.

''(c) The option to lease under subsection (a) shall not include Department facilities necessary for the production of highly enriched uranium. The Secretary may grant to the Corporation access to such facilities for purposes other than the production of highly enriched uranium.

''(d) The payment of any costs of response actions or corrective actions with respect to conditions existing before the date of enactment of this title, in connection with property of the Department leased under subsection (a), shall remain the sole responsibility of the Department.

''SEC. 1404. AVLIS.

''(a) The Corporation shall have the exclusive commercial right to deploy and use any AVLIS patents, processes, and technical information owned or controlled by the Government, upon completion of a royalty agreement with the Department. In setting the level of payments under a royalty agreement, the Department and the Corporation shall take into account—

''(1) the need to maintain a viable Corporation;

''(2) the importance of maximizing revenue to the Treasury; and

''(3) the equitable treatment of utility ratepayers.

''(b)(1) As requested by the Corporation, the President shall transfer without charge to the Corporation all of the Department's right, title, or interest in and to property owned by the Department, or by the United States but under control or custody of the Department, which is directly related to and materially useful in the performance of the Corporation's purposes regarding AVLIS, including—

''(A) facilities, equipment, and materials for research, development and demonstration activities; and

''(B) all other facilities, equipment, materials, processes, patents, technical information of any kind, contracts, agreements, and leases.

''(2) Facilities, real estate, improvements, and equipment related to the gaseous diffusion, and gas centrifuge, uranium enrichment programs of the Department shall not transfer under paragraph (1)(B).

''(3) The President's authority to transfer property under this subsection shall expire upon privatization under section 1603.

''(c) If requested by the Corporation, the Secretary shall provide, on a reimbursable basis, research and development of AVLIS.

''(d) The Corporation may not construct a commercial scale AVLIS production facility or engage in directly related preconstruction activities until after privatization under section 1603.

''(e) This section shall not prejudice consideration of any site as a candidate site for future expansion or replacement of uranium enrichment capacity through AVLIS. Selection of a site for the AVLIS facility shall be

made on a competitive basis, taking into consideration economic performance, environmental compatibility, and use of any existing facilities.

''(f) The transfer of property, functions, and responsibilities to the Corporation under this title shall not include the transfer of liability in connection with—

''(1) the Gas Centrifuge Enrichment Project;

''(2) operations of the Department before the date of enactment of this title, including excess capacity operations; or

''(3) associated imputed interest related to paragraph (1) or (2).

''SEC. 1405. ASSETS, INITIAL DEBT, AND DIVIDEND POLICY.

''(a) The Secretary of the Treasury shall promptly transfer to the Corporation, without further appropriation, $364,000,000 in the form of a loan from balances in the Uranium Enrichment Special Fund receipt account. This amount shall be hereinafter in this title referred to as the 'Initial Debt'.

''(b) The Corporation shall pay to the Treasury within a 20-year period the amount of the Initial Debt, with interest on the unpaid balance from the date of transfer under subsection (a) at a rate equal to the average yield on 20-year Government obligations as determined by the Secretary of the Treasury on the date of enactment of this title.

''(c) Proceeds from the leasing of the gaseous diffusion uranium enrichment facilities and related property under section 1403, royalty payments under section 1404(a), retirement of Initial Debt under subsection (b) of this section, collection of accounts receivable by the Department for its Uranium Enrichment Program as of the date of enactment of this title, dividends received under subsection (e) of this section, and any balance remaining in the Uranium Enrichment Special Fund after the transfer described in subsection (a), shall be paid into the general fund of the Treasury. These payments and the special assessment described under section 1702 shall contribute to recovery of costs under section 161 v. of title I.

''(d) Except as otherwise specifically provided in this title, the Corporation shall receive no appropriations, loans, or other financial assistance from the Federal Government.

''(e) Until privatization occurs under section 1603, the Corporation shall pay as dividends to the Treasury of the United States all net revenues remaining at the end of each fiscal year not required for operating expenses or for deposit into the Working Capital Account established pursuant to section 1316.

''SEC. 1406. PATENTS AND INVENTIONS.

''The Corporation may at any time apply to the Department for a patent license for the use of an invention or discovery useful in the production or utilization of special nuclear material or atomic energy covered by a patent when the patent has not been declared to be affected with the public interest under section 153 a. of title I and when use of the patent is within the Corporation's authority. An application shall constitute an application under section 153 c. of title I subject to section 153 c., d., e., f., g., and h. of title I.

''SEC. 1407. LIABILITIES.

''Any judgment entered against the Corporation imposing liability arising out of the operation of the uranium enrichment enterprise before the date of enactment of this title shall be considered a judgment against and shall be payable solely by the Department. With regard to any claim seeking to impose such liability, the United States shall be represented by the Department of Justice.

''SEC. 1408. URANIUM INVENTORIES.

''(a) The Secretary shall transfer to the Corporation without charge all raw and commercial grade enriched uranium inventories of the Department necessary for the fulfillment of contracts transfer under section 1401(b).

''(b) The Secretary, after making the transfer required under subsection (a), shall sell all remaining inventories of raw or commercial grade enriched uranium of the Department, that is not necessary to national security needs, to the Corporation or the private sector at a fair market price. Proceeds from sales under this subsection shall be deposited into the Uranium Enrichment Special Fund described in section 1405(c).

''(c) Within one year after the date of enactment of this title, the Secretary shall submit to Congress a report containing a plan for the conversion of inventories of highly enriched uranium to commercial grade enriched uranium for commercial use. Such plan shall include—

''(1) an estimation of the potential need of the United States for inventories of highly enriched uranium;

''(2) an analysis and summary of technological requirements and costs associated with converting highly enriched uranium to commercial grade enriched uranium, including the construction of facilities if necessary;

''(3) an estimation of potential net proceeds from the conversion and sale of highly enriched uranium; and

''(4) recommendations for implementing a plan to convert highly enriched uranium to commercial grade enriched uranium.

''CHAPTER 25—PRIVATIZATION OF THE CORPORATION

''SEC. 1501. STRATEGIC PLAN FOR PRIVATIZATION.

''(a) Within 120 days after the appointment of the Board under section 1304(b), the Corporation shall prepare a strategic plan for privatization through a competitive offering to the private sector of capital stock representing full ownership in the Corporation. The plan may include—

''(1) an evaluation of market conditions together with a marketing strategy;

''(2) an analysis of enrichment technologies and the potential need for a leasing agreement;

''(3) an identification of predeployment and capital requirements for the commercialization of alternative technologies for uranium enrichment;

''(4) an estimate of potential earnings from the offering of capital stock; and

''(5) a contingency plan for providing enriched uranium and related services in the event that AVLIS deployment is determined not to be economically viable.

''(b) The Corporation shall transmit copies of the strategic plan for privatization to the President and Congress upon completion.

''SEC. 1502. PREDEPLOYMENT ACTIVITIES.

''The Corporation may begin activities necessary to prepare AVLIS for commercialization including—

''(1) completion of preapplication activities with the Nuclear Regulatory Commission;

''(2) preparation of a transition plan to move AVLIS from the laboratory to the marketplace;

''(3) confirmation of technical performance;

''(4) validation of economic projections;

''(5) completion of feasibility and risk studies; and

''(6) initiation of preliminary plant design and engineering.

''SEC. 1503. PRIVATIZATION.

''(a) Pursuant to the strategic plan prepared under section 1501, the Corporation shall prepare and execute a competitive offering to the private sector of capital stock representing full ownership in the Corporation.

''(b) The offering described in subsection (a) shall be made through an open competitive bidding process established by regulation within one year after the date of enactment of this title, and shall, if successful, transfer to the private sector all rights, privileges, and assets of the Corporation.

''(c) The Director of the Office of Management and Budget shall review the strategic plan prepared under section 1501 and shall establish a secret minimum bid acceptable for the privatization of the Corporation under this section, based on the net present value of the Corporation. Privatization shall not occur unless a qualified bidder submits a bid equal to or higher than such minimum bid.

''(d) For purposes of subsection (c), the term 'qualified bidder' means a bidder that is not a foreign government and that meets the requirements of section 1604.

''(e) Privatization shall not occur under this section until after the expiration of 3 months after the submission to Congress by the Comptroller General of a report containing an audit certifying—

''(1) that the sale of the Corporation under a bid considered acceptable will not result in any ongoing obligation or undue cost to the Federal Government; and

''(2) that the purchase price of such bid represents at least the net present value of the Corporation.

The Comptroller General shall submit to Congress a report under this subsection within 3 months after a bid under this section has been accepted.

''(f) Proceeds from the sale of capital stock of the Corporation under this section shall be deposited in the Uranium Enrichment Special Fund described in section 1405(c).

''SEC. 1504. RESTRUCTURING OF CORPORATION AND BOARD.

''(a) Within 120 days after privatization under section 1503, the Corporation shall elect a new Board of Directors, select a new Chief Executive Officer, and propose revisions to its corporate charter.

''(b) At the end of 120 days following privatization under section 1503, chapter 23 of this title shall cease to apply to the Corporation.''.

SEC. 902. CONFORMING AMENDMENTS AND REPEALERS.

(a) Section 9101(3) of title 31, United States Code is amended by adding at the end the following:

''(N) the Uranium Enrichment Corporation.''.

(b) The Atomic Energy Act of 1954 (41 U.S.C. 2011–2296) is amended as follows:

(1) In section 41 a. (42 U.S.C. 2061(a)) by—

(A) striking ''or'',

(B) striking ''pursuant to under this Act'' and inserting ''under this title'' in its place, and

(C) striking the period at the end and inserting the following in its place: ''; or (3) are owned by the Uranium Enrichment Corporation.'';

(2) In section 53 c.(1) (42 U.S.C. 2073(c)(1)) by—

(A) striking ''grant,'' and inserting ''or grant'' in its place; and

(B) striking ''or through the provision of production or enrichment services'' both places it appears;

(3) In section 161 v. (42 U.S.C. 2201(v)), by striking ''(i) prices'' and all that follows through ''and (iii)'' in the first proviso.

(4) In section 161 w. (42 U.S.C. 2201(w)) by striking the comma after ''104 b.'' and inserting the following in its place: '', or for a facility licensed to enrich uranium under section 1602 of title II,''.

(5) In section 274 c.(1) (42 U.S.C. 2021(c)(1)) by inserting ''or any uranium enrichment facility'' before the semicolon at the end.

(c) Section 306 of the Energy and Water Development Appropriation Act, 1988 (Public Law 100–202, 101 Stat. 1329–126) is repealed.

SEC. 903. RESTRICTIONS ON NUCLEAR EXPORTS.

(a) FURTHER RESTRICTIONS.—

(1) IN GENERAL.—Chapter 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

''SEC. 134. FURTHER RESTRICTIONS ON EXPORTS.—

''a. The Commission may issue a license for the export of highly enriched uranium to be used as a fuel or target in a nuclear research or test reactor only if, in addition to any other requirement of this Act, the Commission determines that—

''(1) there is no alternative nuclear reactor fuel or target enriched in the isotope 235 to a lesser percent than the proposed export, that can be used in that reactor;

''(2) the proposed recipient of that uranium has provided assurances that, whenever an alternative nuclear reactor fuel or target can be used in that reactor, it will use that alternative in lieu of highly enriched uranium; and

''(3) the United States Government is actively developing an alternative nuclear reactor fuel or target that can be used in that reactor.

''b. As used in this section—

''(1) the term 'alternative nuclear reactor fuel or target' means a nuclear reactor fuel or target which is enriched to less than 20 percent in the isotope U–235;

''(2) the term 'highly enriched uranium' means uranium enriched to 20 percent or more in the isotope U–235; and

''(3) a fuel or target 'can be used' in a nuclear research or test reactor if—

''(A) the fuel or target has been qualified by the Reduced Enrichment Research and Test Reactor Program of the Department of Energy, and

''(B) use of the fuel or target will permit the large majority of ongoing and planned experiments and isotope production to be conducted in the reactor without a large percentage increase in the total cost of operating the reactor.''.

(2) CLERICAL AMENDMENT.—The table of contents of the Atomic Energy Act of 1954 is amended by adding at the end of the items relating to chapter 11 the following new item:

''Sec. 134. Further restrictions on exports.''.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Chairman of the Nuclear Regulatory Commission, after consulting with other relevant agencies, shall submit to the Congress a report detailing the current disposition of previous United States exports of highly enriched uranium, including—

(A) their location;

(B) whether they are irradiated;

(C) whether they have been used for the purpose stated in their export license; and

(D) whether they have been used for an alternative purpose and, if so, whether such alternative purpose has been explicitly approved by the Commission.

(2) EXPORTS TO EURATOM.—To the maximum extent possible, the report required by paragraph (1) shall include—

(A) exports of highly enriched uranium to EURATOM; and

(B) subsequent retransfers of such material within EURATOM, without regard to the extent of United States control over such retransfers.

SEC. 904. SEVERABILITY.

If any provision of this title, or the amendments made by this title, or the application of any provision to any entity, person, or circumstance, is for any reason adjudged by a court of competent jurisdiction to be invalid, the remainder of this title, and the amendments made by this title, or its application shall not be affected.

SEC. 905. CITIZEN SUITS.

Any person affected by this title, or the amendments made by this title, shall have standing to sue to enforce its provisions. For purposes of this section, representatives of an established organization representing the interests of taxpayers shall be deemed to be a person affected.

TITLE X—REMEDIAL ACTION AT ACTIVE PROCESSING SITES

SEC. 1001. REMEDIAL ACTION PROGRAM.

(a) IN GENERAL.—Except as provided in subsection (b), the costs of decontamination, decommissioning, reclamation, and other remedial action at an active uranium or thorium processing site shall be borne by persons licensed under section 62 or 81 of the Atomic Energy Act of 1954 (42 U.S.C. 2091, 2111) for any activity at such site which results or has resulted in the production of byproduct material.

(b) REIMBURSEMENT.—

(1) IN GENERAL.—The Secretary shall, subject to paragraph (2), reimburse at least annually a licensee described in subsection (a) for such portion of the costs described in such subsection as are—

(A) determined by the Secretary to be attributable to byproduct material generated as an incident of sales to the United States; and

(B) incurred by such licensee not later than December 31, 2002.

(2) AMOUNT.—

(A) TO INDIVIDUAL ACTIVE SITE URANIUM LICENSEES.—The amount of reimbursement paid to any licensee under paragraph (1) shall be determined by the Secretary in accordance with regulations issued pursuant to section 1002 and, for uranium mill tailings only, shall not exceed an amount equal to $5.50 multiplied by the dry short tons of byproduct material located on the date of the enactment of this title at the site of the activities of such licensee described in subsection (a), and generated as an incident of sales to the United States.

(B) TO ALL ACTIVE SITE URANIUM LICENSEES.—Payments made under paragraph (1) to active site uranium licensees shall not in the aggregate exceed $270,000,000.

(C) TO THORIUM LICENSEES.—Payments made under paragraph (1) to the licensee of the active thorium site shall not exceed $40,000,000, and may only be made for off-site disposal subject to the approval of the Governor of the State in which such active thorium site is located.

(D) INFLATION ESCALATION INDEX.—The amounts in subparagraphs (A), (B), and (C) of this paragraph shall be increased annually based upon an inflation index. The Secretary shall determine the appropriate index to apply.

(E) ADDITIONAL REIMBURSEMENT.—

(i) DETERMINATION OF EXCESS.—The Secretary shall determine as of July 31, 2005, whether the amount authorized to be appropriated pursuant to section 1003, when considered with the $5.50 per dry short ton limit on reimbursement, exceeds the amount reimbursable to the licensees under subsection (b)(2).

(ii) IN THE EVENT OF EXCESS.—If the Secretary determines under clause (i) that there is an excess, the Secretary may allow reimbursement in excess of $5.50 per dry short ton on a prorated basis at such sites where the costs reimbursable under subsection (b)(1) exceed the $5.50 per dry short ton limitation described in paragraph (2) of such subsection.

(3) BYPRODUCT LOCATION.—Notwithstanding the requirement of paragraph (2)(A) that byproduct material be located at the site on the date of enactment of this title, byproduct material moved from the site of the Edgemont Mill to a disposal site as the result of the decontamination, decommissioning, reclamation, and other remedial action of such mill shall be eligible for reimbursement to the extent eligible under paragraph (1).

SEC. 1002. REGULATIONS.

Within 180 days of the date of the enactment of this title, the Secretary shall issue regulations governing reimbursement under section 1001. An active uranium or thorium processing site owner shall apply for reimbursement hereunder by submitting a request for the amount of reimbursement, together with reasonable documentation in support thereof, to the Secretary. Any such request for reimbursement, supported by reasonable documentation, shall be approved by the Secretary and reimbursement therefor shall be made in a timely manner subject only to the limitations of section 1001.

SEC. 1003. AUTHORIZATION.

(a) IN GENERAL.—There are authorized to be appropriated for purposes of this title not more than $310,000,000, to be increased annually as provided in section 1001, based upon an inflation index to be determined by the Secretary.

(b) SOURCE.—Funds described in subsection (a) shall be provided from the Fund established under section 1701 of the Atomic Energy Act of 1954.

SEC. 1004. DEFINITIONS.

As used in this title—

(1) the term ''active uranium or thorium processing site'' means—

(A) any uranium or thorium processing site, including the mill, containing byproduct material for which a license (issued by the Nuclear Regulatory Commission or its predecessor agency under the Atomic Energy Act of 1954, or by a State as permitted under section 274 of such Act (42 U.S.C. 2021)) for the production at such site of any uranium or thorium derived from ore—

(i) was in effect on January 1, 1978;

(ii) was issued or renewed after January 1, 1978; or

(iii) for which an application for renewal or issuance was pending on, or after January 1, 1978; and

(B) any other real property or improvement on such real property that is determined by the Nuclear Regulatory Commission or by a State as permitted under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021) to be—

(i) in the vicinity of such site; and

(ii) contaminated with residual byproduct material;

(2) the term ''byproduct material'' has the meaning given such term in section 11e.(2) of the Atomic Energy Act of 1954, (42 U.S.C. 2014(e)(2)); and

(3) the term ''decontamination, decommissioning, reclamation, and other remedial action'' means work performed prior to or subsequent to the date of the enactment of this title which is necessary to comply with all applicable requirements of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7901 et seq.), or where appropriate, with requirements established by a State that is a party to a discontinuance agreement under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021).

SEC. 1005. URANIUM PURCHASE REPORTS.

(a) REQUIREMENT.—By January 1 of each year, the owner or operator of any civilian nuclear power reactor shall report to the Secretary of Energy, acting through the Administrator of the Energy Information Administration, for activities of the previous fiscal year—

(1) the country of origin and the seller of any uranium or enriched uranium purchased

or imported into the United States either directly or indirectly by such owner or operator; and

(2) the country of origin and the seller of any enrichment services purchased by such owner or operator.

(b) CONGRESSIONAL ACCESS.—The information provided to the Secretary pursuant to this section shall be made available to the Committee on Energy and Natural Resources of the United States Senate and appropriate committees of the United States House of Representatives by March 1 of each year.

(c) COUNTRY OF ORIGIN.—For the purposes of this section, the term ''country of origin'' means—

(1) with respect to uranium, that country where the uranium was mined;

(2) with respect to enriched uranium, that country where the uranium was mined and enriched; or

(3) with respect to enrichment services, that country where the enrichment services were performed.

TITLE XI—URANIUM ENRICHMENT HEALTH, SAFETY, AND ENVIRONMENT ISSUES

SEC. 1101. URANIUM ENRICHMENT HEALTH, SAFETY, AND ENVIRONMENT ISSUES.

The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), as amended by title IX, is further amended by adding at the end of title II the following:

"CHAPTER 26—LICENSING AND REGULATION OF URANIUM ENRICHMENT FACILITIES

"SEC. 1601. GASEOUS DIFFUSION FACILITIES.

''(a) The Nuclear Regulatory Commission, in consultation with the Department and the Environmental Protection Agency, shall, within one year after the date of enactment of this title, establish by regulation such standards as are necessary to govern the gaseous diffusion uranium enrichment facilities of the Department in order to protect the public health and safety, minimize danger to life and property, and prevent releases or substantial threats of releases to the environment. Such regulations shall take effect 6 months after issuance.

''(b)(1) The Nuclear Regulatory Commission, in consultation with the Department and the Environmental Protection Agency, shall report at least annually to Congress on the status of health, safety, and environmental conditions at the gaseous diffusion uranium enrichment facilities of the Department.

''(2) Such report shall include a determination regarding whether the gaseous diffusion uranium enrichment facilities of the Department are in compliance with the standards established under subsection (a) and all applicable laws.

''(c)(1) If the Corporation exercises the option to lease the gaseous diffusion uranium enrichment facilities of the Department under section 1403, the Nuclear Regulatory Commission shall establish a certification process to ensure that the Corporation complies with standards established under subsection (a).

''(2) The Corporation shall apply at least annually to the Nuclear Regulatory Commission for a certificate of compliance under paragraph (1). The Nuclear Regulatory Commission, in consultation with the Environmental Protection Agency, shall review any such application and any determination made under subsection (b)(2) shall be based on the results of any such review.

''(3) The requirement for a certificate of compliance under paragraph (1) shall be in lieu of any requirement for a license for any gaseous diffusion facility of the Department leased by the Corporation.

''(4)(A) The Nuclear Regulatory Commission, in consultation with the Environmental Protection Agency, shall review the operations of the Corporation with respect to any gaseous diffusion uranium enrichment facilities of the Department leased by the Corporation to ensure that public health and safety are adequately protected.

''(B) The Corporation and the Department shall cooperate fully with the Nuclear Regulatory Commission and the Environmental Protection Agency and shall provide the Nuclear Regulatory Commission and the Environmental Protection Agency with the ready access to the facilities, personnel, and information the Nuclear Regulatory Commission and the Environmental Protection Agency consider necessary to carry out their responsibilities under this subsection. A contractor operating a Corporation facility for the Corporation shall provide the Nuclear Regulatory Commission and the Environmental Protection Agency with ready access to the facilities, personnel, and information of the contractor as the Nuclear Regulatory Commission and the Environmental Protection Agency consider necessary to carry out their responsibilities under this subsection.

''(d) The gaseous diffusion uranium enrichment facilities of the Department may not be operated by the Corporation unless the Nuclear Regulatory Commission, in consultation with the Environmental Protection Agency, makes a determination of compliance under subsection (b) or approves a plan prepared by the Department for achieving compliance required under subsection (b).

"SEC. 1602. LICENSING OF AVLIS.

''Notwithstanding the amendments made by section 5 of the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Public Law 101–575; 104 Stat. 2835), Corporation facilities for the enrichment of uranium using AVLIS shall be subject to licensing in the same manner as production and utilization facilities under sections 103 and 104 b. of title I.

"SEC. 1603. LICENSING OF OTHER TECHNOLOGIES.

''(a) Corporation facilities using alternative technologies for uranium enrichment, other than AVLIS, shall be licensed under sections 53 and 63 of title I.

''(b) The Corporation shall provide for the costs of decontamination and decommissioning of any Corporation facilities described in subsection (a) in accordance with the requirements of the amendments made by section 5 of the Solar, Wind, Waste, and Geothermal Power Production Act of 1990.

"SEC. 1604. REGULATION OF RESTRICTED DATA.

''The Corporation shall be subject to this Act with respect to the use of, or access to, Restricted Data to the same extent as any private corporation.

"CHAPTER 27—DECONTAMINATION AND DECOMMISSIONING

"SEC. 1701. ESTABLISHMENT AND ADMINISTRATION OF FUND.

''(a) There is established in the Treasury of the United States an account to be known as the Uranium Enrichment Decontamination and Decommissioning Fund (referred to in this chapter as the 'Fund'). This account, and any amounts deposited in it, including any interest earned thereon, shall be available to the Secretary subject to appropriations for the exclusive purpose of carrying out this chapter.

''(b)(1) The Secretary of the Treasury shall hold the Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Fund during the preceding fiscal year.

''(2) The Secretary of the Treasury shall invest amounts contained within the Fund in obligations of the United States—

''(A) having maturities determined by the Secretary of the Treasury to be appropriate for what the Department determines to be the needs of the Fund; and

''(B) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to these obligations.

"SEC. 1702. DEPOSITS.

''(a) The Fund shall consist of deposits in the amount of $500,000,000 per fiscal year (to be annually adjusted for inflation using the Consumer Price Index for all-urban consumers published by the Department of Labor) as provided in this section.

''(b) Deposits described in subsection (a) shall be from the following sources:

''(1) Sums collected pursuant to subsection (c).

''(2) Appropriations made pursuant to subsection (d).

''(c) The Secretary shall collect a special assessment from domestic utilities. The amount collected from each utility pursuant to this subsection for a fiscal year shall be in the same ratio to the amount required under subsection (a) to be deposited for such fiscal year as the total amount of separative work units such utility has purchased for the purpose of commercial electricity generation, before the date of enactment of this title, bears to the total amount of separative work units purchased from the Department of Energy, for all purposes before the date of enactment of this title. For purposes of this subsection, a utility shall be considered to have purchased a separative work unit from the Department if such separative work unit was produced by the Department, but purchased by the utility from another source.

''(d) There are authorized to be appropriated to the Fund, for the period encompassing 15 years after the date of enactment of this title, such sums as are necessary to ensure that the amount required under subsection (a) is deposited for each fiscal year.

''(e) The collection of amounts under subsection (c) shall cease after the earlier of—

''(1) 15 years after the date of enactment of this title; or

''(2) the collection of $2,500,000,000 (to be annually adjusted for inflation using the Consumer Price Index for all-urban consumers published by the Department of Labor) under such subsection.

''(f) Except as provided in subsection (e), deposits shall continue to be made into the Fund under subsection (d) for the period specified in such subsection.

"SEC. 1703. DEPARTMENT FACILITIES.

''(a) The National Academy of Sciences shall conduct a study and provide recommendations for reducing costs associated with decontamination and decommissioning, and shall report its findings to the Congress within 3 years after the date of enactment of this title. Such report shall include a determination of the decontamination and decommissioning required for each facility, shall identify alternative methods, using different technologies, shall include site-specific surveys of the actual contamination, and shall provide estimated costs of those activities.

''(b) The costs of all decontamination and decommissioning activities of the Department shall be paid from the Fund until such time as the Secretary certifies and the Congress concurs, by law, that such activities are complete.

"SEC. 1704. EMPLOYEE PROVISIONS.

''All laborers and mechanics employed by contractors or subcontractors in the performance of decontamination or decommissioning of uranium enrichment facilities of the Department shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality as deter-

mined by the Secretary of Labor in accordance with the the Act of March 3, 1931 (known as the Davis-Bacon Act) (40 U.S.C. 276a et seq.). The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 64 Stat. 1267) and the Act of June 13, 1934 (40 U.S.C. 276c).

"SEC. 1705. REPORTS TO CONGRESS.

''Within 3 years after the date of enactment of this title, and once every 3 years thereafter, the Secretary shall report to the Congress on progress under this chapter. The 5th report submitted under this section shall contain recommendations of the Secretary for the reauthorization of the program and Fund under this title.''.

SEC. 1102. TABLE OF CONTENTS.

The table of contents for title II of the Atomic Energy Act of 1954, as added by section 901(a) of this Act, is amended by adding at the end the following:

''CHAPTER 26—LICENSING AND REGULATION OF URANIUM ENRICHMENT FACILITIES

''Sec. 1601. Gaseous diffusion facilities.
''Sec. 1602. Licensing of AVLIS.
''Sec. 1603. Licensing of other technologies.
''Sec. 1604. Regulation of restricted data.

''CHAPTER 27—DECONTAMINATION AND DECOMMISSIONING

''Sec. 1701. Establishment and administration of Fund.
''Sec. 1702. Deposits.
''Sec. 1703. Cost containment.
''Sec. 1704. Employee provisions.
''Sec. 1705. Reports to Congress.

"TITLE I—ATOMIC ENERGY".

TITLE XII—RENEWABLE ENERGY

SEC. 1201. FINDINGS.

The Congress finds that the increased use of renewable energy—

(1) has the potential to meet 50 percent of the energy needs of the United States by the year 2030;

(2) would reduce impacts on human health, air quality, and ecosystems, and reduce the potential for global warming;

(3) would rely on secure domestic resources and improve the balance of trade by reducing energy imports; and

(4) would improve the international competitiveness of the domestic renewable energy industries and of the United States economy in general.

SEC. 1202. PURPOSES.

The purposes of this title are to promote—

(1) the near-term increase in electricity production from renewable energy resources;

(2) the greater use of renewable energy for nonelectricity uses, including liquid fuels;

(3) the further advances of renewable energy technologies; and

(4) exports of United States renewable technologies and services.

SEC. 1203. RENEWABLE ENERGY JOINT VENTURES.

(a) NATIONAL GOALS AND MULTIYEAR FUNDING FOR ALCOHOL FROM BIOMASS.—Section 4(a) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12003(a)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) ALCOHOL FROM BIOMASS.—(A) In general, the goal of the Alcohol From Biomass Program shall be to advance research and development to a point where alcohol from biomass technology is cost-competitive with conventional hydrocarbon transportation fuels, and to promote the integration of this technology into the transportation fuel sector of the economy.

''(B)(i) Specific goals for producing ethanol from biomass shall be to—

''(I) reduce the cost of alcohol to 70 cents per gallon by 1997;

''(II) improve the overall biomass carbohydrate conversion efficiency to 91 percent by 1997;

''(III) reduce the capital cost component of the cost of alcohol to 23 cents per gallon by 1997; and

''(IV) reduce the operating and maintenance component of the cost of alcohol to 47 cents per gallon by 1997.

''(ii) Specific goals for producing methanol from biomass shall be to—

''(I) reduce the cost of alcohol to 47 cents per gallon by 2000; and

''(II) reduce the capital component of the cost of alcohol to 28 cents per gallon by 1995, and to 16 cents per gallon by 2000.''.

(b) JOINT VENTURES.—(1) Section 6(c) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12005(c)) is amended by adding at the end the following new paragraphs:

''(6) DIRECT COMBUSTION OR GASIFICATION OF BIOMASS.—(A) The Secretary shall solicit proposals for and provide financial assistance to at least one joint venture for the commercialization of technologies for the direct combustion or gasification of biomass to generate electricity in accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to design, test, and demonstrate critical enabling technologies for direct combustion or gasification of biomass, including waste wood, for electric power generation in commercial applications.

''(C) There are authorized to be appropriated to the Secretary $15,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(7) UTILITY-SCALE PHOTOVOLTAIC JOINT VENTURES.—(A) The Secretary shall solicit proposals for and provide financial assistance to at least one joint venture for a utility-scale photovoltaic project of at least 10 megawatts in the aggregate.

''(B) In general, the goals of joint ventures under this paragraph shall include—

''(i) the integration of photovoltaics in transmission and delivery systems;

''(ii) the development of cost-saving adjuncts to utility delivery such as sub-station upgrades, peak power, and large-scale voltage line augmentation; and

''(iii) the incorporation of new photovoltaic innovations into standard utility rate-making practices.

''(C) Joint ventures supported under this paragraph may include participants that are considered to be end-users of the technology such as rural electric cooperatives, public utilities, investor-owned utilities, and independent power producers.

''(D) In selecting joint ventures for support under this paragraph, the Secretary shall consider giving preference to proposals for projects that would be located in States where State law would allow inclusion of the project in the rate base or would otherwise allow for favorable financial regulatory treatment or return on investment.

''(E) There are authorized to be appropriated to the Secretary not to exceed $27,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(8) ALCOHOL FROM CELLULOSIC BIOMASS TECHNOLOGY.—(A) The Secretary shall solicit proposals for and provide financial assistance to several joint ventures in order to develop commercial scale alcohol from biomass technology using available biomass feedstocks such as waste paper, agricultural residues, materials contained in industrial waste streams, wood, wood waste, and herbaceous crops. In carrying out this paragraph, the Secretary shall attempt to select projects in different regions of the United States.

''(B) The purpose of joint ventures supported under this paragraph shall be to develop and demonstrate critical enabling technologies and to provide new technologies to industry to improve the efficiency of operations as well as create new industries that have substantial prospects for encouraging energy independence.

''(C) There are authorized to be appropriated to the Secretary $80,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(9) OIL DISPLACEMENT BY SOLAR WATER HEATING.—(A) The Secretary shall solicit proposals for and provide financial assistance for joint venture for the commercialization of solar water heating technology in accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to design, test, and demonstrate critical enabling technologies for solar water heating for commercial application in water heating and process heat uses that have substantial prospects for displacing the consumption of oil.

''(C) There are authorized to be appropriated to the Secretary $9,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(10) OIL DISPLACEMENT BY PHOTOVOLTAIC AND WIND ENERGY SYSTEMS.—(A) The Secretary shall solicit proposals for and provide financial assistance to at least one joint venture each for the commercialization of photovoltaic and wind energy systems, respectively, in accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to design, test, and demonstrate critical enabling technologies for photovoltaic and wind energy systems for commercial application in electric power generation uses that have substantial prospects for displacing the consumption of oil.

''(C) There are authorized to be appropriated to the Secretary $15,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(11) HIGH TEMPERATURE SUPERCONDUCTING ELECTRICITY TECHNOLOGY.—(A) The Secretary shall solicit proposals for and provide financial assistance to at least one joint venture to commercialize high temperature superconducting electricity technologies in accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to commercialize one or more products, such as motors, generators, transmission lines, transformers, and magnetic energy storage systems, based on high temperature superconducting technologies. Such products shall be of sufficient operational capability to demonstrate the increased energy efficiency of high temperature superconducting technologies in commercial products.

''(C) Such products shall be based on the critical enabling technologies of high temperature superconducting materials and gas-phase cooling systems operating at temperatures above 20 Kelvin (−423F).

''(D) There are authorized to be appropriated to the Secretary not to exceed $15,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(12) OIL DISPLACEMENT BY FUEL CELL TECHNOLOGY.—(A) The Secretary shall solicit proposals for and provide financial assistance to joint ventures for the commercialization of fuel cell technology for electric power generation and transportation applications in

accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to design, test, and demonstrate critical enabling technologies for the production of electric energy from fuel cells in order to accelerate commercial application of fuel cells that have substantial prospects for displacing the consumption of oil.

''(C) There are authorized to be appropriated to the Secretary—

''(i) $9,000,000 for the period encompassing fiscal years 1993 through 1995 for electric power generation application; and

''(ii) $9,000,000 for the period encompassing fiscal years 1993 through 1995 for transportation application,

to carry out this paragraph.

''(13) SOURCE REDUCTION TECHNOLOGY.—(A) The Secretary shall solicit proposals for and provide financial assistance to at least one joint venture for the commercialization of source reduction technology in accordance with the provisions of this paragraph.

''(B) The purpose of joint ventures supported under this paragraph shall be to design, test, and demonstrate critical enabling technologies for the development of source reduction technologies.

''(C) There are authorized to be appropriated to the Secretary $6,000,000 for the period encompassing fiscal years 1993 through 1995, to carry out this paragraph.

''(14) AUTHORIZATIONS DERIVED FROM OTHER FUNDS.—All amounts authorized to be appropriated by paragraphs (6) through (13) shall be derived from sums authorized under section 2111(e) of the Comprehensive National Energy Policy Act.''.

(2) Section 6(d)(1) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12005(d)(1)) is amended by striking ''or (5)'' and inserting in lieu thereof ''(5), (6), (7), (8), (9), (10), (11), (12), or (13)''.

SEC. 1204. RENEWABLE ENERGY PRODUCTION INCENTIVE.

(a) INCENTIVE PAYMENTS.—For electric energy generated and sold by a qualified renewable energy facility during the incentive period, the Secretary of Energy (hereinafter in this title referred to as the ''Secretary'') shall make, subject to the availability of appropriations, incentive payments to the owner or operator of such facility. The amount of such payment made to any such owner or operator shall be as determined under subsection (e). Payments under this section may only be made upon receipt by the Secretary of an incentive payment application which establishes that the applicant is eligible to receive such payment and which satisfies such other requirements as the Secretary deems necessary. Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.

(b) QUALIFIED RENEWABLE ENERGY FACILITY.—For purposes of this section, a qualified renewable energy facility is a facility which generates electric energy for sale in, or affecting, interstate commerce using solar, wind, biomass, or geothermal energy, except that—

(1) the burning of municipal solid waste shall not be treated as using biomass energy; and

(2) geothermal energy shall not include energy produced from a dry steam geothermal reservoir which has—

(A) no mobile liquid in its natural state;

(B) steam quality of 95 percent water; and

(C) an enthalpy for the total produced fluid greater than or equal to 1200 Btu/lb (British thermal units per pound).

(c) ELIGIBILITY WINDOW.—Payments may be made under this section only for electricity generated from a qualified renewable energy facility first used during the 10-fiscal year period beginning with the first full fiscal year occurring after the enactment of this section.

(d) PAYMENT PERIOD.—A qualified renewable energy facility may receive payments under this section for a 10-fiscal year period. Such period shall begin with the fiscal year in which electricity generated from the facility is first eligible for such payments.

(e) AMOUNT OF PAYMENT.—

(1) IN GENERAL.—Incentive payments made by the Secretary under this section to the owner or operator of any qualified renewable energy facility shall be based on the number of kilowatt hours of electricity generated by the facility through the use of solar, wind, biomass, or geothermal energy during the payment period referred to in subsection (d). For any facility, the amount of such payment shall be determined in accordance with the following table, adjusted as provided in paragraph (2):

AMOUNT OF INCENTIVE PAYMENT

Fiscal year in which facility is first used	Amount of payment (in dollars/kilowatt hour)
First through fifth years after enactment	$0.025
Sixth year after enactment	$0.022
Seventh year after enactment	$0.019
Eighth year after enactment	$0.016
Ninth year after enactment	$0.013
Tenth year after enactment	$0.01

(2) ADJUSTMENTS.—The amount of the payment made to any person under this subsection as provided in paragraph (1) shall be adjusted for inflation for each fiscal year beginning after calendar year 1993 in the same manner as provided in the provisions of section 29(d)(2)(B) of the Internal Revenue Code of 1986, except that in applying such provisions the calendar year 1993 shall be substituted for calendar year 1979.

(f) SUNSET .—No payment may be made under this section to any facility after the expiration of the 20-fiscal year period beginning with the first full fiscal year occurring after the enactment of this section, and no payment may be made under this section to any facility after a payment has been made with respect to such facility for a 10-fiscal year period.

(g) FACILITIES RECEIVING OTHER ASSISTANCE.—No person shall be eligible to receive a payment under this section for energy generated at a facility for which an energy tax credit was received under the Internal Revenue Code of 1986.

(h) ALLOCATION OF FUNDS.—If funds made available for payments under this section are inadequate in any fiscal year to make the full payments authorized by this section for that year for energy generated by qualified renewable energy facilities, payments shall be made first for energy generated by those facilities which received payments under this section in prior fiscal years before any payments are made to facilities which were not eligible to receive payments in such prior fiscal years.

SEC. 1205. RENEWABLE ENERGY EXPORT TECHNOLOGY TRAINING.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary, through the Agency for International Development, shall establish a program for the training of individuals from developing countries, at a location or locations in the United States, in the operation and maintenance of renewable energy and energy efficient equipment in accordance with this subsection. The Secretary and the Administrator of the Agency for International Development shall, within one year after the date of enactment of this Act, enter into a written agreement to carry out this program.

(b) PURPOSE.—The purpose of the program established under this section shall be to train individuals, including engineers and other professionals, in the system design, operation, and maintenance of renewable energy and energy efficient equipment manufactured in the United States, including equipment for water pumping, heating and purification, and the production of electric power in remote areas.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $6,000,000 for each of the fiscal years 1994, 1995, and 1996, to carry out this section.

SEC. 1206. AUTHORITY FOR STATES TO UNDERTAKE FEASIBILITY STUDIES.

Section 362(d) of the Energy Policy and Conservation Act (42 U.S.C. 6322(d)) is amended by redesignating paragraphs (12) and (13) as paragraphs (13) and (14), respectively, and by inserting after paragraph (11) the following new paragraph:

''(12) support for prefeasibility and feasibility studies for projects that utilize renewable energy and energy efficiency resource technologies in order to facilitate access to capital and credit for such projects;''.

SEC. 1207. RENEWABLE ENERGY ADVANCEMENT AWARDS.

(a) AUTHORITY.—The Secretary shall make Renewable Energy Advancement Awards in recognition of developments that advance the practical application of biomass, geothermal, hydroelectric, photovoltaic, solar thermal, ocean thermal, and wind technologies to consumer, utility, or industrial uses, in accordance with this section. Except as provided in subsection (g), Renewal Energy Advancement Awards shall include a cash award.

(b) ADVISORY PANEL.—

(1) APPOINTMENT.—Within 6 months after the date of enactment of this Act, the Secretary shall appoint an advisory panel.

(2) FUNCTIONS.—The advisory panel appointed under paragraph (1) shall—

(A) develop selection criteria under subsection (c); and

(B) make recommendations annually to the Secretary on who should receive an award under this section.

(3) MEMBERSHIP.—The advisory panel shall consist of the Secretary of Commerce and a balanced representation from the scientific, utilities, industrial, financial, environmental, and State energy official communities.

(4) TRAVEL EXPENSES.—Each member of the advisory panel shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(5) ADMINISTRATIVE ASSISTANCE.—The Secretary shall provide the advisory panel with such staff, office space, and other administrative assistance as it may require.

(c) SELECTION CRITERIA.—The advisory panel appointed under subsection (b) shall develop criteria to be applied in the selection of award recipients under this section. Such criteria shall include the following:

(1) The degree to which the development increases the usefulness of a renewable energy technology.

(2) The degree to which the development will have a significant impact, by benefitting a large number of people, by reducing the costs of an important industrial process or commercial product or service, or otherwise.

(3) The uniqueness and ingenuity of the development.

(4) Whether the application has significant export potential.

(5) The environmental soundness of the development.

(d) SELECTION.—Beginning in fiscal year 1994, and annually thereafter for a period of 10 years, the Secretary shall select 3 to 6 developments described in subsection (a) that

are worthy of receiving an award under this section, and shall make such awards. The Secretary shall adopt the recommendations of the advisory panel under subsection (b)(2)(B) unless a recommendation does not conform to the selection criteria developed under subsection (c).

(e) ELIGIBILITY.—Awards may be made under this section only to individuals who are United States nationals or permanent resident aliens, or to non-Federal organizations that are organized under the laws of the United States or the laws of a State of the United States.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $50,000 for each of the fiscal years 1994 through 2003 for carrying out this section.

(g) AWARDS MADE IN ABSENCE OF APPROPRIATIONS.—The Secretary shall make honorary awards under this section if sufficient funds are not appropriated for financial awards in any fiscal year.

SEC. 1208. STUDY OF EXPORT PROMOTION PRACTICES.

Section 256(d) of the Energy Policy and Conservation Act (42 U.S.C. 6276(d)) is amended by adding at the end the following new paragraph:

''(3) The interagency working group, through a subworking group that is chaired by a representative of an agency or department with expertise in foreign trade barriers and that has a member who is a representative of the Department of Energy, shall conduct a study of subsidies, incentives, and policies that other countries use to promote exports of their own renewable energy technologies and products. Such study shall also identify other countries' trade barriers to the import of renewable energy technologies and products produced in the United States. The interagency working group shall report to the appropriate committees of the House of Representatives and the Senate the results of such study within 18 months after the date of enactment of the Comprehensive National Energy Policy Act.''.

SEC. 1209. STUDY OF TAX AND RATE TREATMENT OF RENEWABLE ENERGY PROJECTS.

(a) The Secretary, in conjunction with State utility regulators, shall undertake a study to determine if conventional taxation and ratemaking procedures result in an economic bias for or against renewable energy power plants compared to conventional power plants.

(b) Within 1 year after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the results of the study undertaken under subsection (a).

SEC. 1210. STUDY OF RICE MILLING ENERGY BY-PRODUCT MARKETING.

The Department of Energy shall conduct a study to facilitate the marketing of energy by-products from rice milling.

SEC. 1211. INTERAGENCY WORKING GROUP.

(a) PURPOSES.—Section 256(d)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6276(d)(2)) is amended to read as follows:

''(2) The purposes of the interagency working group are—

''(A) to promote the export of renewable energy and energy efficient products and technologies produced in the United States;

''(B) to inform other countries of the benefits of the policies that promote the use of renewable energy and energy efficient technology; and

''(C) to foster rural and urban economic development and energy self-sufficiency through the use of reliable and economical renewable energy and energy efficiency resource technologies.''.

(b) DEFINITIONS.—Section 256(g) of such Act (42 U.S.C. 6276(g)) is amended to read as follows:

''(g) For purposes of this section—

''(1) the term 'renewable energy' also includes energy efficiency to the extent it is part of a renewable energy system or technology;

''(2) the term 'developing countries' includes, but is not limited to, Eastern Europe, the successor states of the former Soviet Union, and the Baltic states; and

''(3) the term 'energy efficiency resource' means a resource by which energy is saved through improvements in the efficiency of energy production, transportation, or utilization.''.

SEC. 1212. RENEWABLE ENERGY COMMERCIALIZATION.

(a) IN GENERAL.—(1) The Secretary shall, with funds available for such purpose, enter into not less than 10 agreements with private lenders to pay the Federal share of the interest on loans made to qualified borrowers for the purpose of financing the manufacture, construction, or acquisition of equipment that principally utilizes a renewable energy technology.

(2) The Secretary shall enter into such agreements—

(A) indirectly through appropriate State energy offices; or

(B) directly in the case of loans made with respect to equipment for Federal facilities.

(b) FEDERAL SHARE.—The amount of the Federal share of interest on a loan referred to in subsection (a)(1) shall be determined by the Secretary on the basis of—

(1) the need of the borrower for the assistance;

(2) the degree to which financing of the project will assist in the regional diversification and commercialization of renewable energy resources in the United States; and

(3) the achievement of the purposes and goals of this Act.

(c) LOAN TERMS.—The Secretary may enter into an agreement under subsection (a)(1) to pay the Federal share of interest on a loan that—

(1)(A) has a principal amount of at least $250,000 and less than $1,000,000 and a maturity of not less than 15 years; or

(B) has a principal amount of at least $1,000,000, and a maturity of not less than 20 years;

(2) has an interest rate—

(A) of no greater than four percent above the prime rate of lending by certain financial institutions, as determined by the Secretary; or

(B) that the Secretary determines to be reasonable; and

(3) contains such other terms and conditions that the Secretary determines is appropriate.

(d) REPORT.—Not later than two years after the date of enactment of this Act and annually thereafter, the Secretary shall report to the Congress on the projects funded under this section and the progress being made toward accomplishing the purpose of this section.

(e) AUTHORIZATION.—There are authorized to be appropriated to the Secretary for fiscal years 1992, 1993, and 1994 such sums as may be necessary to carry out the purposes of this section.

(f) DEFINITIONS.—For purposes of this section—

(1) the term ''qualified borrower'' means—

(A) an organization involved in the production or sale, or both, of electricity, thermal energy, or other forms of energy using a renewable energy technology; or

(B) a manufacturer of renewable energy equipment planning to finance improvements in, or expansion of, facilities for the manufacture of renewable energy technologies;

(2) the term ''renewable energy technology'' means any technology that produces, or uses as its principal energy source, biomass, geothermal, photovoltaic, wind, or solar thermal (including solar water heating and solar industrial process preheat) energy; and

(3) the term ''Federal share'' means that portion of the interest on a loan financed by a private lender which is paid by the Federal Government under this section.

SEC. 1213. DATA SYSTEM AND ENERGY TECHNOLOGY EVALUATION.

(a) FUNCTIONS OF THE SECRETARY OF COMMERCE.—The Secretary of Commerce, in his or her role as a member of the interagency working group established under section 256 of the Energy Policy and Conservation Act (42 U.S.C. 6276) shall—

(1) develop a comprehensive data base and information dissemination system, using the National Trade Data Bank and the Commercial Information Management System of the Department of Commerce, that will provide information on the specific energy technology needs of developing countries, and the technical and economic competitiveness of various renewable energy and energy efficient technologies;

(2) make such information available to industry, Federal and multilateral lending agencies, nongovernmental organizations, host-country and donor-agency officials, and such others as the Secretary of Commerce considers necessary; and

(3) prepare and transmit to the Congress by not later than June 1, 1993, and biennially thereafter, a comprehensive report evaluating the full range of energy and environmental technologies necessary to meet the energy needs of developing countries while reducing the generation of carbon dioxide and other greenhouse gases, including—

(A) information on the specific energy needs of developing countries,

(B) an inventory of United States technologies and services to meet those needs,

(C) an update on the status of ongoing bilateral and multilateral programs which promote United States exports of renewable energy and energy efficient technology, and

(D) an evaluation of current programs (and recommendations for future programs) that develop and promote energy efficiency and sustainable use of indigenous renewable energy resources in developing countries to reduce the generation of greenhouse gases that may contribute to global climate change.

SEC. 1214. OUTREACH.

(a) UNITED STATES AND FOREIGN COMMERCIAL SERVICE ACTIVITIES.—The Secretary of Commerce may assign an officer or employee assigned to the United States and Foreign Commercial Service, who is experienced in renewable energy and energy efficient technology, to the offices of the United States and Foreign Commercial Service in the Pacific Rim and in the Caribbean Basin solely for the purpose of providing information concerning renewable energy and energy efficient technologies and industries of the United States to governments, industries, and others outside of the United States.

(b) TRADE MISSIONS.—The Secretary of Commerce may sponsor trade missions to help market renewable energy and energy efficient products in other countries.

(c) ACTIVITIES OF INTERAGENCY GROUP NOT AFFECTED.—Nothing in this section shall affect the activities of the interagency working group established under section 256(d) of the Energy Policy and Conservation Act (42 U.S.C. 6276(d)).

TITLE XIII—COAL

SEC. 1301. COAL RESEARCH AND DEVELOPMENT RELATING TO COMMERCIAL APPLICATION PROGRAM.

(a) ESTABLISHMENT.—(1) The Secretary of Energy (hereinafter in this title (except as provided in section 1314) referred to as the

''Secretary''), in consultation with the National Coal Council and other representatives of the public as the Secretary considers appropriate, shall conduct a program of research and development relating to commercial application within the Department of Energy for advanced coal-based technologies with the goals and objectives of—

(A) achieving the control of sulfur oxides, oxides of nitrogen, air toxics, solid and liquid wastes, greenhouse gases, or other emissions resulting from coal use or conversion at levels of proficiency greater than or equal to the most effective applicable currently available commercial technology;

(B) achieving the cost competitive conversion of coal into energy forms usable in the transportation sector;

(C) demonstrating the conversion of coal to synthetic gaseous, liquid, and solid fuels;

(D) demonstrating, in cooperation with other Federal and State agencies, the use of coal-derived fuels in mobile equipment, with opportunities for industrial cost-sharing participation; and

(E) ensuring the timely commercial application of cost-effective technologies or energy production processes or systems utilizing coal which achieve greater efficiency in the conversion of coal to useful energy when compared to currently available commercial technology for the use of coal and the control of emissions from the utilization of coal, and ensuring the availability for commercial use of such technologies by the year 2010.

(2) In selecting projects under this title, other than projects under section 1304, the Secretary shall seek to ensure that, relative to otherwise comparable generating units or products, a selected project will meet one or more of the following requirements:

(A) It will significantly reduce environmental emissions.

(B) It will significantly increase the overall efficiency of the utilization of coal, including energy conversion efficiency and, where applicable, production of products derived from coal.

(C) It will be a significantly more cost-effective technological alternative, based on life cycle capital and operating costs per unit of energy produced and, where applicable, costs per unit of product produced.

Priority in selection shall be given to those projects which, in the judgment of the Secretary, more effectively meet the requirements in subparagraphs (A), (B), and (C).

(3) In administering the program authorized by this title, the Secretary shall establish accounting and project management controls that will be adequate to—

(A) control the costs of the project;

(B) ensure a high probability of success; and

(C) ensure compliance with this title.

(4)(A) Not later than 180 days after the date of enactment of this Act, the Secretary shall establish procedures and criteria for the recoupment of the Federal share of cost-shared projects authorized pursuant to this title. Such recoupment shall occur within a reasonable period of time following the date of completion of such project, but not longer than 20 years following such date.

(B) For each such project, the Secretary shall negotiate a schedule for recoupment taking into account the effect of recoupment on—

(i) the commercial competitiveness of the entity carrying out the project;

(ii) the profitability of the project; and

(iii) the commercial viability of the clean coal technology utilized.

(b) REPORT.—Within 240 days after the date of enactment of this Act, 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 which shall include each of the following:

(1) A detailed description of ongoing research and development activities relating to commercial application regarding advanced coal-based technologies undertaken by the Department of Energy, other Federal or State government departments or agencies and, to the extent such information is publicly available, other public or private organizations in the United States and other countries.

(2) A listing and analysis of current Federal and State government regulatory and financial incentives that could further the goals of the programs established under this section.

(3) Recommendations regarding the manner in which any ongoing clean coal commercial application program might be modified and extended in order to ensure the timely demonstrations of those advanced coal-based technologies described in subsection (a) of this section so as to ensure that the goals established under this section are achieved and that such demonstrated technologies are available for commercial use by the year 2010.

(4) A detailed plan for conducting the program of research and development relating to commercial application program to achieve the goals and objectives of subsection (a), which plan shall include a description of—

(A) the program elements and management structure to be utilized;

(B) the technical milestones to be achieved with respect to each of the advanced coal-based technologies included in the plan; and

(C) the dates at which further deadlines for additional cost-sharing demonstrations shall be established.

(c) ANNUAL REPORT.—Within 1 year after transmittal of the report described in subsection (b), and annually thereafter for a period of 5 years, the Secretary shall transmit to the Congress a report that provides a detailed description of the status of development of the advanced coal-based technologies and the research and development activities relating to commercial application undertaken to carry out the programs conducted under this section.

(d) DEFINITION.—(1) As used in this title, the terms ''advanced coal-based technologies'' and ''clean coal technologies'' mean technologies that the Secretary expects to be commercially viable, within a reasonable period of time, under economic assumptions established by the Energy Information Administration, and—

(A) in the case of replacement, repowering, or new applications, the technologies are—

(i) capable of meeting applicable environmental performance standards for new power plants, or in the case of a repowering or replacement project, such environmental performance standards as would otherwise be applicable; and

(ii) except as provided in paragraph (2)(J), capable of achieving thermal conversion efficiencies equal to or greater than 40 percent, or such higher percentage as the Secretary may require;

(B) in the case of emission control technologies, the technologies are state-of-the-art technologies at achieving the objective stated in subsection (a)(1)(A); and

(C) in the case of coal refining technologies, the technologies are capable of producing energy, fuels, and products which, on a complete energy system basis, will result in environmental emissions no greater than those produced by existing comparable energy systems utilized for the same purpose.

(2) Technologies that the terms defined in this subsection refer to include the following:

(A) Coal refining technologies capable of efficiently producing or utilizing the energy contained in coal and also utilizing the by-products thereof.

(B) Advanced pressurized fluidized bed combustion technology.

(C) Direct and indirect coal-fired turbines.

(D) Advanced integrated gasification combined cycle.

(E) Magnetohydrodynamics.

(F) Molten carbonate and solid oxide fuel cells.

(G) Emission control technologies.

(H) Cofiring coal with noncoal fuels, including natural gas.

(I) Coalbed methane production and use technologies.

(J) Other coal-based technologies or processes or systems that are capable of achieving thermal conversion efficiencies equal to or greater than 50 percent.

SEC. 1302. COAL EXPORTS.

(a) PLAN.—Within 180 days after the date of enactment of this Act, the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall submit to the House of Representatives and the Senate, and to the appropriate committees of each House, a plan for expanding exports of coal mined in the United States.

(b) PLAN CONTENTS.—The plan submitted under subsection (a) shall include—

(1) a description of the location, size, and projected growth in potential export markets for coal mined in the United States;

(2) the identification by country of the foreign trade barriers to the export of coal mined in the United States, including foreign coal production and utilization subsidies, tax treatment, labor practices, tariffs, quotas, and other nontariff barriers;

(3) recommendations and a plan for addressing any such trade barriers;

(4) an evaluation of existing infrastructure in the United States and any new infrastructure requirements in the United States to support an expansion of exports of coal mined in the United States, including ports, vessels, rail lines, and any other supporting infrastructure; and

(5) an assessment of environmental implications of coal exports and the identification of export opportunities for blending coal mined in the United States with coal indigenous to other countries to enhance energy efficiency and environmental performance.

SEC. 1303. CLEAN COAL TECHNOLOGY EXPORT PROMOTION AND INTERAGENCY COORDINATION.

(a) INTERAGENCY COORDINATION.—The Secretary of Commerce, in consultation with the Secretary and other appropriate Federal agencies, shall seek to facilitate and expand the export of clean coal technologies. As part of that consultation, the Secretaries shall place a high priority on the export of clean coal technologies to developing countries and countries making the transition from nonmarket to market economies.

(b) CONSULTATION.—In carrying out this section, the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall consult with representatives from the United States coal industry, representatives of railroads and other transportation industries, organizations representing workers, the electric utility industry, manufacturers of equipment utilizing clean coal technology, members of organizations formed to further the goals of environmental protection or to promote the development and use of clean coal technologies that are developed, manufactured, or controlled by United States firms, and other appropriate interested members of the public.

(c) DUTIES.—The Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall—

(1) facilitate the establishment of technical training for the consideration, planning, construction, and operation of clean coal technologies by local users and international development personnel;

(2) facilitate the establishment of and, where practicable, cause to be established, consistent with the goals and objectives stated in section 1301(a), within existing departments and agencies financial assistance programs, including grants, loan guarantees, and no interest and low interest loans, to support prefeasibility and feasibility studies for projects that will utilize clean coal technologies and loan guarantee programs, grants, and no interest and low interest loans, designed to facilitate access to capital and credit in order to finance such clean coal technology projects;

(3) develop and execute programs, including the establishment of financial incentives, to encourage and support private sector efforts in exports of clean coal technologies that are developed, manufactured, or controlled by United States firms;

(4) encourage the training and understanding of clean coal technologies by representatives of foreign companies or countries intending to use coal or clean coal technologies by providing technical or financial support for training programs, workshops, and other educational programs sponsored by United States firms;

(5) educate loan officers and other officers of international lending institutions, commercial and energy attachés of the United States, and such other personnel as the Secretary of Commerce, in cooperation with the Secretary and with other appropriate Federal agencies, deems appropriate, for the purposes of providing information about clean coal technologies to foreign governments or potential project sponsors of clean coal technologies;

(6) develop policies and practices to be conducted by commercial and energy attachés of the United States, and such other personnel as the Secretary of Commerce, in cooperation with the Secretary and with other appropriate Federal agencies, deems appropriate, in order to promote the exports of clean coal technologies in those countries interested in or intending to utilize coal resources;

(7) augment budgets for trade and development programs supported by Federal agencies for the purpose of financially supporting prefeasibility or feasibility studies for projects that will utilize clean coal technologies;

(8) review ongoing clean coal technology projects and review and advise Federal agencies on the approval of planned clean coal technology projects, including those project proposals submitted in accordance with the programs authorized by section 1301 of this title, which are sponsored abroad by any Federal Government agency to determine whether such projects are consistent with the overall goals and objectives of this section;

(9) coordinate the activities of the appropriate Federal agencies in order to ensure that Federal clean coal technology export promotion policies are implemented in a timely fashion;

(10) provide for the development of—

(A) an objective comparison of the environmental, energy, and economic performance of each clean coal technology relative to conventional technologies;

(B) a list of United States vendors of clean coal technologies; and

(C) answers to commonly asked questions about clean coal technologies,

and disseminate such information to potential customers abroad; and

(11) undertake such other actions or activities, consistent with existing law and regulations, as, in the judgment of the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, may be necessary to achieve the purposes of this section.

(d) DATA AND INFORMATION.—(1) The Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall be responsible for the development of a comprehensive data base and information dissemination system, using the National Trade Data Bank and the Commercial Information Management System of the Department of Commerce, relating to the availability of clean coal technologies and the potential need for such technologies, particularly in developing countries and countries making the transition from nonmarket to market economies.

(2) The Secretary of Commerce, through a subworking group of an interagency export promotion coordinating committee focusing on clean coal technology exports and chaired by a representative of the Department of Energy, shall provide an assessment of 10 priority foreign markets for the export of clean coal technologies that are developed, manufactured, or controlled by United States firms. Such assessment shall include—

(A) an analysis of the financing requirements for clean coal technology projects and whether such projects are dependent upon financial assistance from foreign countries or multilateral institutions,

(B) the availability of other fuel or energy resources that may be available to meet the energy requirements intended to be met by the clean coal technology projects,

(C) the priority of environmental considerations in the selection of such projects, and

(D) the technical competence of those entities likely to be involved in the planning and operation of such projects.

The Secretary of Commerce, in cooperation with the Secretary, shall make such information available to the House of Representatives and the Senate, and to the appropriate committees of each House of Congress, industry, Federal and international financing organizations, nongovernmental organizations, governments of countries where such clean coal technologies might be used, and such others as the Secretary of Commerce, in cooperation with the Secretary, considers appropriate.

(e) REPORT.—Within 180 days after the Secretary submits the report to the Congress as required by section 409 of Public Law 101–549, the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall provide to the House of Representatives and the Senate, and to the appropriate committees of each House of Congress, a plan which details actions to be taken in order to address those recommendations and findings made in the report submitted pursuant to section 409 of Public Law 101–549. As a part of the plan required by this subsection, the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall specifically address the adequacy of financial assistance available from Federal departments and agencies and international financing organizations to aid in the financing of prefeasibility and feasibility studies and projects that would use a clean coal technology in developing countries and countries making the transition from nonmarket to market economies.

SEC. 1304. INNOVATIVE CLEAN COAL AND RENEWABLE ENERGY TECHNOLOGY TRANSFER PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary, through the Agency for International Development, shall establish a clean coal and renewable energy technology transfer program to carry out the purposes described in subsection (b). The Secretary and the Administrator of the Agency for International Development shall enter into a written agreement to carry out this program.

(b) PURPOSES OF THE PROGRAM.—The purposes of the technology transfer program under this section are to—

(1) encourage the export of United States technologies to those countries that have determined a need to construct developmentally sound facilities to provide energy derived from coal or renewable energy resources;

(2) develop markets for United States technologies and, where appropriate, United States coal resources to be utilized in meeting the energy and environmental requirements of other countries;

(3) better ensure that United States participation in energy-related projects in other countries includes participation by United States firms as well as utilization of United States technologies that have been developed or demonstrated in the United States through publicly or privately funded demonstration programs;

(4) provide for the accelerated utilization of United States technologies that will serve to introduce into other countries United States technologies intended to use coal or renewable energy resources in a cost-effective and environmentally acceptable manner; and

(5) establish a new financial mechanism to increase the involvement by the United States private sector in the financing of energy projects in developing countries and countries making the transition from nonmarket to market economies in cooperation with financing and assistance provided by the United States Government.

(c) PROGRAM REQUIREMENTS.—In order to carry out this section, the Administrator of the Agency for International Development, pursuant to the agreement required by subsection (a), and after consultation with the Trade and Development Program, and, where appropriate, in consultation with the Export-Import Bank of the United States, shall—

(1) support projects, in developing countries and in countries making the transition from nonmarket to market economies, which provide energy, in a cost-effective and environmentally-acceptable manner, using clean coal and renewable energy technology;

(2) select projects for purposes of this section only if such projects use United States technology and, where appropriate, coal resources of the United States;

(3) periodically review energy needs in countries assisted by the Agency for International Development, and explore export opportunities for the development of new energy-related projects in these countries, and keep the Congress informed of the results of these reviews;

(4) determine whether each project selected under this section is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development;

(5) coordinate the activities of all offices within the Agency for International Development, and work with the Agency for International Development country missions, in developing projects for purposes of this section that provide opportunities for United States firms, consistent with the Agency for International Development's primary mission to help these countries with traditional development projects;

(6) select clean coal technology projects for purposes of this section only if such projects use technologies and equipment selected by the Secretary under subsection (d);

(7) select projects for purposes of this section only after consultations with appropriate government officials of a host coun-

try, and, as appropriate, with representatives of foreign electric utilities or other foreign entities, to determine the interest in and support for a potential energy project;

(8) receive proposals from United States firms describing clean coal and renewable energy projects which, in the view of such firms, would be projects suitable for support under this section;

(9) pursuant to the agreement required by subsection (a), and after consultation with the Secretary, publish in the Commerce Business Daily a description of each clean coal or renewable energy project identified for support under this section;

(10) within one year after the date of enactment of this Act, and at least annually thereafter, pursuant to the agreement required by subsection (a), and after consultation with the Secretary, issue a request for proposals or an invitation for bids from United States firms for the development, construction, testing, and operation of a project or projects identified in the Commerce Business Daily or establish a procedure under which the host country will issue a request for proposals or invitation for bids from United States firms for the development, construction, testing, and operation of a project or projects identified in the Commerce Business Daily;

(11) ensure that the request for proposals and invitation for bids described in paragraph (10) provides an opportunity for United States firms to propose that such firm, either directly or indirectly, will provide a portion of the cost of the project;

(12) within 120 days after receipt of proposals or bids in response to a solicitation under paragraph (10), select one or more proposals or bids;

(13) in addition to any other considerations the Administrator of the Agency for International Development, in consultation with the Secretary, deems appropriate, make the following considerations in selecting a proposal or bid—

(A) the ability of the United States firm, in cooperation with the host country, to undertake and complete the project;

(B) the degree to which the furnished equipment to be included in the project is manufactured in the United States;

(C) the degree to which the United States firm has proposed to provide a portion of the cost of the project;

(D) the long-term technical and competitive viability of the United States technology, and the ability of the United States firm to compete in the development of additional projects using such technology in the host country and in other countries; and

(E) the extent to which the proposed project meets the objectives stated in section 1301(a); and

(14) ensure that any specific application of a clean coal technology project conforms with the requirements of subsection (d)(2).

(d) SELECTION OF CLEAN COAL TECHNOLOGIES.—(1) Within six months of the date of enactment of this Act and annually thereafter, the Secretary, in consultation with the Administrator of the Agency for International Development , shall prepare a list of United States clean coal technologies eligible to be used in clean coal projects supported by this section.

(2) In developing the list under paragraph (1), the Secretary, in consultation with the Administrator of the Agency for International Development, shall select technologies which will meet one or more of the following requirements:

(A) It will significantly reduce environmental emissions.

(B) It will significantly increase the overall efficiency of the utilization of coal, including energy conversion efficiency and, where applicable, production of products derived from coal.

(C) It will be a significantly more cost-effective technological alternative, based on life cycle capital and operating costs per unit of energy produced and, where applicable, costs per unit of product produced.

Priority in selection shall be given to those technologies which, in the judgment of the Secretary, more effectively meet the requirements in subparagraphs (A), (B), and (C).

(e) AUTHORIZATION FOR PROGRAM.—There are authorized to be appropriated to the Secretary, acting through the Agency for International Development, to carry out the program required by this section, $100,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998. Grants or other assistance provided with such funds may be combined with financing offered by private financial entities or other entities.

(f) UNITED STATES-ASIA ENVIRONMENTAL PARTNERSHIP.—Activities carried out under this section shall be coordinated with the United States-Asia Environmental Partnership.

(g) BUY AMERICA.—In carrying out this section, the Secretary, through the Agency for International Development and consistent with the Agency for International Development procurement guidelines, shall ensure—

(1) the maximum percentage of the cost of any equipment furnished in connection with a project authorized under this section shall be attributable to the manufactured United States components of such equipment, and

(2) the maximum participation of United States firms.

SEC. 1305. CONVENTIONAL COAL TECHNOLOGY TRANSFER.

If the Secretary, pursuant to the agreement under section 1304(a), determines that the utilization of a clean coal technology is not practicable for a proposed project and that a United States conventional coal technology would constitute a substantial improvement in efficiency, costs, and environmental performance relative to the technology being used in a developing country or country making the transition from nonmarket to market economies, with significant indigenous coal resources, such technology shall, for purposes of sections 1303 and 1304, be considered a clean coal technology. In the case of combustion technologies, only the retrofit, repowering, or replacement of a conventional technology shall constitute a substantial improvement for purposes of this section. In carrying out this section, the Secretary, pursuant to the agreement under section 1304(a), shall give highest priority to promoting the most environmentally sound and energy efficient technologies.

SEC. 1306. COAL FIRED DIESEL ENGINES.

(a) PROGRAM.—The Secretary shall conduct a program of research and development relating to commercial application for utilizing coal-derived liquid or gaseous fuels, including ultra-clean coal-water slurries, in diesel engines. The program shall address—

(1) required engine retrofit technology;

(2) coal-fuel production technology;

(3) emission control requirements;

(4) fuel delivery and storage systems requirements; and

(5) other infrastructure required to support commercial deployment.

(b) FUNDING.—The Secretary may provide financial assistance for a project under the program conducted under subsection (a), to the extent the Secretary finds that such project—

(1) offers promise for commercial application; and

(2) will receive at least 50 percent of project funds from non-Federal sources.

(c) JOINT VENTURES.—In carrying out the program conducted under subsection (a), the Secretary may enter into joint ventures to accelerate the development and commercialization of technologies described in subsection (a).

(d) CONSULTATION.—In carrying out research and development activities relating to commercial application under this section, the Secretary shall consult with the private sector.

SEC. 1307. CLEAN COAL, WASTE-TO-ENERGY.

(a) PROGRAM.—The Secretary shall establish a program of research and development relating to commercial application with respect to the use of solid waste combined with coal as a fuel source for clean coal combustion technologies. The program shall address—

(1) the feasibility of cofiring coal and used vehicle tires in fluidized bed combustion units;

(2) the combined gasification of coal and municipal sludge using integrated gasification combined cycle technology;

(3) the creation of fuel pellets combining coal and material reclaimed from solid waste;

(4) the feasibility of cofiring, in fluidized bed combustion units, waste methane from coal mines, including ventilation air, together with coal or coal wastes; and

(5) other sources of waste and coal mixtures in other applications that the Secretary considers appropriate.

(b) FUNDING.—The Secretary may provide financial assistance for a project under the program conducted under subsection (a), to the extent the Secretary finds that such project—

(1) offers promise for commercial application; and

(2) will receive at least 25 percent of project funds from non-Federal sources.

(c) JOINT VENTURES.—In carrying out the program conducted under subsection (a), the Secretary may enter into joint ventures to accelerate the development and commercialization of technologies described in subsection (a).

(d) CONSULTATION.—In carrying out research and development activities relating to commercial application under this section, the Secretary shall consult with the private sector.

SEC. 1308. NONFUEL USE OF COAL.

(a) PLAN.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to the Congress a plan for research and development relating to commercial application with respect to technologies for the nonfuel use of coal, including—

(1) production of coke and other carbon products derived from coal;

(2) production of coal-derived, carbon-based chemical intermediates that are precursors of value-added chemicals and polymers;

(3) production of chemicals from coal-derived synthesis gas;

(4) coal treatment processes, including methodologies such as solvent-extraction techniques that produce low ash, low sulfur, coal-based chemical feedstocks; and

(5) waste utilization, including recovery, processing, and marketing of products derived from sulfur, carbon dioxide, nitrogen, and ash from coal.

(b) JOINT VENTURES.—As part of the plan under subsection (a), the Secretary may propose specific joint ventures to accelerate the development and commercialization of technologies for nonfuel uses of coal.

(c) PLAN CONTENTS.—The plan described in subsection (a) shall address and evaluate—

(1) the known and potential processes for using coal in the creation of products in the chemical, utility, fuel, and carbon-based materials industries;

(2) the costs, benefits, and economic feasibility of using coal products in the chemical and materials industries, including value-added chemicals, carbon-based products, coke, and waste derived from coal;

(3) the economics of coproduction of products from coal in conjunction with the production of electric power, thermal energy, and fuel;

(4) the economics of coal utilization in comparison with other feedstocks that might be used for the same purposes;

(5) the steps that can be taken by the public and private sectors to bring about commercialization of technologies developed under the program recommended; and

(6) the past development, current status, and future potential of coal products and processes associated with nonfuel uses of coal.

(d) CONDUCT OF PROGRAM.—The Secretary shall conduct a program of research and development relating to commercial application under the plan described in subsection (a).

(e) FUNDING.—The Secretary may provide financial assistance for a project under the plan to the extent the Secretary finds that such project—

(1) offers promise for commercial application; and

(2) will receive at least 50 percent of project funds from non-Federal sources.

(f) CONSULTATION.—In preparing the plan and carrying out research and development activities relating to commercial application under this section, including evaluating the technical progress, feasibility, and most effective means for utilizing the results of research, the Secretary shall consult with the private sector.

SEC. 1309. COAL REFINERY PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in consultation with the National Coal Council and such other representatives of the public and private sectors as the Secretary considers necessary, shall conduct a program of research and development relating to commercial application within the Department of Energy for clean coal technologies that are coal refining technologies which minimize the overall environmental impacts of coal utilization and meet the objectives of section 1301(a)(1). The program shall include technologies for refining high sulfur coals, low sulfur coals, sub-bituminous coals, and lignites to produce clean-burning transportation fuels, compliance boiler fuels, fuel additives, lubricants, chemical feedstocks, and carbon-based manufactured products, in conjunction with the generation of electricity or process heat, or the manufacture of a variety of products from coal. The goals of such program shall be the achievement of—

(1) the timely commercial application of technologies, including mild gasification, hydrocracking and other hydropyrolysis processes, and other energy production processes or systems to produce coal-derived fuels and coproducts, which achieve greater efficiency and economy in the conversion of coal to electrical energy and coproducts than currently available technology;

(2) the capability to produce a range of coal-derived transportation fuels, including oxygenated hydrocarbons, boiler fuels, turbine fuels, and coproducts, which can reduce dependence on imported oil by displacing conventional petroleum in the transportation sector and other sectors of the economy;

(3) reduction in the cost of producing such coal-derived fuels and coproducts;

(4) the control of emissions from the combustion of coal-derived fuels; and

(5) the availability for commercial use of such technologies by the year 2000.

(b) REPORT AND PLAN.—Within 120 days after the date of enactment of this Act, the Secretary shall transmit to the Congress a report which shall include—

(1) a detailed description of ongoing research and development activities relating to commercial application regarding coal refining technologies undertaken by the Department of Energy, other Federal or State government departments or agencies, and, to the extent such information is publicly available, other public or private organizations in the United States and other countries;

(2) a listing and analysis of current Federal and State government regulatory and financial incentives that could further the goals stated in subsection (a); and

(3) a detailed plan for conducting the research and development program relating to commercial application to achieve the goals stated in subsection (a), which plan shall include a description of—

(A) the program elements and management structure to be utilized; and

(B) the technical milestones to be achieved with respect to each of the coal refining technologies included in the plan.

(c) JOINT VENTURES.—Within 1 year after the transmittal of the report described in subsection (b), the Secretary shall solicit proposals from appropriate parties and may thereafter enter into agreements to conduct joint ventures with such parties to undertake commercial scale demonstration projects of coal refining processes capable of producing boiler fuels, transportation fuels, including oxygenated hydrocarbons, or other useful coal-derived by-products, from high or low sulfur coals or lignites. In designing the solicitation under this subsection, and taking into consideration the goals stated in subsection (a), the Secretary—

(1) shall establish technology classes for the various coal refining processes;

(2) may enter into joint ventures for the construction of not more than one project per technology class, but in no event less than two projects in total;

(3) shall provide that any such joint venture obtain at least 50 percent of its direct costs from non-Federal sources; and

(4) shall require that any project have a reasonable prospect of commencing commercial operation by January 1, 2000.

(d) ANNUAL REPORT.—Within 1 year after the date of enactment of this Act, and annually thereafter for a period of 5 years, the Secretary shall submit to the Congress a report that provides a detailed description of the status of development of coal refining technologies and the research and development activities relating to commercial application undertaken to carry out the program under this section.

SEC. 1310. STUDY OF UTILIZATION OF COAL COMBUSTION BYPRODUCTS.

(a) DEFINITION.—As used in this section, the term ''coal combustion byproducts'' means the residues from the combustion of coal including ash, slag, and flue gas desulfurization materials.

(b) STUDY AND REPORT TO CONGRESS.—(1) The Secretary shall conduct a detailed and comprehensive study on the institutional, legal, and regulatory barriers to increased utilization of coal combustion byproducts by potential governmental and commercial users. Such study shall identify and investigate barriers found to exist at the Federal, State, or local level, that may have limited or may have the foreseeable effect of limiting the quantities of coal combustion byproducts that are utilized. In conducting this study, the Secretary shall consult with other departments and agencies of the Federal Government, appropriate State and local governments, and the private sector.

(2) Not later than 1 year after the date of enactment of this Act, the Secretary shall submit a report to the Congress containing the results of the study required by paragraph (1) and the Secretary's recommendations for action to be taken to increase the utilization of coal combustion byproducts. At a minimum, such report shall identify actions that would increase the utilization of coal combustion byproducts in—

(A) bridge and highway construction;

(B) stabilizing wastes;

(C) procurement by departments and agencies of the Federal Government and State and local governments; and

(D) federally funded or federally subsidized procurement by the private sector.

SEC. 1311. CALCULATION OF AVOIDED COST.

Nothing in section 210 of the Public Utility Regulatory Policies Act of 1978 (Public Law 95-617) requires a State regulatory authority or nonregulated electric utility to treat a cost reasonably identified to be incurred or to have been incurred in the construction or operation of a facility or a project which has been selected by the Department of Energy and provided Federal funding pursuant to the Clean Coal Program authorized by Public Law 98-473 as an incremental cost of alternative electric energy.

SEC. 1312. COALBED METHANE RECOVERY.

(a) STUDY OF BARRIERS.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall conduct a study of technical, economic, financial, legal, regulatory, institutional, or other barriers to coalbed methane recovery, and of policy options for eliminating such barriers. Within two years after the date of enactment of this Act, the Secretary shall submit a report to the Congress detailing the results of such study.

(b) STUDY OF ENVIRONMENTAL AND SAFETY ASPECTS.—The Secretary, in consultation with the Director of the Bureau of Mines and the Administrator of the Environmental Protection Agency, shall conduct a study of the environmental and safety aspects of flaring coalbed methane liberated from coal mines. Within two years after the date of enactment of this Act, the Secretary shall submit a report to the Congress detailing the results of such study.

(c) INFORMATION DISSEMINATION.—Beginning one year after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall disseminate to the public information on state-of-the-art coalbed methane recovery techniques, including information on costs and benefits.

(d) COMMERCIALIZATION PROGRAM.—The Secretary shall establish a coalbed methane recovery commercial application program, which shall include a joint venture program, emphasizing gas enrichment technology, with at least 50 percent of the costs thereof being provided by the private sector. Such program shall address—

(1) gas enrichment technologies for enriching medium-quality methane recovered from coal mines to pipeline quality;

(2) technologies to use mine ventilation air in nearby power generation facilities, including gas turbines, internal combustion engines, or other coal fired powerplants;

(3) technologies for cofiring methane recovered from mines, including methane from ventilation systems and degasification systems, together with coal in conventional or clean coal technology boilers; and

(4) other technologies for producing and using methane from coal mines that the Secretary considers appropriate.

SEC. 1313. COALBED METHANE EMISSION CREDITS.

(a) FINDINGS.—The Congress finds that the recovery of coalbed methane gas in conjunction with coal mining operations will have a beneficial effect in promoting energy effi-

ciency, promoting wise use of energy resources, and reducing greenhouse gas emissions and should, therefore, be encouraged by developing a coalbed methane emissions baseline, and assuring credit for such recovery in the future.

(b) COALBED METHANE REPORTING.—Following promulgation of regulations under subsection (c), any owner or operator of an underground coal mine producing more than 100,000 tons of coal in any calendar year after 1987 may, for such calendar year and any calendar year thereafter in which coal is produced from such mine, report to the Secretary the aggregate annual volume of coalbed methane gas recovered, flared, vented, or otherwise emitted into the environment during that year. Such annual report shall specify the volume of such gas which was flared, used as fuel on site, or sold into a natural gas pipeline.

(c) REGULATIONS.—Within 9 months after the date of enactment of this section, the Secretary, in consultation with the Director of the Bureau of Mines and the Administrator of the Environmental Protection Agency, shall establish by regulation the methods and procedures to be used by persons reporting under subsection (b) to measure the annual volume of coalbed methane gas recovered, flared, vented or otherwise emitted into the environment. To the maximum extent practicable, the Secretary should seek to rely on existing monitoring and estimation methods and procedures (including but not limited to techniques developed for compliance with the Coal Mine Health and Safety Act of 1969) and place priority on selecting techniques which maximize accuracy and minimize the cost to the operator.

(d) CREDITS.—For purposes of any greenhouse gas reduction program under any future law which provides credits for reductions in coalbed methane gas emissions, each person submitting annual reports to the Secretary under subsection (b) regarding the aggregate annual volume of coalbed methane gas recovered, flared, or vented, or otherwise emitted into the environment may receive credits for reductions in coalbed methane gas emissions achieved by such person after calendar year 1987 and reported under subsection (b). No credit for recovery of coalbed methane gas from any coalbed shall be valid until mining commences in such coalbed.

(e) DOE REPORTS.—Using data submitted under this section and data obtained from the Bureau of Mines, the Secretary shall publish annual reports containing the Secretary's estimate for each coal mine of the aggregate annual volume of coalbed methane gas recovered, flared, vented, or otherwise emitted into the environment.

SEC. 1314. OWNERSHIP OF COALBED METHANE.

(a) FEDERAL LANDS AND MINERAL RIGHTS.—In the case of any deposit of coalbed methane where the United States is the owner of the surface estate or where the United States has transferred the surface estate but reserved the subsurface mineral estate, the Secretary of the Interior (hereinafter referred to in this section as the ''Secretary'') shall act in lieu of the State Board under this section and shall have all powers and authorities necessary to take such action.

(b) AFFECTED STATES.—Not later than 180 days after the date of enactment of this Act, the Secretary, with the participation of the Secretary of Energy, shall publish in the Federal Register a list of States—

(1) in which the Secretary, with the participation of the Secretary of Energy, determines that disputes, uncertainty, or litigation exist, regarding the ownership of coalbed methane gas;

(2) in which the Secretary, with the participation of the Secretary of Energy, determines that development of significant deposits of coalbed methane gas is being impeded by such existing disputes, uncertainty, or litigation regarding ownership of such coalbed methane;

(3) which do not have in effect a statutory or regulatory procedure or existing case law permitting and encouraging the development of coalbed methane gas within that State; and

(4) which do not have extensive development of coalbed methane gas.

The Secretary, with the participation of the Secretary of Energy, shall revise such list of Affected States from time to time. Based on new case law or legislation enacted in the State after the enactment of this Act, any Affected State may petition the Secretary, with the participation of the Secretary of Energy, for a revision to remove the State from the list. Until the Secretary, with the participation of the Secretary of Energy, publishes a different list, the States of West Virginia, Pennsylvania, Kentucky, Ohio, Tennessee, Indiana, and Illinois shall be the Affected States, effective on the date of the enactment of this Act. States which have current development of coalbed methane gas and shall not be included on the Secretary's list of Affected States are Colorado, Montana, New Mexico, Wyoming, Utah, Virginia, Washington, Mississippi, and Alabama.

(c) STATE AGENCIES FOR AFFECTED STATES.—(1) In order to provide for the expeditious and economical development of deposits of coalbed methane gas in Affected States, within 360 days after a State becomes an Affected State, each such Affected State shall establish or designate one or more State agencies or instrumentalities to administer the provisions of this section. Such agencies or instrumentalities shall hereinafter in this section be referred to as the ''State Board'' for the Affected State. The State shall authorize the State Board to have such powers and duties and to promulgate such regulations as may be necessary to carry out this section in that State. A person concerned with preserving the integrity of workable coal seams who is knowledgeable in underground coal mining methods and a person knowledgeable in oil and gas development activities shall be appointed to the State Board.

(2) If an Affected State has not established or designated a State Board as provided in this subsection within the 360-day period specified in paragraph (1), the Secretary, with the participation of the Secretary of Energy, shall be treated as the State Board for such State for purposes of this section. In any such case, the Secretary, with the participation of the Secretary of Energy, shall have such powers and duties and shall promulgate such regulations as may be necessary to carry out this section in that State.

(3) In implementing this section, the State Board or the Secretary, with the participation of the Secretary of Energy, as the case may be, shall—

(A) consider existing and future coal mining plans,

(B) preserve the mineability of coal seams, and

(C) provide for the prevention of waste and maximization of recovery of coal and coalbed methane gas in a manner which will protect the rights of all entities owning an interest in such coalbed methane resource.

(d) SPACING.—Except where State law in an Affected State contains existing spacing requirements regarding the minimum distance between coalbed methane wells and the minimum distance of a coalbed methane well from a property line, the State Board for each Affected State shall establish such requirements within 90 days after the date on which the State Board is established or designated.

(e) SPACING UNITS.—Applications to establish spacing units for the drilling and operation of coalbed methane gas wells may be filed by any entity claiming a coalbed methane ownership interest within a proposed spacing unit. Upon receipt and approval of an application, the State Board shall issue an order establishing the boundaries of the coalbed methane spacing unit. Spacing units shall generally be uniform in size.

(f) DEVELOPMENT UNDER POOLING ARRANGEMENT.—Following issuance of an order establishing a spacing unit under subsection (e), and pursuant to an application for pooling filed by the entity claiming a coalbed methane ownership interest and proposing to drill a coalbed methane gas well, the State Board shall hold a hearing to consider the application for pooling and shall, if the criteria of this section are met, issue an order allowing the proposed pooling of acreage within the designated spacing unit for purposes of drilling and production of coalbed methane from the spacing unit. The pooling order shall not be issued before notice or a reasonable and diligent effort to provide notice has been made to each entity which may claim an ownership interest in the coalbed methane gas within such spacing unit and each such entity has been offered an opportunity to appear before the State Board at the hearing. Upon issuance of a pooling order, each owner or claimant of an ownership interest shall be allowed to make one of the following elections:

(1) An election to sell or lease its coalbed methane ownership interest to the unit operator at a rate determined by the State Board as set forth in the pooling order.

(2) An election to become a participating working interest owner by bearing a share of the risks and costs of drilling, completing, equipping, gathering, operating (including all disposal costs), plugging and abandoning the well, and receiving a share of production from the well.

(3) An election to share in the operation of the well as a nonparticipating working interest owner by relinquishing its working interest to participating working interest owners until the proceeds allocable to its share equal 300 percent of the share of such costs allocable to its interest. Thereafter, the nonparticipating working interest owner shall become a participating working interest owner.

The pooling order shall designate a unit operator who shall be authorized to drill and operate the spacing unit. The pooling order shall provide that any entity claiming an ownership interest in the coalbed methane within such spacing unit which does not make an election under the pooling order shall be deemed to have leased its coalbed methane interest to the unit operator under such terms and conditions as the pooling order may provide. No pooling order may be issued under this paragraph for any spacing unit if all entities claiming an ownership interest in the coalbed methane in the spacing unit have entered into a voluntary agreement providing for the drilling and operation of the coalbed methane gas well for the spacing unit.

(g) ESCROW ACCOUNT.—(1) Each pooling order issued under subsection (f) shall provide for the establishment of an escrow account into which the payment of costs and proceeds attributable to the conflicting interests shall be deposited and held for the interest of the claimants as follows:

(A) Each participating working interest owner, except for the unit operator, shall deposit in the escrow account its proportionate share of the costs allocable to the ownership interest claimed by each such participating

working interest owner as set forth in the pooling order issued by the State Board.

(B) The unit operator shall deposit in the escrow account all proceeds attributable to the conflicting interests of lessees, plus all proceeds in excess of ongoing operational expenses (including reasonable overhead costs) attributable to conflicting working interests.

(2) The State Board shall order payment of principal and accrued interest from the escrow account to all legally entitled entities within 30 days of receipt by the State Board of notification of the final legal determination of entitlement or upon agreement of all entities claiming an ownership interest in the coalbed methane gas. Upon such final determination—

(A) each legally entitled participating working interest owner shall receive a proportionate share of the proceeds attributable to the conflicting ownership interest;

(B) each legally entitled nonparticipating working interest owner shall receive a proportionate share of the proceeds attributable to the conflicting ownership interest, less the cost of being carried as a nonparticipating working interest owner (as determined by the election of the entity under the applicable pooling order);

(C) each entity leasing (or deemed to have leased) its coalbed methane ownership interest to the unit operator shall receive a share of the royalty proceeds (as set out in the applicable pooling order) attributable to the conflicting interests of lessees; and

(D) the unit operator shall receive the costs contributed to the escrow account by each legally entitled participating working interest owner.

The State Board shall enact rules and regulations for the administration and protection of funds delivered to the escrow accounts.

(h) APPROVAL OF STATE BOARD.—No entity may drill any well for the production of coalbed methane gas from a coalbed in an Affected State unless the drilling of such well has been approved by the State Board for that State.

(i) CONSENT OF AFFECTED COAL OPERATOR.—No operator of a coalbed methane well may stimulate a coal seam or known coal bearing geologic strata without the written consent of each entity which is operating, or who at the time of application for a drilling permit, has by virtue of ownership or a coal lease, the right to operate, a coal mine in a coal seam situated—

(1) within a minimum horizontal distance—

(A) of 1,500 feet from the well; or

(B) as determined by the State Board, based on evaluation of the maximum length of fracture producible in the local strata; or

(2) within a minimum vertical distance—

(A) of 200 feet of the known coal bearing geologic strata to be stimulated; or

(B) as determined by the State Board, based on evaluation of the maximum height and depth of fracture producible in the local strata.

The consent required under this subsection shall in no way be deemed to impair, abridge, or affect any contractual rights or objections arising out of a coalbed methane gas contract or coalbed methane gas lease in existence as of the effective date of this section between the coalbed methane operator and the coal operator, and the existence of such lease or contractual agreement and any extensions or renewals of such lease shall be deemed to fully meet the requirements of this section.

(j) NOTICE AND OBJECTION.—(1) The State Board shall not approve the drilling of any coalbed methane well unless the unit operator has notified each entity which is operating, or has the right to operate, a coal mine in any portion of the coalbed that would be affected by such well within the distances referred to in subsection (i). Any notified entity may object to the drilling of such well within 30 days after receipt of a notice. Upon receipt of a timely objection to the drilling of any coalbed methane gas well submitted by a notified entity, the State Board may refuse to approve the drilling of the well based on any of the following:

(A) The proposed activity, due to its proximity to any coal mine opening, shaft, underground workings, or to any proposed extension of the coal mine, would adversely affect any operating, inactive or abandoned coal mine, including any coal mine already surveyed and platted but not yet being operated.

(B) The proposed activity would not conform with a coal operator's development plan for an existing or proposed operation.

(C) There would be an unreasonable interference from the proposed activity with present or future coal mining operations, including the ability to comply with other applicable laws and regulations.

(D) The presence of evidence indicating that the proposed drilling activities would be unsafe, taking into consideration the dangers from creeps, squeezes or other disturbances due to the extraction of coal.

(E) The proposed activity would unreasonably interfere with the safe recovery of coal, oil and gas.

(2) In the event the State Board does not approve the drilling of a coalbed methane well pursuant to paragraph (1), the State Board shall consider whether such drilling could be approved if the unit operator modifies the proposed activities to take into account any of the following:

(A) The proposed activity could instead be reasonably done through an existing or planned pillar of coal, or in close proximity to an existing well or such pillar of coal, taking into consideration surface topography.

(B) The proposed activity could instead be moved to a mined-out area, below the coal outcrop or to some other feasible area.

(C) The unit operator agrees to a drilling moratorium of not more than two years in order to permit completion of coal mining operations.

(D) The practicality of locating the proposed spacing unit or well on a uniform pattern with other spacing units or wells.

(k) PLUGGING.—All coalbed methane wells drilled after enactment of this Act that penetrate coal seams with remaining reserves shall provide for subsequent safe mining through the well in accordance with standards prescribed by the State Board for the State in which the well is located, in consultation with any Federal and State agencies having authority over coal mine safety.

(l) NOTICE AND OBJECTION BY OTHER PARTIES.—The State Board shall not approve the drilling of any coalbed methane well unless such well complies with the spacing and other requirements established by the State Board and each of the following:

(1) The unit operator of such well has notified, or has made a reasonable and diligent effort to notify, all entities claiming ownership of coalbed methane to be drained by such well and provided an opportunity to object in accordance with requirements established by the State Board.

(2) Where conflicting interests exist, an order under subsection (f) establishing pooling requirements has been issued.

The notification requirements of this subsection shall be additional to the notification referred to in subsection (j). The State Board shall establish the conditions under which entities claiming ownership of coalbed methane may object to the drilling of a coalbed methane well.

(m) VENTING FOR SAFETY.—Nothing in this section shall be construed to prevent or inhibit the entity which has the right to develop and mine coal in any mine from venting coalbed methane gas to ensure safe mine operations.

(n) DEFINITIONS.—As used in this section—

(1) The term ''Affected State'' means a State listed by the Secretary, with the participation of the Secretary of Energy, under subsection (b).

(2) The term ''coalbed methane gas'' means occluded natural gas produced (or which may be produced) from coalbeds and rock strata associated therewith.

(3) The term ''unit operator'' means the entity designated in a pooling order to develop a spacing unit by the drilling of one or more wells on the unit.

(4) The term ''nonparticipating working interest owner'' means a gas or oil owner of a tract included in a spacing unit which elects to share in the operation of the well on a carried basis by agreeing to have its proportionate share of the costs allocable to its interest charged against its share of production of the well in accordance with subsection (f)(3).

(5) The term ''participating working interest owner'' means a gas or oil owner which elects to bear a share of the risks and costs of drilling, completing, equipping, gathering, operating (including any and all disposal costs) plugging, and abandoning a well on a spacing unit and to receive a share of production from the well equal to the proportion which the acreage in the spacing unit it owns or holds under lease bears to the total acreage of the spacing unit.

SEC. 1315. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary such sums as may be necessary for each of the fiscal years 1992 through 1998, to conduct no less than 2 additional solicitations similar in scope and amount of Federal costsharing as that provided by Public Law 101–121 for clean coal technology demonstrations to be conducted pursuant to this title.

SEC. 1316. ESTABLISHMENT OF DATA BASE AND STUDY OF TRANSPORTATION RATES.

(a) DATA BASE.—The Secretary shall review the information currently collected by the Federal Government and shall determine whether information on transportation rates for rail and pipeline transport of domestic coal, oil, and gas during the period of January 1, 1988, through December 31, 1997, is reasonably available. If he determines that such information is not reasonably available, the Secretary shall establish a data base containing, to the maximum extent practicable, information on all such rates. The confidentiality of contract rates shall be preserved. To obtain data pertaining to rail contract rates, the Secretary shall acquire such data in aggregate form from the Interstate Commerce Commission, under terms and conditions that maintain the confidentiality of such rates.

(b) STUDY.—The Secretary shall determine the extent to which any agency of the Federal Government is studying the rates and distribution patterns of domestic coal, oil, and gas to determine the impact of the Clean Air Act as amended by the Act entitled ''An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes.'', enacted November 15, 1990 (Public Law 101–549), and other Federal policies on such rates and distribution patterns. If the Secretary finds that no such study is underway, or that reports of the results of such study will not be available to the Congress providing the information specified in this subsection and subsection (a) by the dates established in subsection (c), the Secretary shall initiate such a study.

(c) REPORTS TO CONGRESS.—Within one year after the date of enactment of this Act, the Secretary shall report to the Congress on the determination he is required to make under subsection (b). Within three years after the date of enactment of this Act, the Secretary shall submit reports on any data base or study developed under this section. Any such reports shall be updated and resubmitted to the Congress within eight years after such date of enactment. If the Secretary has determined pursuant to subsection (b) that another study or studies will provide all or part of the information called for in this section, the Secretary shall transmit the results of that study by the dates established in this subsection, together with his comments.

(d) CONSULTATION WITH OTHER AGENCIES.—The Secretary shall consult with the Administrator of the Energy Information Administration and the Chairmen of the Federal Energy Regulatory Commission and the Interstate Commerce Commission in implementing this section.

SEC. 1317. EARLY BANKING OF EMISSIONS CREDITS FOR EFFICIENCY IMPROVEMENTS FROM THE APPLICATION OF CLEAN COAL TECHNOLOGIES.

(a) The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall promulgate regulations within 18 months after the date of enactment of this section to establish baseline emissions of carbon dioxide from existing utility sources that apply clean coal technologies. For purposes of the preceding sentence, baseline emissions for sources subject to title IV of the Act entitled ''An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes.'', enacted November 15, 1990 (Public Law 101–549), shall be based on data collected pursuant to section 821 of such Act.

(b) The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall promulgate regulations within 18 months after the date of enactment of this section to establish methodologies to measure efficiency improvements from the application of clean coal technologies to existing utility sources for the purpose of establishing credit for such improvements. Such regulations shall establish criteria to determine the heat rate of the unit, expressed in mmBtus per kilowatt hour, in the baseline year to be determined by the Administrator. Credits for any given year shall be determined as follows:

(1) If the kilowatt hours generated by the unit applying clean coal technology are greater than or equal to the kilowatt hours generated by the unit before such technologies are applied, credits shall be determined by calculating the tons of carbon dioxide emitted in the baseline year and subtracting from that amount the number determined by multiplying the tons of carbon dioxide emitted in the baseline year and the ratio of the heat rate of the unit after application of clean coal technologies to the heat rate of the unit prior to application of such technologies in the baseline year.

(2) If the kilowatt hours generated by the unit applying clean coal technologies in that year are less than the kilowatt hours generated in the baseline year, credits shall be determined by multiplying the tons of carbon dioxide emitted by the unit after application of such technologies and the ratio of the heat rate of the unit prior to application of such technologies to the heat rate of the unit after application of such technologies and subtracting from that product the tons of carbon dioxide emitted by the unit in that year.

(c) Following the promulgation of regulations under subsections (a) and (b) any utility source may report to the Secretary baseline emissions and credits, including technology transfer incentive credits, for purposes of establishing credit for such efficiency improvements in any greenhouse gas reduction program enacted after the date of enactment of this Act.

SEC. 1318. METALLURGICAL COAL DEVELOPMENT.

(a) The Secretary shall establish a metallurgical coal utilization program (hereinafter in this section referred to as the ''program'') as provided under this section for the purpose of developing techniques that will lead to the greater and more efficient utilization of the Nation's metallurgical coal resources.

(b) The program referred to in subsection (a) shall include techniques and demonstration projects to facilitate the use of metallurgical coal—

(1) as a boiler fuel for the purpose of generating steam to produce electricity, including blending metallurgical coal with other coals in order to enhance its efficient application as a boiler fuel;

(2) as an ingredient in the manufacturing of steel; and

(3) as a source of pipeline quality coalbed methane.

(c) The Secretary shall take such actions as necessary to facilitate the transfer of technologies developed under this title to the private sector for commercial application.

(d) There are authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

SEC. 1319. UTILIZATION OF COAL WASTES.

(a) COAL WASTE UTILIZATION PROGRAM.—The Secretary shall establish a coal waste utilization experimental program (hereinafter in this section referred to as the ''program'') as provided under this section for the purpose of developing techniques that will lead to the greater and more efficient utilization of coal from mining and processing wastes. Nothing in this section relates to coal ash.

(b) USE AS BOILER FUEL.—The program referred to in subsection (a) shall include techniques and demonstration projects to facilitate the use of coal from mining and processing wastes as a boiler fuel for the purpose of generating steam to produce electricity.

(c) GRANTS.—As part of the program authorized by this section the Secretary may award grants, or enter into contracts or cooperative agreements with public and private entities.

(d) TECHNOLOGY TRANSFER.—The Secretary shall take such actions as necessary to facilitate the transfer of technologies developed under this title to the private sector for commercial application.

(e) AUTHORIZATION.—There are authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

TITLE XIV—STRATEGIC PETROLEUM RESERVE

SEC. 1401. FILL OF THE REFINED PETROLEUM PRODUCT RESERVE.

Section 160(g) of the Energy Policy and Conservation Act (42 U.S.C. 6240(g)) is amended to read as follows:

''(g)(1) Beginning with fiscal year 1993 and continuing until the quantity of refined petroleum product in storage under this subsection is 50,000,000 barrels, the Secretary shall provide that 12 percent by volume of the petroleum product added to the Reserve during any fiscal year shall be refined petroleum product stored in a refined petroleum product reserve or reserves located in Petroleum Administration for Defense District 1A or 1B.

''(2) Through regulations and orders issued under this section, the Secretary shall provide that the refined petroleum product required to be stored in the Reserve under this subsection be limited to refined petroleum product determined to be appropriate by the Secretary.

''(3)(A) In carrying out the program established under this subsection, the Secretary may, using amounts in the Fund established under section 170, provide for the acquisition by lease or purchase of storage facilities.

''(B) In carrying out the program established under this subsection, the Secretary may not construct facilities for the storage of refined petroleum products.

''(4) Refined petroleum products stored under this subsection may be withdrawn from the Reserve—

''(A) as may be necessary to turn such products over because of changes in the physical characteristics of the product; or

''(B) on the basis of a finding made under section 161.''.

SEC. 1402. ADDITIONAL AUTHORITY FOR DRAWDOWN.

(a) IN GENERAL.—Section 161(d) of the Energy Policy and Conservation Act (42 U.S.C. 6241(d)) is amended by inserting before the period the following: ''or unless the President has found that such implementation would assist in relieving severe economic problems directly related to a significant increase in the price of petroleum product''.

(b) CONFORMING AMENDMENTS.—(1) Section 159(e) of the Energy Policy and Conservation Act (42 U.S.C. 6239(e)) is amended by inserting before the period the following: ''or to assist in relieving severe economic problems directly related to a significant increase in the price of petroleum product''.

(2) Section 173(b)(1) of such Act (42 U.S.C. 6249b(b)(1)) is amended by inserting before the period the following: ''or to assist in relieving severe economic problems directly related to a significant increase in the price of petroleum product''.

SEC. 1403. INSULAR AREAS STUDY.

The Secretary shall undertake a study of the implications of the unique vulnerabilities of the insular areas associated with the United States to an oil supply disruption. The study shall outline how these insular areas shall gain access to vital oil supplies during times of national emergency. Such study shall be completed within 9 months from the date of enactment of this Act and shall be sent to the Congress.

TITLE XV—OCTANE DISPLAY AND DISCLOSURE

SEC. 1501. CERTIFICATION AND POSTING OF AUTOMOTIVE FUEL RATINGS.

(a) COVERAGE OF ALL LIQUID AUTOMOTIVE FUELS.—Section 201(6) of the Petroleum Marketing Practices Act (15 U.S.C. 2821(6)) is amended to read as follows:

''(6) The term 'automotive fuel' means liquid fuel of a type distributed for use as a fuel in any motor vehicle.''.

(b) AUTOMOTIVE FUEL RATING.—Section 201 of such Act (15 U.S.C. 2821) is amended by adding at the end the following new paragraphs:

''(17) The term 'automotive fuel rating' means—

''(A) the octane rating of an automotive spark-ignition engine fuel; and

''(B) if provided for by the Federal Trade Commission by rule, the cetane rating of diesel fuel oils; or

''(C) another form of rating determined by the Federal Trade Commission, after consultation with the American Society for Testing and Materials (ASTM), to be more appropriate to carry out the purposes of this title with respect to the automotive fuel concerned.

''(18)(A) The term 'cetane rating' means a measure, as indicated by a cetane index or cetane number, of the ignition quality of die-

sel fuel oil and of the influence of the diesel fuel oil on combustion roughness.

''(B) The term 'cetane index' and the term 'cetane number' have the meanings determined in accordance with the test methods set forth in the American Society for Testing and Materials standard test methods—

''(i) designated D976 or D4737 in the case of cetane index; and

''(ii) designated D613 in the case of cetane number,

(as in effect on the date of the enactment of this Act) and shall apply to any grade or type of diesel fuel oils defined in the specification of the American Society for Testing and Materials entitled 'Standard Specification for Diesel Fuel Oils' designated D975 (as in effect on such date).''.

(c) CONFORMING AMENDMENTS.—(1) Section 201 of such Act (15 U.S.C. 2821) is amended—

(A) in paragraph (1), by striking out ''gasoline'' and inserting in lieu thereof ''fuel'';

(B) in paragraph (2)—

(i) by striking out ''Standard Specifications for Automotive Gasoline'' and inserting in lieu thereof ''Standard Specification for Automotive Spark-Ignition Engine Fuel''; and

(ii) by striking out ''D 439'' and inserting in lieu thereof ''D4814'';

(C) in paragraph (4)—

(i) by striking out ''gasoline'' the first place it appears and inserting in lieu thereof ''automotive fuel''; and

(ii) by striking out ''gasoline'' the second place it appears and inserting in lieu thereof ''fuel'';

(D) by striking out paragraph (5) and inserting in lieu thereof the following:

''(5) The term 'refiner' means any person engaged in the production or importation of automotive fuel.'';

(E) in paragraph (11)—

(i) by striking out ''octane'' each place it appears and inserting in lieu thereof ''automotive fuel''; and

(ii) by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''fuel''; and

(F) in paragraph (16), by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''automotive fuel''.

(2) Section 202 of such Act (15 U.S.C. 2822) is amended—

(A) by striking out ''octane rating'' and ''octane ratings'' each place such terms appear and inserting in lieu thereof ''automotive fuel rating'' and ''automotive fuel ratings'', respectively;

(B) in subsections (a) and (b), by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''fuel'';

(C) in subsection (c)—

(i) by striking out ''gasoline'' each place it appears (other than the second place it appears) and inserting in lieu thereof ''automotive fuel''; and

(ii) by striking out ''gasoline'' the second place it appears and inserting in lieu thereof ''fuel'';

(D) in subsection (d), by striking out ''octane'' and inserting in lieu thereof ''automotive fuel'';

(E) in subsection (e)—

(i) by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''fuel''; and

(ii) by striking out ''gasoline's'' and inserting in lieu thereof ''fuel's'';

(F) in subsections (f), (g), and (h), by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''fuel'';

(G) in subsection (h), by striking out ''octane requirement'' each place it appears and inserting in lieu thereof ''automotive fuel requirement''; and

(H) in the section heading, by striking out ''OCTANE'' and inserting in lieu thereof ''AUTOMOTIVE FUEL RATING''.

(3) Section 203 of such Act (15 U.S.C. 2823) is amended—

(A) by striking out ''octane rating'' and ''octane ratings'' each place such terms appear and inserting in lieu thereof ''automotive fuel rating'' and ''automotive fuel ratings'', respectively;

(B) in subsections (b) and (c), by striking out ''gasoline'' each place it appears and inserting in lieu thereof ''fuel''; and

(C) in subsection (c)(3), by striking out ''201(1)'' and inserting in lieu thereof ''201''.

(e) EFFECTIVE DATE.—(1) The amendments made by this section shall become effective at the end of the one-year period beginning on the date of the enactment of this Act.

(2) The Federal Trade Commission shall, within 270 days after the date of the enactment of this Act, prescribe rules for the purpose of implementing the amendments made in this section.

SEC. 1502. INCREASED AUTHORITY FOR ENFORCEMENT.

(a) STATE LAW.—Section 204 of the Petroleum Marketing Practices Act (15 U.S.C. 2824) is amended to read as follows:

''RELATIONSHIP OF THIS TITLE TO STATE LAW

''SEC. 204. (a) To the extent that any provision of this title applies to any act or omission, no State or any political subdivision thereof may adopt or continue in effect, except as provided in subsection (b), any provision of law or regulation with respect to such act or omission, unless such provision of such law or regulation is the same as the applicable provision of this title.

''(b) A State or political subdivision thereof may provide for any investigative or enforcement action, remedy, or penalty (including procedural actions necessary to carry out such investigative or enforcement actions, remedies, or penalties) with respect to any provision of law or regulation permitted by subsection (a).''.

(b) FTC ENFORCEMENT.—Section 203(e) of such Act is amended by striking out ''; except that'' in the second sentence and all that follows through the period and inserting in lieu thereof a period.

(c) EPA ENFORCEMENT.—Section 203(b)(1) of such Act is amended—

(1) in the matter preceding subparagraph (A), by striking out ''shall'';

(2) in subparagraph (A), by striking out ''conduct'' and inserting in lieu thereof ''may conduct'';

(3) in subparagraph (B), by striking out ''certify'' and inserting in lieu thereof ''shall certify'';

(4) in subparagraph (C), by striking out ''notify'' and inserting in lieu thereof ''shall notify''; and

(5) in subparagraph (C), by striking out ''discovered'' and all that follows through ''testing''.

SEC. 1503. STUDIES.

(a) IN GENERAL.—For the purpose of making the findings, conclusions, and recommendations referred to in subsection (c)—

(1) the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Energy, shall carry out a study to determine whether, and if so, how, the anti-knock characteristics of nonliquid fuels usable as a fuel for a motor vehicle (as defined in section 201(7) of the Petroleum Marketing Practices Act) can be determined; and

(2) the Federal Trade Commission, in consultation with the Administrator of the Environmental Protection Agency, shall carry out a study—

(A) to determine the need for, and the desirability of, having a uniform national label on devices used to dispense automotive fuel to consumers that would consolidate information required by Federal law to be posted on such devices; and

(B) to determine the nature of such label if it is determined under subparagraph (A) that such a need exists.

(b) IMPLEMENTATION.—(1) In carrying out studies under this section, each agency shall—

(A) publish general notice of each of the studies in the Federal Register; and

(B) give interested parties an opportunity to participate in such studies through submission of written data, views, or arguments.

(2) In carrying out the study to determine the nature of a uniform national label under subsection (a)(2)(B), the Federal Trade Commission shall—

(A) weigh the consumer, environmental, and energy saving benefits of any element of such label against the necessity for a concise, practical, and cost-efficient label; and

(B) consider as a possible element of such label a statement suggesting consumers check the vehicle's owner's manual regarding octane requirements.

(c) REPORTS.—The Administrator of the Environmental Protection Agency, the Secretary of Energy, and the Chairman of the Federal Trade Commission shall transmit to the Congress, within one year after the date of the enactment of this Act, the findings, conclusions, and recommendations made as a result of the studies carried out by such officers under this section, together with a description of the administrative and legislative actions needed to implement such recommendations.

TITLE XVI—GREENHOUSE WARMING—ENERGY IMPLICATIONS

SEC. 1601. INTERAGENCY COORDINATING COUNCIL.

Within 90 days after the date of enactment of this Act, the President shall establish an Interagency Coordinating Council, whose function shall be to coordinate the implementation of this title. Such Council shall be composed of the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Secretary of Commerce, the Secretary of State, the Secretary of the Interior, and representatives of other appropriate Federal agencies.

SEC. 1602. REPORT ON NATIONAL ACADEMY OF SCIENCES RECOMMENDATIONS.

Within 1 year after the date of enactment of this Act, the President shall transmit a report to Congress that includes—

(1) an analysis of the 19 recommendations made in chapter 9 of the 1991 National Academy of Sciences report entitled ''Policy Implications of Greenhouse Warming'', including an analysis of the social costs and benefits of each such recommendation; and

(2) an assessment of the extent to which the United States is responding, compared with other nations, to such recommendations.

SEC. 1603. ENERGY INVENTORY AND FORECASTS.

(a) INVENTORY.—Within 1 year after the date of enactment of this Act, the Secretary of Energy (hereafter in this title referred to as the ''Secretary'') shall take inventory of opportunities to expand energy production and to improve the efficiency of energy production, distribution, and use for all fossil, renewable, nuclear, and efficiency options that the Secretary projects will be reliable and commercially available over the next 3 decades. Such inventory shall include—

(1) estimates of both annual and lifecycle costs, including reasonably foreseeable costs of environmental compliance;

(2) energy contributions at various cost thresholds; and

(3) supply and demand side options.

The Secretary shall update such inventory periodically as necessary.

(b) FORECAST ASSUMPTIONS.—In developing forecast assumptions for purposes of this sec-

tion, the Secretary shall apply consistent standards with respect to—

(1) the specified maturity of the technology;

(2) consideration of market barriers; and

(3) expectations regarding costs over time.

(c) LIFECYCLE COSTS FOR EXISTING FACILITIES.—Estimates of lifecycle costs for existing facilities for purposes of this section shall not include investments already made, shall be based on remaining useful lifetimes, and shall provide for opportunities for plant upgrades and modernizations. All data shall be regularly updated and reviewed.

(d) BASECASE FORECASTS.—Within 1 year after the date of enactment of this Act, the Secretary shall develop basecase forecasts of national energy needs under low and high case assumptions of economic growth that bound the range of plausible outcomes. Such forecasts shall be made for both the short run (5 to 10 years) and the long run (20 to 30 years). Externalities shall not be included in the basecase analysis. Once the basecase forecasts have been constructed and tested, a reasonable representation of demand side efficiency improvements shall be incorporated to reflect growth and the replacement of aging facilities with more modern technologies.

(e) BASECASE COMPARISONS.—Within 1 year after the date of enactment of this Act, the Secretary shall compare alternative scenarios to the basecase developed under subsection (d), including the following:

(1) COST-MINIMIZING SCENARIO, LOW CASE.—Meets United States energy needs under the low forecast at the lowest lifecycle dollar cost.

(2) COST-MINIMIZING SCENARIO, HIGH CASE.—Meets United States energy needs under the high forecast at the lowest lifecycle dollar cost.

(3) COST-MINIMIZING LOW GREENHOUSE GAS EMISSIONS SCENARIO, LOW CASE.—Meets United States energy needs under the low forecast and also meets reduction goals for greenhouse gas emissions at the lowest lifecycle dollar cost.

(4) COST-MINIMIZING LOW GREENHOUSE GAS EMISSIONS SCENARIO, HIGH CASE.—Meets United States energy needs under the high forecast and also meets reduction goals for greenhouse gas emissions at the lowest lifecycle dollar cost.

The Secretary shall update comparisons under this subsection periodically as necessary.

(f) INVENTORY OF UNDEVELOPED OPPORTUNITIES.—Within 1 year after the date of enactment of this Act, the Secretary shall take inventory of United States undeveloped opportunities to expand energy production and to improve the efficiency of energy distribution and use. The Secretary shall update such inventory periodically as necessary.

(g) PUBLIC REVIEW AND COMMENT.—Not later than 90 days before the issuance of an initial inventory, forecast, or comparison under this section, the Secretary shall publish a proposed inventory, forecast, or comparison and provide for public review and comment for a period of at least 30 days. The Secretary shall also provide for public review and comment before the issuance of any update to an inventory, forecast, or comparison under this section.

SEC. 1604. ASSESSMENT OF ALTERNATIVE POLICY MECHANISMS FOR ADDRESSING GREENHOUSE GAS EMISSIONS.

Within 1 year after the date of enactment of this Act, the President shall transmit a report to the Congress containing a comparative assessment of alternative policy mechanisms for reducing greenhouse gas emissions. Such assessment shall, at a minimum, include an analysis, for both the short run (5 to 10 years) and the long run (20 to 30 years) of the social, economic, energy, environmental, and agricultural costs and benefits, and the practicality, of each of the following approaches:

(1) Various systems of emission caps, including caps for all greenhouse gases and all sources of greenhouse gases as well as caps for only carbon dioxide emissions from new major sources.

(2) Federal efficiency or greenhouse gas emission standards, including power plant efficiency standards, industrial process efficiency standards, automobile fuel economy standards, appliance efficiency standards, national building standards, and methane emission standards.

(3) Emissions trading, including—

(A) trading for all greenhouse gases and all greenhouse gas sources;

(B) trading only for specified source categories; and

(C) trading only for carbon dioxide emissions.

SEC. 1605. VOLUNTARY REDUCTIONS OF GREENHOUSE GASES.

(a) ESTABLISHMENT OF SYSTEM.—Within 18 months after the date of enactment of this Act, the Secretary, in consultation with the Interagency Coordinating Council established under section 1601, shall establish by rule a national accounting system for voluntary reductions of greenhouse gases. Such rule shall include—

(1) baseline greenhouse gas emission estimates, calculated, except as provided in subsection (d), as an annual average over the period of 1986 through 1990;

(2) opportunities for entities to receive official certification of net greenhouse gas emission reductions relative to the baseline for purposes of receiving credit against any future Federal requirements that may apply to greenhouse gas emissions;

(3) the establishment of equivalency measures for reductions applicable to different greenhouse gases, taking into account differential radiative activity and atmospheric lifetimes, or applicable to different time periods;

(4) accounting of any net reductions in greenhouse gas emissions achieved in other countries by United States entities;

(5) provisions to ensure that no emissions reduction be credited more than once;

(6) provisions to ensure that an entity's baseline includes all greenhouse gas emissions from all sources under the control of such entity;

(7) annual certification, only after the greenhouse gas reduction or the greenhouse gas fixation has occurred;

(8) provisions that ensure that reductions of greenhouse gas emissions which are specifically required under this title, or any other Federal law in effect as of the date of enactment of this Act, shall not be certified;

(9) provisions which permit a person to file with the Secretary for verification such documentation as the Secretary considers appropriate for the certification of greenhouse gas emission reductions generated by such person;

(10) a requirement for a report to be published by the Secretary annually describing the amount of greenhouse gas emission reductions certified in each calendar year; and

(11) authorization and guidelines for a State agency to certify greenhouse gas emission reductions if the person providing such reductions establishes to the satisfaction of such State agency that such reductions comply with the requirements of this section, with the Secretary having, for a 90-day period following the receipt of such certification, the authority to review such State certification prior to registration in the National Greenhouse Gas Reduction Registry established under subsection (f).

(b) VOLUNTARY REDUCTIONS TO RECEIVE CREDIT.—At a minimum, the rule issued under subsection (a) shall provide for the certification of voluntary greenhouse gas emission reductions, relative to the baseline, through—

(1) fuel-switching to fuels which produce less greenhouse gas emissions from major sources;

(2) carbon fixation through planting new forests, improving forest management practices, preserving old growth forests, or planting other vegetation, but not for cutting and replanting old growth forests;

(3) the manufacture of vehicles with reduced greenhouse gas emissions, based on the statistically expected lifetime and use of the vehicles sold;

(4) the manufacture of appliances with improved efficiency, based on the statistically expected lifetime and use of the appliances sold;

(5) energy conservation measures, other than those which are exclusively information or educational in nature, and other than appliance efficiency improvements certified under paragraph (4);

(6) methane recovery from municipal landfills, wastewater treatment facilities, and sewage sludge facilities;

(7) greenhouse gas emission reductions attributable solely to the construction or operation of cogeneration facilities that replace existing industrial boilers or other thermal power produced by cogeneration;

(8) the manufacture of dedicated alternative fueled vehicles which only use fuels which, on a life cycle basis, produce fewer greenhouse gas emissions than gasoline;

(9) greenhouse gas emission reductions attributable solely to powerplant heat rate improvements through the repowering or replacement of an existing powerplant;

(10) greenhouse gas emission reductions attributable solely to replacement of specific, identifiable, existing utility sources with renewable energy sources, under the meaning of title VII of this Act;

(11) the capture and destruction of chlorofluorocarbons in the United States and other nations; and

(12) such other actions and methods as the Secretary determines would result in net greenhouse gas emission reductions.

(c) FUEL-SWITCHING RULES.—For purposes of applying subsection (b)(1), the rule issued under subsection (a) shall establish procedures for calculating fuel use, in mmBtus, and the number of pounds of greenhouse gases emitted per mmBtu for the fuel or, in the case of a mix of fuels, the weighted average amount of greenhouse gases emitted per mmBtu. For purposes of determining the amount of greenhouse gases emitted per mmBtu for each fuel or mix of fuels, such rule shall take into account the application of technological controls which reduce the amount of greenhouse gases emitted from the combustion of such fuels. Greenhouse gas emission reductions may be certified under this section only for reductions measured by—

(1) calculating the difference between the number of pounds of greenhouse gases per mmBtu of the fuel or, in the case of a mix of fuels, the weighted average of the greenhouse gases amount of per mmBtu, in the baseline period and in the year in which the switch occurs; and

(2) multiplying the amount calculated under paragraph (1) by the total number of mmBtus consumed by the source in the year in which the switch occurs.

(d) BASE PERIOD.—For purposes of certifications under subsection (b)(2), the base period for calculations shall be the 30-year period immediately preceding the date of enactment of this Act.

(e) SEPARATE CERTIFICATION RULES.—The rule issued under subsection (a) shall separately provide for certification rules with re-

spect to each of the 4 types of carbon fixation referred to in subsection (b)(2).

(f) NATIONAL GREENHOUSE GAS REDUCTION REGISTRY.—The rule issued under subsection (a) shall create a National Greenhouse Reduction Registry for the purpose of tracking greenhouse gas emission reductions. At a minimum, such rule shall require the identification of persons who have obtained certification of greenhouse gas emission reductions under this section, their addresses, amounts reduced and the source of the greenhouse gas emission reductions.

SEC. 1606. INTERNATIONAL ENERGY TECHNOLOGY TRANSFER.

(a) IN GENERAL.—The Secretary of Commerce, in cooperation with the Secretary and with other appropriate Federal agencies, shall facilitate and expand exports of domestic energy technologies which could substantially reduce greenhouse gases and other environmental pollutants, and increase energy efficiency in other countries.

(b) DUTIES.—The Secretary of Commerce, in cooperation with the Secretary and with other appropriate Federal agencies, shall—

(1) coordinate the establishment, within existing Federal departments and agencies, of technical and financial assistance programs, including grants, loan guarantees, no interest and low interest loans, and cooperative agreements, to support the reduction of greenhouse gases through exports of domestic energy technology;

(2) coordinate, using the National Trade Data Bank and Commercial Information Management System, the development of a comprehensive interagency data base and information dissemination system with respect to the availability, efficacy, and cost effectiveness of energy technologies to substantially reduce greenhouse gases; and

(3) report to the House of Representatives and the Senate and to appropriate committees of each House annually on actions taken to implement this section.

(d) FEDERAL PROGRAM.—(1) The Secretary, through the Agency for International Development, shall establish a program to support the reduction of greenhouse gases through the export of domestic energy technology. The Secretary and the Administrator of the Agency for International Development shall enter into a formal agreement to carry out this program.

(2) In order to carry out this section, the Administrator of the Agency for International Development, pursuant to the agreement under paragraph (1), and after consultation with the Trade and Development Program, and, where appropriate, in consultation with the Export-Import Bank of the United States, shall—

(A) support projects, in developing countries and in countries making the transition from nonmarket to market economies, which provide energy, in a cost-effective and environmentally acceptable manner, using technology which reduces greenhouse gases;

(B) select projects for purposes of this section only if such projects use United States technology and, where appropriate, coal resources of the United States;

(C) determine whether each project selected under this section is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development;

(D) coordinate the activities of all offices within the Agency for International Development, and work with the Agency's country missions, in developing projects for purposes of this section that provide opportunities for United States firms consistent with the Agency's primary mission to help these countries with traditional development projects;

(E) select a project only if the energy technology to which the project applies is the most cost effective technological alternative, or equal to the most cost effective alternative, on the basis of life cycle cost per unit of energy produced, for substantially reducing greenhouse gases and other environmental pollutants, and increasing energy efficiency, in the country to which the energy technology is proposed to be transferred;

(F) select a project only if appropriate accounting and project management controls will be adequate to—

(i) control the costs of the project;

(ii) ensure a high probability of success; and

(iii) ensure compliance with this section;

(G) select a project only if the project would result in a significant reduction in greenhouse gases compared to the greenhouse gases that would otherwise have been produced;

(H) in selecting projects, consider the degree to which the United States firm has proposed to provide a portion of the cost of the project.

(2) Within six months of the date of enactment of this Act and annually thereafter, the Secretary of Energy, in consultation with the Administrator of Agency for International Development, will prepare a list of eligible technologies under this subsection. In preparing such list, the Secretary shall consider fuel cell powerplants, aeroderivative gas turbines and catalytic combustion technologies for aeroderivative gas turbines; ocean thermal energy conversion technology, or anaerobic digester and storage tanks, and other technologies.

(3) The Secretary, through the Agency for International Development, and consistent with the Agency for International Development procurement guidelines, shall ensure—

(A) that the maximum percentage of the cost of any equipment furnished in connection with a project authorized under this section shall be attributable to the United States manufactured components of such equipment; and

(B) the maximum participation of United States firms.

(4) There are authorized to be appropriated to the Secretary, through the Agency for International Development, for carrying out this subsection $50,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998.

SEC. 1607. GLOBAL CLIMATE CHANGE RESPONSE FUND.

(a) ESTABLISHMENT OF THE FUND.—The Secretary of the Treasury shall establish a fund in the United States Treasury known as a ''Global Climate Change Response Fund'' which shall act as a mechanism for United States contributions to assist global efforts in adapting and responding to climate change.

(b) DEPOSITS TO THE FUND.—(1) Subject to paragraph (2), the Secretary of the Interior shall deposit 10 percent of all royalties received under the Outer Continental Shelf Lands Act into the Global Climate Change Response Fund. Nothing in this paragraph shall reduce any amounts required to be credited to the Land and Water Conservation Fund, pursuant to the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 through 460l–11), to the Historic Preservation Fund, pursuant to the Historic Preservation Act (16 U.S.C. 470h), or distributed to coastal States under section 8(g)(2) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(2)).

(2) No deposits to the Global Climate Change Response Fund shall be made until—

(A) the United States has signed the Framework Convention on Climate Change; and

(B) the United States has ratified that Convention.

(c) USE OF THE FUND.—Moneys deposited into the Fund shall be used, to the extent provided in appropriations Acts, by the President only to make contributions to any agreed-upon financial mechanism pursuant to the United Nations Framework Convention on Climate Change, including any protocol or agreement related thereto.

(d) TERMINATION.—This section shall cease to apply on September 30, 2003.

TITLE XVII—ADDITIONAL FEDERAL POWER ACT AMENDMENTS

SEC. 1701. ADDITIONAL FEDERAL POWER ACT AMENDMENTS.

(a) ANNUAL CHARGES FOR COSTS.—(1) Section 10(e)(1) of the Federal Power Act is amended by striking the semicolon after ''Part'' and inserting the following: '', including any reasonable costs incurred by fish and wildlife agencies and other natural and cultural resource agencies in connection with studies or other reviews carried out by such agencies for purposes of administering their responsibilities under this part;''.

(2) Section 10(e)(1) is further amended by inserting after ''as conditions may require:'' the following proviso: ''*Provided*, That, subject to annual appropriations Acts, the portion of such annual charges imposed by the Commission under this subsection to cover the reasonable costs of such agencies shall be available to such agencies (in addition to other funds appropriated for such purposes) solely for carrying out such studies and reviews and shall remain available until expended:''.

(b) CLARIFICATION OF AUTHORITY REGARDING FISHWAYS.—Section 18 of the Federal Power Act is amended by adding the following after the first sentence thereof: ''The term 'fishway' as defined by regulation by the Commission under this section shall not be construed to limit in any way the authority of the Secretary of Commerce or the Secretary of the Interior under this section to continue to prescribe fish passage downstream and upstream and the scope thereof for any migratory or nonmigratory fish. Within 1 year after the enactment of this sentence, the Commission shall, in administering this section, review the regulatory definition of fishway and, in consultation with such Secretaries, revise such definiton to assure that no such limitation exists.''.

(c) EXTENSION OF DEADLINE.—Notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission, upon the request of the licensee for FERC Project No. 4031 (and after reasonable notice), is authorized, in accordance with the good faith, due diligence, and public interest requirements of such section 13 and the Commission's procedures under such section, to extend the time required for commencement of construction of such project for up to a maximum of 3 consecutive 2-year periods. This section shall take effect for such project upon the expiration of the extension (issued by the Commission under such section 13) of the period required for commencement of construction of such project.

(d) EXTENSION OF DEADLINE.—Notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission, upon the request of the licensee for FERC Project No. 6221 (and after reasonable notice), is authorized, in accordance with the good faith, due diligence, and public interest requirements of such section 13 and the Commission's procedures under such section, to extend the time required for commencement of construction of such project until July 29, 1995.

TITLE XVIII—OIL PIPELINE REGULATORY REFORM

SEC. 1801. OIL PIPELINE RATEMAKING METHODOLOGY.

(a) ESTABLISHMENT.—Not later than 1 year after the date of the enactment of this Act, the Federal Energy Regulatory Commission shall issue a final rule which establishes a simplified and generally applicable ratemaking methodology for oil pipelines in accordance with section 1(5) of part I of the Interstate Commerce Act.

(b) EFFECTIVE DATE.—The final rule to be issued under subsection (a) may not take effect before the 365th day following the date of the issuance of the rule.

SEC. 1802. STREAMLINING OF COMMISSION PROCEDURES.

(a) RULEMAKING.—Not later than 18 months after the date of the enactment of this Act, the Commission shall issue a final rule to streamline procedures of the Commission relating to oil pipeline rates in order to avoid unnecessary regulatory costs and delays.

(b) SCOPE OF RULEMAKING.—Issues to be considered in the rulemaking preceding to be conducted under subsection (a) shall include the following:

(1) Identification of information to be filed with an oil pipeline tariff and the availability to the public of any analysis of such tariff filing performed by the Commission or its staff.

(2) Qualification for standing (including definitions of economic interest) of parties who protest oil pipeline tariff filings or file complaints thereto.

(3) The level of specificity required for a protest or complaint and guidelines for Commission action on the portion of the tariff or rate filing subject to protest or complaint.

(4) An opportunity for the oil pipeline to file a response for the record to an initial protest or complaint.

(5) Identification of specific circumstances under which Commission staff may initiate a protest.

(c) ADDITIONAL PROCEDURAL CHANGES.—In conducting the rulemaking proceeding to carry out subsection (a), the Commission shall identify and transmit to Congress any other procedural changes relating to oil pipeline rates which the Commission determines are necessary to avoid unnecessary regulatory costs and delays and for which additional legislative authority may be necessary.

(d) WITHDRAWAL OF TARIFFS AND COMPLAINTS.—

(1) WITHDRAWAL OF TARIFFS.—If an oil pipeline tariff which is filed under part I of the Interstate Commerce Act and which is subject to investigation is withdrawn—

(A) any proceeding with respect to such tariff shall be terminated;

(B) the previous tariff rate shall be reinstated; and

(C) any amounts collected under the withdrawn tariff rate which are in excess of the previous tariff rate shall be refunded.

(2) WITHDRAWAL OF COMPLAINTS.—If a complaint which is filed under section 13 of the Interstate Commerce Act with respect to an oil pipeline tariff is withdrawn, any proceeding with respect to such tariff shall be terminated.

(e) ALTERNATIVE DISPUTE RESOLUTION.—To the maximum extent practicable, the Commission shall establish appropriate alternative dispute resolution procedures, including required negotiations and voluntary arbitration, early in an oil pipeline rate proceeding as a preferred method to adjudication in resolving disputes relating to the rate. Any proposed rates derived from implementation of such procedures shall be considered by the Commission on an expedited basis for approval.

SEC. 1803. PROTECTION OF CERTAIN EXISTING RATES.

(a) RATES DEEMED JUST AND REASONABLE.—Except as provided in subsection (b)—

(1) any rate in effect for the 365-day period ending on the date of the enactment of this Act shall be deemed to be just and reasonable (within the meaning of section 1(5) of the Interstate Commerce Act); and

(2) any rate in effect on the 365th day preceding the date of such enactment shall be deemed to be just and reasonable (within the meaning of such section 1(5)) regardless of whether or not, with respect to such rate, a new rate has been filed with the Commission during such 365-day period;

if the rate so in effect has not been subject to protest, investigation, or complaint during such 365-day period.

(b) CHANGED CIRCUMSTANCES.—No person may file a complaint under section 13 of the Interstate Commerce Act against a rate deemed to be just and reasonable under subsection (a) unless evidence is presented to the Commission which establishes that a substantial change has occurred after the date of the enactment of this Act—

(1) in the economic circumstances of the oil pipeline which were a basis for the rate; or

(2) in the nature of the services provided which were a basis for the rate.

If the Commission determines pursuant to a proceeding instituted as a result of such complaint that the rate is not just and reasonable, the rate shall not be deemed to be just and reasonable. Any tariff reduction or refunds that may result as an outcome of such a complaint shall be prospective from the date of the filing of the complaint.

(c) LIMITATION REGARDING UNDULY DISCRIMINATORY OR PREFERENTIAL TARIFFS.—Nothing in this section shall prohibit any aggrieved person from filing a complaint under section 13 or section 15(l) of the Interstate Commerce Act challenging any tariff provision as unduly discriminatory or unduly preferential.

SEC. 1804. DEFINITIONS.

For the purposes of this title, the following definitions apply:

(1) COMMISSION.—The term ''Commission'' means the Federal Energy Regulatory Commission and, unless the context requires otherwise, includes the Oil Pipeline Board and any other office or component of the Commission to which the functions and authority vested in the Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)) are delegated.

(2) OIL PIPELINE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term ''oil pipeline'' means any common carrier (within the meaning of the Interstate Commerce Act) which transports oil by pipeline subject to the functions and authority vested in the Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)).

(B) EXCEPTION.—The term ''oil pipeline'' does not include the Trans-Alaska Pipeline authorized by the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.) or any pipeline delivering oil directly or indirectly to the Trans-Alaska Pipeline.

(3) OIL.—The term ''oil'' has the same meaning as is given such term for purposes of the transfer of functions from the Interstate Commerce Commission to the Federal Energy Regulatory Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)).

(4) RATE.—The term ''rate'' means all charges that an oil pipeline requires shippers to pay for transportation services.

TITLE XIX—REVENUE PROVISIONS

SEC. 1901. AMENDMENT OF 1986 CODE.

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

Subtitle A—Energy Conservation and Production Incentives

SEC. 1911. TREATMENT OF EMPLOYER-PROVIDED TRANSPORTATION BENEFITS.

(a) EXCLUSION.—Subsection (a) of section 132 (relating to exclusion of certain fringe benefits) is amended by striking ''or'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', or'', and by adding at the end thereof the following new paragraph:

''(5) qualified transportation fringe.''

(b) QUALIFIED TRANSPORTATION FRINGE.—Section 132 is amended by redesignating subsections (f), (g), (h), (i), (j), and (k) as subsections (g), (h), (i), (j), (k), and (l), respectively, and by inserting after subsection (e) the following new subsection:

''(f) QUALIFIED TRANSPORTATION FRINGE.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified transportation fringe' means any of the following provided by an employer to an employee:

''(A) Transportation in a commuter highway vehicle if such transportation is in connection with travel between the employee's residence and place of employment.

''(B) Any transit pass.

''(C) Qualified parking.

''(2) LIMITATION ON EXCLUSION.—The amount of the fringe benefits which are provided by an employer to any employee and which may be excluded from gross income under subsection (a)(5) shall not exceed—

''(A) $60 per month in the case of the aggregate of the benefits described in subparagraphs (A) and (B) of paragraph (1), and

''(B) $160 per month in the case of qualified parking.

''(3) BENEFIT NOT IN LIEU OF COMPENSATION.—Subsection (a)(5) shall not apply to any qualified transportation fringe unless such benefit is provided in addition to (and not in lieu of) any compensation otherwise payable to the employee.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) TRANSIT PASS.—The term 'transit pass' means any pass, token, farecard, voucher, or similar item entitling a person to transportation (or transportation at a reduced price) if such transportation is—

''(i) on mass transit facilities (whether or not publicly owned), or

''(ii) provided by any person in the business of transporting persons for compensation or hire if such transportation is provided in a vehicle meeting the requirements of subparagraph (B)(i).

''(B) COMMUTER HIGHWAY VEHICLE.—The term 'commuter highway vehicle' means any highway vehicle—

''(i) the seating capacity of which is at least 6 adults (not including the driver), and

''(ii) at least 80 percent of the mileage use of which can reasonably be expected to be—

''(I) for purposes of transporting employees in connection with travel between their residences and their place of employment, and

''(II) on trips during which the number of employees transported for such purposes is at least ½ of the adult seating capacity of such vehicle (not including the driver).

''(C) QUALIFIED PARKING.—The term 'qualified parking' means parking provided to an employee on or near the business premises of the employer or on or near a location from which the employee commutes to work by transportation described in subparagraph

(A), in a commuter highway vehicle, or by carpool. Such term shall not include any parking on or near property used by the employee for residential purposes.

''(D) TRANSPORTATION PROVIDED BY EMPLOYER.—Transportation referred to in paragraph (1)(A) shall be considered to be provided by an employer if such transportation is furnished in a commuter highway vehicle operated by or for the employer.

''(E) EMPLOYEE.—For purposes of this subsection, the term 'employee' does not include an individual who is an employee within the meaning of section 401(c)(1).

''(5) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1993, the dollar amounts contained in paragraph (2)(A) and (B) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1992' for 'calendar year 1989' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $1, such increase shall be rounded to the next lowest multiple of $1.

''(6) COORDINATION WITH OTHER PROVISIONS.—For purposes of this section, the terms 'working condition fringe' and 'de minimis fringe' shall not include any qualified transportation fringe (determined without regard to paragraph (2)).''

(c) CONFORMING AMENDMENT.—Subsection (i) of section 132 (as redesignated by subsection (b)) is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits provided after December 31, 1992.

SEC. 1912. EXCLUSION OF ENERGY CONSERVATION SUBSIDIES PROVIDED BY REGULATED PUBLIC UTILITIES.

(a) GENERAL RULE.—Part III of subchapter B of chapter 1 (relating to amounts specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. ENERGY CONSERVATION SUBSIDIES PROVIDED BY REGULATED PUBLIC UTILITIES.

''(a) EXCLUSION.—

''(1) IN GENERAL.—Gross income shall not include the value of any subsidy provided by a regulated public utility to a customer for the purchase or installation of any energy conservation measure.

''(2) LIMITATION ON EXCLUSION FOR NONRESIDENTIAL PROPERTY.—In the case of any subsidy provided with respect to any energy conservation measure referred to in subsection (c)(1)(C), only 65 percent of such subsidy shall be excluded from gross income under paragraph (1).

''(b) DENIAL OF DOUBLE BENEFIT.—Notwithstanding any other provision of this subtitle, no deduction or credit shall be allowed for, or by reason of, any expenditure to the extent of the amount excluded under subsection (a) for any subsidy which was provided with respect to such expenditure. The adjusted basis of any property shall be reduced by the amount excluded under subsection (a) which was provided with respect to such property.

''(c) ENERGY CONSERVATION MEASURE.—

''(1) IN GENERAL.—For purposes of this section, the term 'energy conservation measure' means—

''(A) any residential energy conservation measure with respect to a dwelling unit,

''(B) any commercial energy conservation measure with respect to dwelling units in a building containing 5 or more dwelling units, and

''(C) in the case of subsidies provided on or after January 1, 1994—

''(i) any commercial energy conservation measure with respect to property other than dwelling units, and

''(ii) any specially defined energy property.

''(2) OTHER DEFINITIONS.—For purposes of this subsection—

''(A) RESIDENTIAL ENERGY CONSERVATION MEASURE.—The term 'residential energy conservation measure' has the meaning given to such term by section 210(11) of the National Energy Conservation Policy Act (as in effect on the date of the enactment of this section).

''(B) COMMERCIAL ENERGY CONSERVATION MEASURE.—The term 'commercial energy conservation measure' means any installation or modification primarily designed to reduce the consumption of petroleum, natural gas, or electricity. Such term includes the items referred to in any subparagraph of section 710(b)(5) of the National Energy Conservation Policy Act (as in effect on the day before the date of the enactment of the Conservation Service Reform Act of 1986).

''(C) SPECIALLY DEFINED ENERGY PROPERTY.—The term 'specially defined energy property' has the meaning given to such term by section 48(l)(5) of this title (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

''(D) DWELLING UNIT.—The term 'dwelling unit' has the meaning given such term by section 280A(f)(1).

''(d) EXCEPTION.—This section shall not apply to any payment to or from a qualified cogeneration facility or qualifying small power production facility pursuant to section 210 of the Public Utility Regulatory Policy Act of 1978.''

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 136 and inserting:

''Sec. 136. Energy conservation subsidies provided by regulated public utilities.

''Sec. 137. Cross reference to other Acts.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 1992.

SEC. 1913. DEDUCTIONS RELATING TO CLEAN-FUEL VEHICLES.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 179 the following new section:

"SEC. 179A. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

''(a) GENERAL RULE.—There shall be allowed as a deduction an amount equal to the cost of—

''(1) any qualified clean-fuel vehicle property, and

''(2) any qualified clean-fuel vehicle refueling property.

The deduction under the preceding sentence with respect to any property shall be allowed for the taxable year in which such property is placed in service.

''(b) LIMITATIONS.—

''(1) QUALIFIED CLEAN-FUEL VEHICLE PROPERTY.—

''(A) IN GENERAL.—The cost which may be taken into account under subsection (a) with respect to any motor vehicle shall not exceed—

''(i) in the case of a motor vehicle not described in clause (ii) or (iii), $2,000,

''(ii) in the case of any truck or van with a gross vehicle weight rating greater than 10,000 pounds but not greater than 26,000 pounds, $5,000, or

''(iii) $50,000 in the case of—

''(I) a truck or van with a gross vehicle weight rating greater than 26,000 pounds, or

''(II) any bus which has a seating capacity of at least 20 adults (not including the driver).

''(B) PHASEOUT.—In the case of any qualified clean-fuel vehicle property placed in service after December 31, 2001, the limit otherwise applicable under subparagraph (A) shall be reduced by—

''(i) 25 percent in the case of property placed in service in calendar year 2002,

''(ii) 50 percent in the case of property placed in service in calendar year 2003, and

''(iii) 75 percent in the case of property placed in service in calendar year 2004.

''(2) QUALIFIED CLEAN-FUEL VEHICLE REFUELING PROPERTY.—

''(A) IN GENERAL.—The aggregate cost which may be taken into account under subsection (a) with respect to qualified clean-fuel vehicle refueling property placed in service during the taxable year at a location shall not exceed the excess (if any) of—

''(i) $100,000, over

''(ii) the aggregate amount taken into account under subsection (a) by the taxpayer (or any related person or predecessor) with respect to property placed in service at such location for all preceding taxable years.

''(B) RELATED PERSON.—For purposes of this paragraph, a person shall be treated as related to another person if such person bears a relationship to such other person described in section 267(b) or 707(b)(1).

''(C) ELECTION.—If the limitation under subparagraph (A) applies for any taxable year, the taxpayer shall, on the return of tax for such taxable year, specify the items of property (and the portion of costs of such property) which are to be taken into account under subsection (a).

''(c) QUALIFIED CLEAN-FUEL VEHICLE PROPERTY DEFINED.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified clean-fuel vehicle property' means property which is acquired for use by the taxpayer and not for resale, the original use of which commences with the taxpayer, with respect to which the environmental standards of paragraph (2) are met, and which is described in either of the following subparagraphs:

''(A) RETROFIT PARTS AND COMPONENTS.—Any property installed on a motor vehicle which is propelled by a fuel which is not a clean-burning fuel for purposes of permitting such vehicle to be propelled by a clean-burning fuel, but only to the extent such property is—

''(i) an engine (or modification thereof) which may use a clean-burning fuel, or

''(ii) used in the storage or delivery to the engine of such fuel, or the exhaust of gases from combustion of such fuel.

''(B) ORIGINAL EQUIPMENT MANUFACTURER'S VEHICLES.—A motor vehicle produced by an original equipment manufacturer and designed so that the vehicle may be propelled by a clean-burning fuel, but only to the extent of the portion of the basis of such vehicle which is attributable to an engine which may use such fuel, to the storage or delivery to the engine of such fuel, or to the exhaust of gases from combustion of such fuel.

''(2) ENVIRONMENTAL STANDARDS.—Property shall not be treated as qualified clean-fuel vehicle property unless—

''(A) the motor vehicle of which it is a part meets any applicable Federal or State emissions standards with respect to each fuel by which such vehicle is designed to be propelled, or

''(B) in the case of property described in paragraph (1)(A), such property meets all applicable Federal and State emissions-related certification, testing, and warranty requirements.

''(3) ONLY INCREMENTAL COST TAKEN INTO ACCOUNT.—If a vehicle may be propelled by both a clean-burning fuel and any other fuel, only the incremental cost of permitting the use of the clean-burning fuel shall be taken into account.

''(d) QUALIFIED CLEAN-FUEL VEHICLE REFUELING PROPERTY DEFINED.—For purposes of this section, the term 'qualified clean-fuel vehicle refueling property' means any property (not including a building and its structural components) if—

''(1) such property is of a character subject to the allowance for depreciation,

''(2) the original use of such property begins with the taxpayer, and

''(3) such property is for the storage or dispensing of a clean-burning fuel (not including electricity) into the fuel tank of a motor vehicle propelled by such fuel, but only if the storage or dispensing of the fuel is at the point where such fuel is delivered into the fuel tank of the motor vehicle.

''(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) CLEAN-BURNING FUEL.—The term 'clean-burning fuel' means—

''(A) natural gas,

''(B) liquefied natural gas,

''(C) liquefied petroleum gas,

''(D) hydrogen,

''(E) electricity, and

''(F) any other fuel at least 85 percent of which is 1 or more of the following: methanol, ethanol, any other alcohol, or ether.

''(2) MOTOR VEHICLE.—The term 'motor vehicle' means any vehicle which is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails) and which has at least 4 wheels.

''(3) COST OF RETROFIT PARTS INCLUDES COST OF INSTALLATION.—The cost of any qualified clean-fuel vehicle property referred to in subsection (c)(1)(A) shall include the cost of the original installation of such property.

''(4) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any deduction allowable under subsection (a) with respect to any property which ceases to be property eligible for such deduction.

''(5) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No deduction shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

''(6) BASIS REDUCTION.—

''(A) IN GENERAL.—For purposes of this title, the basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

''(B) ORDINARY INCOME RECAPTURE.—For purposes of section 1245, the amount of the deduction allowable under subsection (a) with respect to any property which is of a character subject to the allowance for depreciation shall be treated as a deduction allowed for depreciation under section 167.

''(f) TERMINATION.—This section shall not apply to any property placed in service after December 31, 2004.''

(b) DEDUCTION FROM GROSS INCOME.—Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

''(14) DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.—The deduction allowed by section 179A.''

(c) CONFORMING AMENDMENTS.—

(1) Section 1016(a) is amended by striking ''and'' at the end of paragraph (23), by striking the period at the end of paragraph (24) and inserting '', and'', and by adding at the end thereof the following new paragraph:

''(25) to the extent provided in section 179A(e)(6)(A).''

(2) The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179 the following new item:

''Sec. 179A. Deduction for clean-fuel vehicles and certain refueling property.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after June 30, 1993.

SEC. 1914. CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE SOURCES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following new section:

''SEC. 45. ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

''(a) GENERAL RULE.—For purposes of section 38, the renewable electricity production credit for any taxable year is an amount equal to the product of—

''(1) 1.5 cents, multiplied by

''(2) the kilowatt hours of electricity—

''(A) produced by the taxpayer—

''(i) from qualified energy resources, and

''(ii) at a qualified facility during the 10-year period beginning on the date the facility was placed in service, and

''(B) sold by the taxpayer to an unrelated person during the taxable year.

''(b) LIMITATIONS AND ADJUSTMENTS.—

''(1) PHASEOUT OF CREDIT.—The amount of the credit determined under subsection (a) shall be reduced by an amount which bears the same ratio to the amount of the credit (determined without regard to this paragraph) as—

''(A) the amount by which the reference price for the calendar year in which the sale occurs exceeds 8 cents, bears to

''(B) 3 cents.

''(2) CREDIT AND PHASEOUT ADJUSTMENT BASED ON INFLATION.—The 1.5 cent amount in subsection (a) and the 8 cent amount in paragraph (1) shall each be adjusted by multiplying such amount by the inflation adjustment factor for the calendar year in which the sale occurs. If any amount as increased under the preceding sentence is not a multiple of 0.1 cent, such amount shall be rounded to the nearest multiple of 0.1 cent.

''(3) CREDIT REDUCED FOR GRANTS, TAX-EXEMPT BONDS, AND SUBSIDIZED ENERGY FINANCING.—The amount of the credit determined under subsection (a) with respect to any project for any taxable year (determined after the application of paragraphs (1) and (2)) shall be reduced by the amount which is the product of the amount so determined for such year and a fraction—

''(A) the numerator of which is the sum, for the taxable year and all prior taxable years, of—

''(i) grants provided by the United States, a State, or a political subdivision of a State for use in connection with the project,

''(ii) proceeds of an issue of State or local government obligations used to provide financing for the project the interest on which is exempt from tax under section 103, and

''(iii) the aggregate amount of subsidized energy financing under a Federal, State, or local program provided in connection with the project, and

''(B) the denominator of which is the aggregate amount of additions to the capital account for the project for the taxable year and all prior taxable years.

The amounts under the preceding sentence for any taxable year shall be determined as of the close of the taxable year.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED ENERGY RESOURCES.—The term 'qualified energy resources' means—

''(A) wind, and

''(B) closed-loop biomass.

''(2) CLOSED-LOOP BIOMASS.—The term 'closed-loop biomass' means any organic material from a plant which is planted exclusively for purposes of being used at a qualified facility to produce electricity.

''(3) QUALIFIED FACILITY.—The term 'qualified facility' means any facility originally placed in service by the taxpayer after December 31, 1993 (December 31, 1992, in the case of a facility using closed-loop biomass to produce electricity), and before July 1, 1999.

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) ONLY PRODUCTION IN THE UNITED STATES TAKEN INTO ACCOUNT.—Sales shall be taken into account under this section only with respect to electricity the production of which is within—

''(A) the United States (within the meaning of section 638(1)), or

''(B) a possession of the United States (within the meaning of section 638(2)).

''(2) COMPUTATION OF INFLATION ADJUSTMENT FACTOR AND REFERENCE PRICE.—

''(A) IN GENERAL.—The Secretary shall, not later than April 1 of each calendar year, determine and publish in the Federal Register the inflation adjustment factor and the reference price for the preceding calendar year in accordance with this paragraph.

''(B) INFLATION ADJUSTMENT FACTOR.—The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the GNP implicit price deflator for the calendar year and the denominator of which is the GNP implicit price deflator for the calendar year 1992. The term 'GNP implicit price deflator' means the first revision of the implicit price deflator for the gross national product as computed and published by the Department of Commerce.

''(C) REFERENCE PRICE.—The term 'reference price' means, with respect to a calendar year, the Secretary's determination of the annual average contract price per kilowatt hour of electricity generated from the same qualified energy resource and sold in the previous year in the United States.

''(3) PRODUCTION ATTRIBUTABLE TO THE TAXPAYER.—In the case of a facility in which more than 1 person has an interest, except to the extent provided in regulations prescribed by the Secretary, production from the facility shall be allocated among such persons in proportion to their respective interests in the gross sales from such facility.

''(4) RELATED PERSONS.—Persons shall be treated as related to each other if such persons would be treated as a single employer under the regulations prescribed under section 52(b). In the case of a corporation which is a member of an affiliated group of corporations filing a consolidated return, such corporation shall be treated as selling electricity to an unrelated person if such electricity is sold to such a person by another member of such group.

''(5) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.''

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 is amended by striking ''plus'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting '', plus'', and by adding at the end thereof the following new paragraph:

''(8) the renewable electricity production credit under section 45(a).''

(c) LIMITATION ON CARRYBACK.—Subsection (d) of section 39 is amended by redesignating the paragraph added by section 11511(b)(2) of the Revenue Reconciliation Act of 1990 as paragraph (1), by redesignating the para-

graph added by section 11611(b)(2) of such Act as paragraph (2), and by adding at the end thereof the following new paragraph:

''(3) NO CARRYBACK OF RENEWABLE ELECTRICITY PRODUCTION CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 45 (relating to electricity produced from certain renewable resources) may be carried back to any taxable year ending before January 1, 1993.''

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following new item:

''Sec. 45. Electricity produced from certain renewable resources.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1992.

SEC. 1915. REPEAL OF MINIMUM TAX PREFERENCES FOR DEPLETION AND INTANGIBLE DRILLING COSTS OF INDEPENDENT OIL AND GAS PRODUCERS AND ROYALTY OWNERS.

(a) DEPLETION.—

(1) Paragraph (1) of section 57(a) (relating to depletion) is amended by adding at the end thereof the following new sentence: ''Effective with respect to taxable years beginning after December 31, 1992, and before January 1, 1998, this paragraph shall not apply to any deduction for depletion computed in accordance with section 613A(c).''.

(2) Subparagraph (F) of section 56(g)(4) is amended to read as follows:

''(F) DEPLETION.—

''(i) IN GENERAL.—The allowance for depletion with respect to any property placed in service in a taxable year beginning after December 31, 1989, shall be cost depletion determined under section 611.

''(ii) EXCEPTION FOR INDEPENDENT OIL AND GAS PRODUCERS AND ROYALTY OWNERS.—In the case of any taxable year beginning after December 31, 1992, and before January 1, 1998, clause (i) (and subparagraph (C)(i)) shall not apply to any deduction for depletion computed in accordance with section 613A(c).''

(b) INTANGIBLE DRILLING COSTS.—

(1) Section 57(a)(2) is amended by adding at the end the following new subparagraph:

''(E) EXCEPTION FOR INDEPENDENT PRODUCERS.—

''(i) IN GENERAL.—In the case of any taxable year beginning after December 31, 1992, and before January 1, 1998, this paragraph shall not apply to any taxpayer which is not an integrated oil company (as defined in section 291(b)(4)).

''(ii) LIMITATION ON AGGREGATE BENEFIT.—The aggregate reduction in alternative minimum taxable income by reason of clause (i) for any taxable year shall not exceed 40 percent (30 percent in case of taxable years beginning in 1993) of the alternative minimum taxable income for such year determined without regard to clause (i) and the alternative tax net operating loss deduction under subsection (a)(4).''

(2) Clause (i) of section 56(g)(4)(D) is amended by adding at the end thereof the following new sentence: ''In the case of a taxpayer other than an integrated oil company (as defined in section 291(b)(4)), this clause shall not apply in the case of amounts paid or incurred in taxable years beginning after December 31, 1992, and before January 1, 1998.''.

(c) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 56 is amended by adding at the end thereof the following new paragraph:

''(9) SUSPENSION.—No deduction shall be allowed under this subsection for any taxable year beginning after December 31, 1992, and before January 1, 1998.''

(2) Clause (ii) of section 59(a)(2)(A) is amended by striking ''and the'' and inserting '', section 57(a)(2)(E), and the''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

SEC. 1916. INCREASED BASE TAX RATE ON OZONE-DEPLETING CHEMICALS.

(a) IN GENERAL.—Subparagraph (B) of section 4681(b)(1) (relating to amount of tax) is amended to read as follows:

''(B) BASE TAX AMOUNT.—The base tax amount for purposes of subparagraph (A) with respect to any sale or use during a calendar year before 1996 with respect to any ozone-depleting chemical is the amount determined under the following table for such calendar year:

''Calendar year:	Base tax amount:
1992	$1.85
1993	2.75
1994	3.65
1995	4.55.''

(b) CONFORMING AMENDMENTS.—

(1) RATES RETAINED FOR CHEMICALS USED IN RIGID FOAM INSULATION.—The table in subparagraph (B) of section 4682(g)(2) (relating to chemicals used in rigid foam insulation) is amended—

(A) by striking ''15'' and inserting ''13.5'', and

(B) by striking ''10'' and inserting ''9.6''.

(2) FLOOR STOCK TAXES.—

(A) Subparagraph (C) of section 4682(h)(2) (relating to other tax-increase dates) is amended by striking ''1993, and 1994'' and inserting ''1993, 1994, and 1995, and July 1, 1992''.

(B) Paragraph (3) of section 4682(h) (relating to due date) is amended—

(i) by inserting ''or July 1'' after ''January 1'', and

(ii) by inserting ''or December 31, respectively,'' after ''June 30''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable chemicals sold or used on or after July 1, 1992.

SEC. 1917. TREATMENT OF CERTAIN OZONE DEPLETING CHEMICALS.

(a) TREATMENT OF CERTAIN HALONS.—The table contained in subparagraph (A) of section 4682(g)(2) is amended to read as follows:

''In the case of:	The applicable percentage is:	
	For sales or use during 1992	For sales or use during 1993
Halon-1211	4.5	3.0
Halon-1301	1.4	0.9
Halon-2404	2.3	1.5''.

(b) CHEMICALS USED FOR STERILIZING MEDICAL INSTRUMENTS.—

(1) IN GENERAL.—Subsection (g) of section 4682 is amended by adding at the end thereof the following new paragraph:

''(4) CHEMICALS USED FOR STERILIZING MEDICAL INSTRUMENTS.—

''(A) RATE OF TAX.—

''(i) IN GENERAL.—In the case of—

''(I) any use after June 30, 1992, and before January 1, 1994, of any substance to sterilize medical instruments, or

''(II) any qualified sale during such period by the manufacturer, producer, or importer of any substance,

the tax imposed by section 4681 shall be the applicable percentage (determined in accordance with the following table) of the amount of such tax which would (but for this subparagraph be imposed).

In the case of sales or use during:	**The applicable percentage is:**
1992	90.3
1993	60.7.

''(ii) QUALIFIED SALE.—For purposes of clause (i), the term 'qualified sale' means any sale by the manufacturer, producer, or importer of any substance—

''(I) for use by the purchaser to sterilize medical instruments, or

''(II) for resale by the purchaser to a 2d purchaser for such use by the 2d purchaser.

The preceding sentence shall apply only if the manufacturer, producer, and importer, and the 1st and 2d purchasers (if any) meet such registration requirements as may be prescribed by the Secretary.

''(B) OVERPAYMENTS.—If any substance on which tax was paid under this subchapter is used after June 30, 1992, and before January 1, 1994, by any person to sterilize medical instruments, credit or refund without interest shall be allowed to such person in an amount equal to the excess of—

''(i) the tax paid under this subchapter on such substance, or

''(ii) the tax (if any) which would be imposed by section 4681 if such substance were used for such use by the manufacture, producer, or importer thereof on the date of its use by such person.

Amounts payable under the preceding sentence with respect to uses during the taxable year shall be treated as described in section 34(a) for such year unless claim thereof has been timely filed under this subparagraph.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and uses on or after July 1, 1992.

SEC. 1918. PERMANENT EXTENSION OF ENERGY INVESTMENT CREDIT FOR SOLAR AND GEOTHERMAL PROPERTY.

(a) GENERAL RULE.—Paragraph (2) of section 48(a) (defining energy percentage) is amended—

(1) by striking ''Except as provided in subparagraph (B), the'' and inserting ''The'',

(2) by striking subparagraph (B), and

(3) by redesignating subparagraph (C) as subparagraph (B)

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on June 30, 1992.

SEC. 1919. NUCLEAR DECOMMISSIONING FUNDS.

(a) REPEAL OF INVESTMENT RESTRICTIONS.—Subparagraph (C) of section 468A(e)(4) (relating to special rules for nuclear decommissioning funds) is amended by striking ''described in section 501(c)(21)(B)(ii)''.

(b) REDUCTION IN RATE OF TAX.—Paragraph (2) of section 468A(e) is amended—

(1) by striking ''at the rate equal to the highest rate of tax specified in section 11(b)'' in subparagraph (A) and inserting ''at the rate set forth in subparagraph (B)'', and

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) RATE OF TAX.—For purposes of subparagraph (A), the rate set forth in this subparagraph is—

''(i) 22 percent in the case of taxable years beginning in calendar year 1994 or 1995, and

''(ii) 20 percent in the case of taxable years beginning after December 31, 1995.''

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1992.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 1993. Section 15 of the Internal Revenue Code of 1986 shall not apply to any change in rate resulting from the amendment made by subsection (b).

SEC. 1920. FACILITIES FOR PRODUCTION OF CERTAIN FUELS.

Subsection (f) of section 29 is amended by adding at the end thereof the following new sentence:

''For purposes of paragraph (1)(B), a facility for production of qualified fuels referred to

in subparagraph (B)(ii) or (C) of subsection (c)(1) shall be treated as placed in service before January 1, 1993, if such facility is placed in service before January 1, 1996, pursuant to a written binding contract in effect on December 31, 1992, and at all times thereafter before such facility is placed in service.''

SEC. 1921. TREATMENT UNDER LOCAL FURNISHING RULES OF CERTAIN ELECTRICITY TRANSMITTED OUTSIDE LOCAL AREA.

(a) IN GENERAL.—Subsection (f) of section 142 (relating to local furnishing of electric energy or gas) is amended to read as follows:

''(f) LOCAL FURNISHING OF ELECTRIC ENERGY OR GAS.—For purposes of subsection (a)(8)—

''(1) IN GENERAL.—The local furnishing of electric energy or gas from a facility shall only include furnishing solely within the area consisting of—

''(A) a city and 1 contiguous county, or

''(B) 2 contiguous counties.

''(2) TREATMENT OF CERTAIN ELECTRIC ENERGY TRANSMITTED OUTSIDE LOCAL AREA.—

''(A) IN GENERAL.—A facility shall not be treated as failing to meet the local furnishing requirement of subsection (a)(8) by reason of electricity transmitted pursuant to an order of the Federal Energy Regulatory Commission under section 211 or 213 of the Federal Power Act (as in effect on the date of the enactment of this paragraph) if the portion of the facility financed with tax-exempt bonds is not greater than the portion of the use of the facility which is in the local furnishing of electric energy (determined without regard to this paragraph).

''(B) SPECIAL RULE FOR EXISTING FACILITIES.—In the case of a facility financed with bonds issued before the date of an order referred to in subparagraph (A) which would (but for this subparagraph) cease to be tax-exempt by reason of subparagraph (A), such bonds shall not cease to be tax-exempt bonds (and section 150(b)(4) shall not apply) if, to the extent necessary to comply with subparagraph (A)—

''(i) bonds are defeased not later than the 90th day after the date such order was issued, and

''(ii) bonds are redeemed not later than the earliest date on which such bonds may be redeemed.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued before, on, or after the date of the enactment of this Act.

Subtitle B—Other Revenue Provisions

SEC. 1931. REPEAL OF EXEMPTION FROM COMMUNICATIONS TAX FOR NEWS SERVICES.

(a) GENERAL RULE.—Subsection (b) of section 4253 (relating to exemption for news services) is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall take effect on January 1, 1993.

SEC. 1932. EXCEPTION FROM PRO RATA ALLOCATION OF INTEREST EXPENSE OF FINANCIAL INSTITUTIONS TO TAX-EXEMPT INTEREST FOR SMALL ISSUERS INCREASED TO $20,000,000.

(a) IN GENERAL.—Subparagraphs (C) and (D) of section 265(b)(3) are each amended by striking ''$10,000,000'' each place it appears and inserting ''$20,000,000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 1992.

SEC. 1933. CERTAIN MINERALS NOT ELIGIBLE FOR PERCENTAGE DEPLETION.

(a) GENERAL RULE.—

(1) Paragraph (1) of section 613(b) is amended—

(A) by striking ''and uranium'' in suparagraph (A), and

(B) in subparagraph (B)—

(i) by striking ''asbestos,'',

(ii) by striking ''lead,'', and

(iii) by striking ''mercury,''.

(2) Subparagraph (A) of section 613(b)(3) is amended by inserting ''other than lead, mercury, or uranium'' after ''metal mines''.

(3) Paragraph (4) of section 613(b) is amended by striking ''asbestos (if paragraph (1)(B) does not apply),''.

(4) Paragraph (7) of section 613(b) is amended by striking ''or'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', or'', and by inserting after subparagraph (C) the following new subparagraph:

''(D) mercury, uranium, lead, and asbestos.''

(b) CONFORMING AMENDMENTS.—Subparagraph (D) of section 613(c)(4) is amended—

(1) by striking ''lead,'', and

(2) by striking ''uranium,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

SEC. 1934. DISCLOSURES OF INFORMATION FOR VETERANS BENEFITS.

(a) IN GENERAL.—Section 6103(l)(7)(D) (relating to program to which rule applies) is amended by striking ''September 30, 1992'' in the last sentence and inserting ''September 30, 1997''.

(b) CONFORMING AMENDMENT.—Section 5317(g) of title 38, United States Code, is amended by striking ''September 30, 1992'' and inserting ''September 30, 1997''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 30, 1992.

SEC. 1935. DISALLOWANCE OF INTEREST ON CERTAIN OVERPAYMENTS OF TAX.

(a) GENERAL RULE.—Subsection (e) of section 6611 is amended to read as follows:

''(e) DISALLOWANCE OF INTEREST ON CERTAIN OVERPAYMENTS.—

''(1) REFUNDS WITHIN 45 DAYS AFTER RETURN IS FILED.—If any overpayment of tax imposed by this title is refunded within 45 days after the last day prescribed for filing the return of such tax (determined without regard to any extension of time for filing the return) or, in the case of a return filed after such last date, is refunded within 45 days after the date the return is filed, no interest shall be allowed under subsection (a) on such overpayment.

''(2) REFUNDS AFTER CLAIM FOR CREDIT OR REFUND.—If—

''(A) the taxpayer files a claim for a credit or refund for any overpayment of tax imposed by this title, and

''(B) such overpayment is refunded within 45 days after such claim is filed,

no interest shall be allowed on such overpayment from the date the claim is filed until the day the refund is made.

''(3) IRS INITIATED ADJUSTMENTS.—Notwithstanding any other provision, if an adjustment, initiated by or on behalf of the Secretary, results in a refund or credit of an overpayment, interest on such overpayment shall be computed by subtracting 45 days from the number of days interest would otherwise be allowed with respect to such overpayment.''

(b) EFFECTIVE DATES.—

(1) Paragraph (1) of section 6611(e) of the Internal Revenue Code of 1986 (as amended by subsection (a)) shall apply in the case of returns the due date for which (determined without regard to extensions) is on or after July 1, 1992.

(2) Paragraph (2) of section 6611(e) of such Code (as so amended) shall apply in the case of claims for credit or refund of any overpayment filed on or after July 1, 1992 regardless of the taxable period to which such refund relates.

(3) Paragraph (3) of section 6611(e) of such Code (as so amended) shall apply in the case of any refund paid on or after July 1, 1992 regardless of the taxable period to which such refund relates.

SEC. 1936. INFORMATION REPORTING WITH RESPECT TO CERTAIN SELLER-PROVIDED FINANCING.

(a) GENERAL RULE.—Section 6109 (relating to identifying numbers) is amended by adding at the end thereof the following new subsection:

''(h) IDENTIFYING INFORMATION REQUIRED WITH RESPECT TO CERTAIN SELLER-PROVIDED FINANCING.—

''(1) PAYOR.—If any taxpayer claims a deduction under section 163 for qualified residence interest on any seller-provided financing, such taxpayer shall include on the return claiming such deduction the name, address, and TIN of the person to whom such interest is paid or accrued.

''(2) RECIPIENT.—If any person receives or accrues interest referred to in paragraph (1), such person shall include on the return for the taxable year in which such interest is so received or accrued the name, address, and TIN of the person liable for such interest.

''(3) FURNISHING OF INFORMATION BETWEEN PAYOR AND RECIPIENT.—If any person is required to include the TIN of another person on a return under paragraph (1) or (2), such other person shall furnish his TIN to such person.

''(4) SELLER-PROVIDED FINANCING.—For purposes of this subsection, the term 'seller-provided financing' means any indebtedness incurred in acquiring any residence if the person to whom such indebtedness is owed is the person from whom such residence was acquired.''.

(b) PENALTY.—Paragraph (3) of section 6724(d) (relating to specified information reporting requirement) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end thereof the following new subparagraph:

''(E) any requirement under section 6109(f) that—

''(i) a person include on his return the name, address, and TIN of another person, or

''(ii) a person furnish his TIN to another person.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle C—Federal Tax Exemption for Uranium Enrichment Corporation; Limitation on Borrowing Authority

SEC. 1941. FEDERAL TAX EXEMPTION; LIMITATION ON BORROWING AUTHORITY.

(a) FEDERAL TAX EXEMPTION.—Subsection (l) of section 501 (relating to governmental corporations exempt from tax) is amended by adding at the end thereof the following:

''(4) The Uranium Enrichment Corporation established under section 1301 of the Atomic Energy Act of 1954.

Paragraph (4) shall cease to apply as of the first day on which any stock issued by the Uranium Enrichment Corporation is held by any person other than the Federal Government.''

(b) LIMITATION ON BORROWING AUTHORITY.—

(1) Chapter 31 of title 31, United States Code, is amended by adding at the end thereof the following new subchapter:

''SUBCHAPTER III—RESTRICTION ON BORROWING AUTHORITY OF CERTAIN GOVERNMENT-RELATED CORPORATIONS

''§ 3141. Limitation on borrowing authority of Uranium Enrichment Corporation

''The Uranium Enrichment Corporation established pursuant to section 1301 of the Atomic Energy Act of 1954 may borrow (directly or indirectly) from the Treasury only

to the extent, and in the manner, provided in section 1405 of such Act (as in effect on the date of the enactment of this section).''.

(2) The chapter analysis for chapter 31 of title 31, United States Code, is amended by adding at the end thereof the following:

''SUBCHAPTER III—RESTRICTION ON BORROWING AUTHORITY OF CERTAIN GOVERNMENT-RELATED CORPORATIONS

''3141. Limitation on borrowing authority of Uranium Enrichment Corporation.''.

TITLE XX—GENERAL PROVISIONS; REDUCTION OF OIL VULNERABILITY

SEC. 2001. DEFINITIONS.

For purposes of this title and titles XXI through XXV—

(1) the term ''demonstration'' means the building or assembling of facilities or equipment at appropriate scale to prove the technical feasibility of a process or technology;

(2) the term ''developing country'' includes the nations of Eastern Europe and the Soviet Union, or any successor entity or entities thereto;

(3) the term ''long-term'' means the period from 10 to 20 years in the future;

(4) the term ''mid-term'' means the period from 5 to 10 years in the future;

(5) the term ''near-term'' means the period from the present to 5 years in the future;

(6) the term ''Secretary'' means the Secretary of Energy; and

(7) the term ''source reduction'' means any practice which—

(A) reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment, including fugitive emissions, prior to recycling, treatment, or disposal; and

(B) reduces the hazards to the public health and the environment associated with the release of such substances, pollutants, or contaminants,

including equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, and inventory control, but not including any practice which alters the physical, chemical, or biological characteristics or the volume of a hazardous substance, pollutant, or contaminant through a process or activity which itself is not integral to and necessary for the production of a product or the providing of a service.

SEC. 2002. GOALS.

It is the goal of the United States in carrying out energy supply and energy conservation research and development—

(1) to strengthen national energy security by reducing dependence on imported oil;

(2) to increase the efficiency of the economy by meeting future needs for energy services at the lowest total cost to the Nation, including environmental costs, giving comparable consideration to technologies which enhance energy supply and technologies which improve the efficiency of energy end uses;

(3) to reduce the adverse environmental consequences of energy production and use through the development of an environmentally sustainable energy system which makes possible a reduction from the 1990 level in greenhouse gas emissions from energy production and use in the United States;

(4) to maintain the technological competitiveness of the United States and stimulate economic growth through the development of critical advanced materials and technologies; and

(5) to foster international cooperation by developing international markets for domestically produced sustainable energy technologies, and by transferring environmentally sound, advanced energy systems and technologies to developing countries to promote sustainable development.

Subtitle A—Oil and Gas Supply Enhancement

SEC. 2011. ENHANCED OIL RECOVERY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on technologies to increase and accelerate the volume of oil recovered from domestic oil reservoirs in producing fields, including technologies to—

(1) improve reservoir characterization;

(2) improve analysis and field verification;

(3) field test and demonstrate advanced enhanced oil recovery processes in reservoirs the Secretary considers to be of high priority;

(4) improve enhanced oil recovery process technology for more economic and efficient oil production;

(5) study reservoir properties and how they affect oil recovery from porous media;

(6) improve techniques for meeting environmental requirements;

(7) improve data bases of reservoir and environmental conditions; and

(8) lower lifting costs on stripper wells by utilizing advanced renewable energy technologies such as small wind turbines and others.

(b) PROGRAM GOALS.—

(1) OVERALL GOAL.—The overall goal of the program established under subsection (a) is the development of technologies to increase recoverable oil resources cost effectively by approximately 76,000,000,000 barrels of oil by the year 2010, compared to 1991 levels of recoverable reserves.

(2) NEAR-TERM PRIORITIES.—The near-term priorities of the program include preserving access to high potential reservoirs, identifying available technologies that can extend well lifetimes, and developing environmental field operations for waste disposal and injection practices.

(3) MID-TERM PRIORITIES.—The mid-term priorities of the program include developing and testing identified but unproven technologies, and transferring those technologies for widespread use.

(4) LONG-TERM PRIORITIES.—The long-term priorities of the program include developing advanced techniques to recover oil not recoverable by other techniques.

(c) ACCELERATED PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a plan for carrying out under this section the accelerated field testing of technologies to achieve the overall goal stated in subsection (b)(1) within 10 years after the date of enactment of this Act. The plan shall include a revised schedule of field tests, and cost estimates for the accelerated program. In preparing the plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies, and with the Advisory Board established under section 2303.

(d) PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require that the non-Federal share of the project being assisted be at least 50 percent.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section, including advanced extraction and process technology, $60,000,000 for fiscal year 1993 and $270,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2012. OIL SHALE.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research and development on oil shale extraction and conversion, using laboratory-scale activities. The program shall include technology development for both Eastern and Western shales.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) include—

(1) supporting the development of economically competitive and environmentally acceptable technologies to produce domestic supplies of liquid fuels from oil shale;

(2) increasing knowledge of environmentally acceptable oil shale waste disposal technologies and practices;

(3) increasing knowledge of the chemistry and kinetics of oil shale retorting;

(4) increasing understanding of engineering issues concerning the design and scale-up of oil shale extraction and conversion technologies; and

(5) improving techniques for oil shale mining systems.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $5,000,000 for fiscal year 1993 and $51,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2013. NATURAL GAS SUPPLY RESEARCH AND DEVELOPMENT.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration to improve technologies for—

(1) the extraction of natural gas from tight gas sands and devonian shales or other unconventional sources; and

(2) secondary natural gas recovery.

(b) PROGRAM GOALS.—

(1) OVERALL GOALS.—The overall goals of the program established under subsection (a) are to improve field data and modeling of natural gas production from unconventional sources and to continue data accumulation on unconventional gas sources, including speculative sources.

(2) NEAR-TERM PRIORITIES.—The near-term priorities of the program include—

(A) a focus on recovery from conventional gas reservoirs;

(B) the consolidation of Federal data bases;

(C) the preparation of a series of maps indicating the location of domestic natural gas resources;

(D) enhanced natural gas recovery studies;

(E) the development of horizontal drilling technology; and

(F) the development of techniques for upgrading low quality natural gas.

(3) MID-TERM PRIORITIES.—The mid-term priorities of the program include—

(A) a focus on recovery from unconventional sources such as tight gas sand formations; and

(B) the developing of techniques for locating naturally fractured zones and cost-effective methods for increasing the size and gas-flow capability of fracture systems.

(4) LONG-TERM PRIORITIES.—The long-term priorities of the program include—

(A) a focus on recovery from speculative sources, including deep sediments and gas hydrates; and

(B) the development of new techniques to locate and extract natural gas.

(c) PROPOSALS.—Within 180 days after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(d) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other

financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(e) COFIRING OF NATURAL GAS AND COAL.—

(1) PROGRAM.—The Secretary shall establish and carry out a program of research, development, and demonstration of cofiring natural gas with coal in utility and large industrial boilers in order to determine optimal natural gas injection levels for both environmental and operational benefits.

(2) COOPERATIVE AGREEMENTS.—The Secretary shall enter into cooperative agreements with, and provide financial assistance to, appropriate parties for application of cofiring technologies to boilers to demonstrate this technology.

(3) REPORT TO CONGRESS.—The Secretary shall, before December 31, 1995, submit to the Congress a report on the progress made in carrying out this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $40,000,000 for fiscal year 1993 and $240,000,000 for the period encompassing fiscal years 1994 through 1997.

(g) CONSULTATION.—In carrying out the provisions of this subtitle, the Secretary shall consult representatives of the oil and gas industry for innovative research and development proposals to improve oil and gas recovery and shall consider relevant technical data from industry and other research and information centers and institutes.

Subtitle B—Oil and Gas Demand Reduction and Substitution

SEC. 2021. GENERAL TRANSPORTATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on cost effective technologies to reduce the demand for oil in the transportation sector for all vehicles, including existing vehicles, through increased energy efficiency and the use of alternative fuels. Such program shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic viability to meet the goals stated in section 2002. Such program shall include the activities required under sections 2022 through 2027, and ongoing activities of a similar nature at the Department of Energy.

(b) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research, development, and demonstration activities under this subtitle. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(d) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the Secretary for carrying out the program described in subsection (a), including transportation sector energy conservation research and development (other than activities under section 2025) and transportation sector biofuels energy systems under solar energy, $150,000,000 for fiscal year 1993 and $880,000,000 for the period encompassing fiscal years 1994 through 1997, including—

(A) $100,000,000 for carrying out section 2022;

(B) $50,000,000 for carrying out section 2023;

(C) $2,500,000 for carrying out section 2024;

(D) $25,000,000 for carrying out section 2026; and

(E) $50,000,000 for carrying out section 2027, including Department of Energy National Laboratory participation in proposals submitted under subsection (d) of such section.

(2) There are authorized to be appropriated to the Secretary for carrying out section 2025—

(A) $58,000,000 for fiscal year 1993;

(B) $75,000,000 for fiscal year 1994;

(C) $80,000,000 for fiscal year 1995;

(D) $80,000,000 for fiscal year 1996;

(E) $90,000,000 for fiscal year 1997; and

(F) $100,000,000 for fiscal year 1998.

SEC. 2022. ADVANCED AUTOMOTIVE FUEL ECONOMY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration, to supplement ongoing research activities of a similar nature at the Department of Energy, to accelerate the near-term and mid-term development of advanced technologies to improve the fuel economy of light-duty passenger vehicles powered by a piston engine, and hybrid vehicles powered by a combination of piston engine and electric motor.

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be to stimulate the development of emerging technologies with the potential to achieve significant improvements in fuel economy while reducing emissions of greenhouse gases and other air pollutants.

(c) PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section, making a special effort to involve small businesses in the program.

(d) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305, unless the Secretary finds that a lower non-Federal cost share is warranted given the technical risks involved.

SEC. 2023. ALTERNATIVE FUEL VEHICLE RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

(a) PROGRAM DIRECTION.—The Secretary shall carry out a program of research, development, and demonstration on techniques related to improving natural gas and other alternative fuel vehicle technology, including—

(1) fuel injection;

(2) carburetion;

(3) manifolding;

(4) combustion;

(5) power optimization;

(6) efficiency;

(7) lubricants and detergents;

(8) engine durability;

(9) ignition, including fuel additives to assist ignition;

(10) multifuel engines;

(11) emissions control, including catalysts;

(12) novel gas compression concepts;

(13) advanced storage systems;

(14) advanced gaseous fueling technologies; and

(15) the incorporation of advanced materials in these areas.

(b) COOPERATIVE AGREEMENTS AND ASSISTANCE.—The Secretary may enter into cooperative agreements with, and provide financial assistance to, public or private entities willing to provide 50 percent of the costs of a program to perform research, development, and demonstration under subsection (a).

(c) DEFINITIONS.—For purposes of this section—

(1) the term ''alternative fuels'' includes natural gas, liquefied petroleum gas, any fuel the content of which is at least 85 percent by volume methanol, ethanol, or other alcohol, and hydrogen;

(2) the term ''alternative fuel vehicle'' means a motor vehicle that operates on alternative fuels; and

(3) the term ''motor vehicle'' includes any automobile, truck, bus, van, or other on-road or off-road motor vehicle, including a boat.

SEC. 2024. BIOFUELS RESEARCH AND DEVELOPMENT USER FACILITY.

(a) The Secretary shall establish a biofuels research and development user facility to expedite industry adoption of biofuels technologies. Such facility shall provide industry with onsite laboratory and office space to work on biofuels technologies, including production of alcohol fuels from biomass.

(b) The Secretary, through grants to such universities and colleges as the Secretary determines are qualified, shall establish a research and demonstration program with respect to the production and use of diesel fuels from vegetable oils. The program shall include—

(1) research on the economic feasibility of production of oilseed crops for biofuels purposes; and

(2) for demonstration purposes, the establishment of a mobile small-scale oilseed pressing and esterification unit and a stationary small-scale commercial oilseed pressing and esterification unit.

SEC. 2025. ELECTRIC VEHICLE AND BATTERY RESEARCH AND DEVELOPMENT PROGRAM.

(a) COOPERATIVE PROGRAM.—(1) The Secretary, consistent with the comprehensive plan described in paragraph (2), shall establish a cooperative program with the electric utility industry, the automobile industry, and such other persons or industries as the Secretary considers appropriate to conduct joint cooperative research and development projects with industry in areas of technology development such as—

(A) high efficiency electric power trains, including advanced motors, motor controllers, and hybrid power trains for vehicle range improvement;

(B) light-weight body structures for vehicle weight reduction;

(C) advanced battery technology with high energy and power for electric vehicle application;

(D) batteries and fuel cells for hybrid vehicle application;

(E) fuel cells and fuel cell systems for primary vehicle power sources; and

(F) photovoltaics for application with electric vehicle use.

The Secretary may also include any such projects that were entered into under the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901–5920) or the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2501–2514) in the program under this subsection.

(2)(A) The Secretary shall prepare a comprehensive multi-year program plan for carrying out this section. In the preparation of such plan, the Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of Transportation, the Administrator of the National Aeronautics and Space Administration, the heads of other appropriate Federal agencies, representatives of the electric utility industry, electric vehicle manufacturers and the United States automobile industry, and such other public and private organizations as the Secretary considers appropriate.

(B) The comprehensive plan shall include—

(i) a prioritization of research areas critical to the commercialization of electric vehicles, including advanced battery technology;

(ii) the program elements, management structure, and activities, including program responsibilities of Federal agencies and departments;

(iii) the program strategies, including technical milestones to be achieved toward specific goals during each fiscal year, for all major activities and projects;

(iv) the estimated costs of individual program elements, including estimated costs for each of the fiscal years of the plan for each of the participating Federal agencies or departments;

(v) a description of the methods of technology transfer;

(vi) the proposed participation by non-Federal entities in the implementation of the plan; and

(vii) such other information as the Secretary considers appropriate.

(C) Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit the comprehensive plan to the Congress. Such plan shall be revised and such revision transmitted to the Congress when significant changes are proposed.

(3) Not later than 240 days after the date of enactment of this Act, the Secretary shall request proposals or seek to negotiate joint cooperative research and development projects under this subsection.

(4) The contribution of the United States to any project under this section shall not exceed 50 percent.

(5) The Secretary shall conduct evaluations, arrange for tests and demonstrations necessary to support efforts undertaken pursuant to this subsection.

(b) FUEL CELLS FOR TRANSPORTATION.—(1) The Secretary shall develop and implement a comprehensive program of research, development, and demonstration of fuel cells and related systems for transportation applications through the establishment of one or more cooperative programs among industry, government, and research institutions to develop and demonstrate the use of fuel cells as the primary power source for private and mass transit vehicles and other mobile applications.

(2) Research, development, and demonstration activities under this subsection shall be designed to incorporate one or more of the following priorities—

(A) the potential for near-term to mid-term commercialization;

(B) the ability of the systems to use a variety of renewable and nonfossil fuels;

(C) emission reduction and energy conservation potential;

(D) the potential to utilize fuel cells and fuel cell systems developed under Department of Defense and National Aeronautics and Space Administration programs; and

(E) the potential to take maximum practical advantage of advances made in electric vehicle research, stationary source fuel cell research, and other research activities authorized by this title.

(3)(A) Research, development, and demonstration projects selected by the Secretary under this subsection shall have application to—

(i) passenger vehicles;

(ii) vans and utility vehicles;

(iii) light rail systems and locomotives;

(iv) trucks, including long-haul trucks, dump trucks, and garbage trucks;

(v) passenger buses;

(vi) non-chlorofluorocarbon mobile refrigeration systems;

(vii) marine vessels, including recreational marine engines; or

(viii) mobile engines and power generation, including recreational generators, and industrial and construction equipment.

(B) The Secretary shall establish programs to undertake research, development, and demonstration activities for use in at least two of the applications listed in subparagraph (A) in each of fiscal years 1993, 1994, 1995, and 1996, based on the priorities established in paragraph (2), so that by the end of the period, research, development, and demonstration activities are under way for each application. The initiatives authorized and implemented pursuant to this subsection shall be in addition to any other fuel cell programs authorized in existing law.

(c) HOLD HARMLESS.—Nothing in this section shall be construed to alter, affect, modify, or change any activities or agreements initiated prior to the date of enactment of this Act with domestic motor vehicle manufacturers through joint venture or consortium agreements regarding batteries for electric vehicles.

(d) CONSULTATION.—The Secretary shall consult with the Administrator of the Environmental Protection Agency and the Secretary of Transportation in carrying out this section.

(e) DEFINITIONS.—For purposes of this section—

(1) the term ''advanced battery technology'' means electro-chemical storage devices, including fuel cells, and associated technology necessary to charge, discharge, recharge, or regenerate such devices, for use as a source of power for an electric vehicle, and any other associated equipment;

(2) the term ''associated equipment'' means equipment necessary for the regeneration, refueling, or recharging of batteries or other forms of electrical energy used to power an electric vehicle; and

(3) the term ''electric vehicle'' means a vehicle primarily powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current, and that may include a nonelectrical source of supplemental power.

SEC. 2026. RENEWABLE HYDROGEN ENERGY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on renewable hydrogen energy systems, to supplement ongoing activities of a similar nature at the Department of Energy, including—

(1) at least one program to develop and demonstrate a system for generating hydrogen from renewable energy sources;

(2) at least one program to assess the feasibility of existing natural gas pipelines carrying hydrogen gas, including experimentation if needed, with a goal of determining those components of the natural gas distribution system that would have to be modified to carry—

(A) more than 20 percent hydrogen mixed with natural gas; and

(B) pure hydrogen gas;

(3) at least one program to develop and demonstrate at least one hydrogen storage system suitable for electric vehicles powered by fuel cells, with emphasis on—

(A) improved metal hydride hydrogen storage;

(B) activated carbon-based hydrogen storage;

(C) high pressure compressed hydrogen; or

(D) other novel hydrogen storage techniques;

(4) at least one program to develop and demonstrate a fuel cell suitable to power an electric vehicle; and

(5) such other research and development programs as the Secretary considers necessary to carry out this section.

(b) PROPOSALS.—Within 180 days after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

SEC. 2027. ADVANCED DIESEL EMISSIONS RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

(a) PROGRAM DIRECTION.—The Secretary shall initiate a program of research, development, and demonstration on diesel engine combustion and engine systems, related advanced materials, and fuels and lubricants to reduce emissions oxides of nitrogen and particulates. Activities conducted under this program shall supplement activities of a similar nature at the Department of Energy. Such program shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic viability to meet the goal stated in subsection (b).

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be to accelerate the ability of United States diesel manufacturers to meet current and future oxides of nitrogen and particulate emissions requirements.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy National Laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide research, development, and demonstration activities under this section. The Secretary shall biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) SOLICITATION OF PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals from eligible parties, as such term is defined in section 2205(3), for conducting research, development, and demonstration activities consistent with the 5-year program plan. Such proposals may be submitted by one or more eligible parties, and may include any funding mechanisms otherwise authorized under Federal law.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

Subtitle C—Oil Substitution Through Coal Liquefaction

SEC. 2031. OIL SUBSTITUTION THROUGH COAL LIQUEFACTION.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research and development for the purpose of developing economically and environmentally acceptable advanced technologies for oil substitution through coal liquefaction.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) shall include—

(1) improved resource selection and product quality;

(2) the development of technologies to increase net yield of liquid fuel product per ton of coal;

(3) an increase in overall thermal efficiency; and

(4) a reduction in capital and operating costs through technology improvements.

(c) PROPOSALS.—Within 180 days after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research and development activities under this section.

(d) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require that the non-Federal share of the project being assisted be at least 50 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $23,000,000 for fiscal year 1993 and $33,000,000 for the period encompassing fiscal years 1994 through 1997.

TITLE XXI—ENERGY AND ENVIRONMENT

Subtitle A—Improved Energy Efficiency

SEC. 2101. GENERAL IMPROVED ENERGY EFFICIENCY RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on cost effective technologies to improve energy efficiency and increase the use of renewable energy in the buildings, industrial, and utility sectors. Such program shall include a broad range of technological approaches, and shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic viability to meet the goals stated in section 2002. Such program shall include the activities required under sections 2102, 2103, 2104, 2105, 2106, and 2107 and ongoing activities of a similar nature at the Department of Energy.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) shall include—

(1) in the buildings sector—

(A) to accelerate the development of technologies that will increase energy efficiency;

(B) to increase the use of renewable energy; and

(C) to improve building construction practices and materials to reduce environmental pollution in the mid-term, through the development of low emission, low energy buildings;

(2) in the industrial sector—

(A) to accelerate the development of technologies that will increase energy efficiency and thereby improve productivity;

(B) to increase the use of renewable energy; and

(C) to reduce pollution production per unit of output; and

(3) in the utility sector, to accelerate the development of technologies that will increase energy efficiency.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research, development, and demonstration activities under this subtitle. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, utilities, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this subtitle, including building, industry, and utility sectors energy conservation research and development, and inventions and innovation under energy conservation technical and financial assistance, $190,000,000 for fiscal year 1993 and $1,490,000,000 for the period encompassing fiscal years 1994 through 1997, including—

(1) $100,000,000 for carrying out section 2102;

(2) $50,000,000 for carrying out section 2103;

(3) $100,000,000 for carrying out section 2104;

(4) $15,000,000 for carrying out section 2105;

(5) $15,000,000 for carrying out section 2106; and

(6) $18,091,000 for fiscal year 1993 for carrying out section 2107.

SEC. 2102. NATURAL GAS AND ELECTRIC HEATING AND COOLING TECHNOLOGIES.

(a) PROGRAM DIRECTION.—(1) The Secretary shall conduct a program of research, development, and demonstration for energy efficient natural gas and electric heating and cooling technologies for residential and commercial buildings.

(2) The natural gas heating and cooling program shall include research, development, and demonstration on—

(A) thermally activated heat pumps, including absorption heat pumps and engine-driven heat pumps; and

(B) other advanced natural gas technologies, including fuel cells.

(3) The electric heating and cooling program shall focus on including research, development, and demonstration on—

(A) advanced heat pumps;

(B) thermal storage; and

(C) advanced electrically driven HVAC (heating, ventilating, and air conditioning) and refrigeration systems that utilize replacements for chlorofluorocarbons.

(b) PROPOSALS.—Within 180 days after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

SEC. 2103. PULP AND PAPER RESEARCH, DEVELOPMENT, AND DEMONSTRATION.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on advanced pulp and paper technologies. Activities under this section shall include research, development, and demonstration on energy generation technologies, boilers, combustion processes, pulping processes (excluding de-inking), chemical recovery, causticizing, source reduction processes, and other related technologies that can improve the energy efficiency of, and reduce the adverse environmental impacts of, pulp and papermaking operations. This section does not authorize research, development, and demonstration projects involving the combustion of waste paper, excluding gasification.

(b) PROPOSALS.—Within 180 days after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

SEC. 2104. ADVANCED BUILDING RESEARCH, DEVELOPMENT, AND DEMONSTRATION FOR LOW EMISSION, LOW ENERGY BUILDINGS BY 2005.

(a) PROGRAM DIRECTION.—The Secretary shall initiate a program of research, development, and demonstration on new technologies for integrated building design and products that will provide affordable and commercially viable low emission, low energy buildings by the year 2005, to supplement ongoing activities of a similar nature at the Department of Energy. Activities under this section shall include research, development, and demonstration on—

(1) integrated building designs, design tools, and construction techniques;

(2) advanced building components that can perform effectively in integrated building designs;

(3) advanced energy conversion systems (such as photovoltaics) for application to buildings;

(4) the use of recycled materials in building products and products that can be recycled; and

(5) demonstration of evaluation methods and tools to assess performance in operating environments.

(b) PROPOSALS.—

(1) SOLICITATION.—Within one year after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(2) CONTENTS OF PROPOSALS.—Proposals submitted under this subsection shall include—

(A) evidence of knowledge of current building practices in the United States and in other countries;

(B) an explanation of how the proposal will expedite the commercialization of advanced building materials, technologies, and products, advanced construction techniques, and innovative design practices beyond those already in the marketplace;

(C) evidence of consideration of whether the unique capabilities of Department of Energy National Laboratories warrants collaboration with such Laboratories, and the extent of such collaboration proposed;

(D) evidence of collaboration with relevant industry or other groups or organizations; and

(E) a demonstration of the ability of the proposers to undertake and complete the project proposed.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

SEC. 2105. ELECTRIC DRIVES.

(a) RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—The Secretary shall conduct research, development, and demonstration to expedite adoption of energy efficient industrial electric drive technologies, including adjustable speed drives, high speed motors, and high efficiency motors. Activities under this section shall include the identification and development of technical information on targets of opportunity, assessment of infrastructure needs, and development of advanced technologies and processes.

(b) PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals for research, development, and demonstration projects under this section.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

SEC. 2106. MID-TERM TECHNOLOGY DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary, on consultation with the Secretary of Defense, the Administrator of the General Services Administration, and other appropriate Federal officials, shall establish a program for the demonstration, at federally owned or assisted buildings and facilities designated by such officials for long-term commitment to such demonstration, of emerging energy efficiency and renewable energy technologies described in subsection (b).

(b) TECHNOLOGIES.—Technologies to be demonstrated under this section shall be technologies substantially developed by the Department of Energy, or derived from re-

search and development carried out by the Department of Energy, that are not commercially available, and shall include residential heat pumps, lighting fixtures, cogeneration, solar detoxification, and other technologies that the Secretary, after consultation with the Secretary of Defense, the Administrator of the General Services Administration, and other appropriate Federal officials, determines can improve energy efficiency and environmental conditions in Federal facilities and operations.

(c) PURPOSE OF DEMONSTRATION.—The purpose of demonstrations funded under this section shall be to determine—

(1) the technical feasibility and reliability;

(2) the economic life cycle costs;

(3) the production feasibility; and

(4) the Federal sector market potential,

of the technology to be demonstrated.

(d) COMPLETION OF DEMONSTRATION.—(1) When a demonstration project funded under this section has successfully demonstrated the cost-effective feasibility of a technology, the Federal agency involved, with assistance from the Secretary, shall effect technology transfer by publicizing the results of the demonstration.

(2) When a successfully demonstrated technology has reached a stage of production capability, the resulting product shall be listed on appropriate General Services Administration product schedules.

SEC. 2107. STEEL AND ALUMINUM RESEARCH.

(a) AMENDMENTS.—The Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 is amended—

(1) in section 4(b)(5), by striking ''Industrial Programs'' and inserting in lieu thereof ''Industrial Technologies'';

(2) in section 8, by inserting at the end the following new sentence: ''The report submitted at the close of fiscal year 1993 shall also contain a complete summary of activities under the management plan and the research plan from the first year of their operation, along with an analysis of the extent to which they have succeeded in accomplishing the purposes of this Act.'';

(3) in section 9(a)(1), by striking ''and $25,000,000 for fiscal year 1991'' and inserting in lieu thereof ''$25,000,000 for fiscal year 1991, $17, 968,000 for fiscal year 1992, and $18,091,000 for fiscal year 1993'';

(4) in section 9(b), by striking ''and 1991'' and inserting in lieu thereof ''1991, 1992, and 1993''; and

(5) in section 11(a), by striking ''or fiscal year 1991'' both places it appears and inserting in lieu thereof ''fiscal year 1991, fiscal year 1992, or fiscal year 1993''.

(b) REPEALS.—The Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 is amended—

(1) in section 4(c)(1)(C), by inserting ''and'' after ''Program;'';

(2) in section 4(c)(2)(C), by striking ''Program; and'' and inserting in lieu thereof ''Program.'';

(3) by striking section 4(c)(3);

(4) in section 5(1)(B), by inserting ''and'' after ''program;'';

(5) in section 5(2)(B), by striking ''program; and'' and inserting in lieu thereof ''program.''; and

(6) by striking section 5(3).

Subtitle B—Electricity Generation and Use

SEC. 2111. RENEWABLE ENERGY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a broad and comprehensive program of research, development, and demonstration to provide cost-effective options for the generation of electricity from renewable energy sources for grid and nongrid application, including field demonstrations of sufficient scale and number in operating environments to prove technical and economic feasibility for providing cost effective generation and for meeting the goal stated in section 2002(3).

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be the accelerated development of renewable energy technologies that can cost effectively meet at least 15 percent of United States electricity generation needs by the year 2010.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research, development, and demonstration activities under this section. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section, including all solar energy programs (other than activities under section 2021), geothermal systems, electric energy systems, and energy storage systems, $215,000,000 for fiscal year 1993 and $1,285,000,000 for the period encompassing fiscal years 1994 through 1997, of which $26,900,000 is for carrying out section 2119 for fiscal year 1993.

SEC. 2112. HIGH EFFICIENCY HEAT ENGINES.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on high efficiency heat engines, including field demonstrations of sufficient scale and number in operating environments to prove the technical and economic feasibility of such engines, emphasizing advanced gas turbine cycles, and the incorporation of energy efficient materials in advanced gas turbine cycles for high efficiency electric and industrial power generation covering a range of small-, mid-, and large-scale applications, including—

(1) mechanically recuperated gas turbines;

(2) intercooled gas turbines with steam injection or recuperation;

(3) gas turbines utilizing reformed fuels or hydrogen; and

(4) high efficiency, simple cycle gas turbines.

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be to develop high efficiency heat engines that can achieve over 50 percent efficiency.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research, development, and demonstration activities under this section. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including the Administrator of the Environmental Protection Agency and national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) PROPOSALS.—Within one year after the date of enactment of this Act, the Secretary shall solicit proposals for conducting research, development, and demonstration activities under this section.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $125,000,000 for the period encompassing fiscal years 1993 through 1997, to be derived from sums authorized under section 2101(f).

SEC. 2113. NUCLEAR ENERGY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration to encourage the deployment of advanced nuclear reactor technologies that to the maximum extent practicable—

(1) are cost effective in comparison to alternative sources of commercial electric power of comparable availability and reliability, taking into consideration life cycle environmental costs;

(2) facilitate the design, licensing, construction, and operation of a nuclear powerplant using a standardized design;

(3) exhibit enhanced safety features; and

(4) incorporate features that advance the objectives of the Nuclear Non-Proliferation Act of 1978.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) shall include—

(1) for the near-term—

(A) facilitate the submission, by September 30, 1995, for certification by the Nuclear Regulatory Commission, of standardized advanced light water reactor technology designs that the Secretary determines have the characteristics described in subsection (a)(1) through (4);

(B) facilitate the completion of submissions, by September 30, 1996, for preliminary design approvals by the Nuclear Regulatory Commission of standardized designs for the modular high-temperature gas-cooled reactor technology and the liquid metal reactor technology; and

(C) the evaluation, by September 30, 1996, of the actinide burn technology to determine if it can reduce the volume of long-lived fission byproducts;

(2) for the mid-term—

(A) facilitate increased efficiency of enhanced safety, advanced light water reactors to produce electric power at the lowest cost to the customer;

(B) the development of advanced reactor concepts that are passively safe and environmentally acceptable; and

(C) the completion of necessary research and development on high-temperature gas-cooled reactor technology and liquid metal reactor technology to support the selection, by September 30, 1998, of one or both of those technologies as appropriate for prototype demonstration; and

(3) for the long-term, the completion of research and development and demonstration to support the design of advanced reactor technologies capable of providing electric power to a utility grid as soon as practicable but no later than the year 2010.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research, development, and demonstration activities under this section. The program plan shall include schedule milestones, Federal funding requirements, and non-Federal cost sharing requirements. In preparing the program plan, the Secretary shall take into consideration—

(1) the need for, and the potential for future adoption by electric utilities or other entities of, advanced nuclear reactor technologies that are available, under development, or have the potential for being developed, for the generation of energy from nuclear fission;

(2) how the Federal Government, acting through the Secretary, can be effective in ensuring the availability of such technologies when they are needed;

(3) how the Federal Government can most effectively cooperate with the private sector in the accomplishment of the goals set forth in subsection (b); and

(4) potential alternative funding sources for carrying out this section.

In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, annually update and, as part of the report required under subsection (f) of this section, resubmit the program plan to Congress. Each such update shall describe any activities that are behind schedule, any funding shortfalls, and any other circumstances that might affect the ability of the Secretary to meet the goals set forth in subsection (b).

(d) FIRST-OF-A-KIND ENGINEERING.—

(1) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program of Federal financial and technical assistance for the first-of-a-kind engineering design of standardized commercial nuclear powerplants which are included, as of the date of enactment of this Act, in the Department of Energy's program for certification of advanced light water reactor designs.

(2) SELECTION CRITERIA.—In order to be eligible for assistance under this subsection, an entity shall certify to the satisfaction of the Secretary that—

(A) the entity, or its members, are bona fide entities engaged in the design, engineering, manufacture, and construction of nuclear reactors;

(B) the entity, or its members, have the financial resources necessary for, and fully intend to pursue the design, engineering, manufacture, and construction in the United States of nuclear power plants through completion of construction and into operation;

(C) the design proposed is scheduled for certification by the Nuclear Regulatory Commission under the Department of Energy's program for certification of light water reactor designs; and

(D) at least 50 percent of the funding for the project shall be obtained from non-Federal sources, and a substantial portion of that non-Federal funding shall be obtained from utilities or entities whose primary purpose is the production of electrical power for public consumption.

(3) PROGRAM DOCUMENTS.—The Secretary shall prepare and submit to the Congress a program document for each design selected under this subsection, specifying goals and objectives, major milestones for achieving those goals and objectives, and the work products to be provided to the Secretary or made available for inspection.

(4) FUNDING LIMITATIONS.—(A) Before entering into an agreement with an entity under this subsection, the Secretary shall establish a cost ceiling for the contribution of the Federal Government for the project, and shall report such cost ceiling to the Congress.

(B) No entity shall receive assistance under this subsection for a period greater than 4 years.

(C) The aggregate funding provided by the Secretary for projects under this subsection shall not exceed $20,000,000 for any single fiscal year.

(5) STATUS REPORT.—The Secretary shall annually submit to the Congress, as a part of the report required under subsection (h), a status report on each project receiving assistance under this subsection. Each such report shall describe the progress of the project, measured against the program document for such project submitted under paragraph (3), including a description of the entities involved in the project, the number and type of professional and other employees involved, the work products (in the form of drawings produced or specifications written, received, or inspected by the Secretary), and the extent of cost sharing.

(e) PROTOTYPE DEMONSTRATION.—

(1) SOLICITATION OF PROPOSALS.—Within 3 years after the date of enactment of this Act, the Secretary shall solicit proposals for carrying out the preliminary engineering design of not more than 2 prototype advanced nuclear reactor technologies developed by the Department of Energy, other than advanced light water reactor technologies, necessary to support a decision on whether to recommend construction of a prototype demonstration reactor with the characteristics described in subsection (a)(1) through (4). Proposals submitted under this paragraph shall be for modular design concepts of sufficient size to address requirements related to the certification of a standardized design.

(2) RECOMMENDATION TO CONGRESS.—Not later than September 30, 1998, the Secretary shall submit to Congress recommendations on whether to build no more than 2 prototype demonstration reactors under this subsection. Such recommendations shall—

(A) specify a preferred technology or technologies;

(B) include detailed information on milestones for construction and operation;

(C) include an estimate of the funding requirements; and

(D) specify the extent and type of non-Federal financial support anticipated.

In developing the recommendations under this paragraph, the Secretary shall provide for public notice and an opportunity for comment, and shall solicit the views of the Nuclear Regulatory Commission and other parties with technical expertise the Secretary considers useful in the development of such recommendations.

(3) COST SHARING.—The prototype demonstration program under this subsection shall be carried out to the maximum extent practicable with private sector funding. At least 50 percent of the funding for such program shall be non-Federal funding. The extent of non-Federal cost sharing proposed for any demonstration project shall be a criterion for the selection of the project. Any cost overruns beyond projections contained in a proposal submitted under this subsection shall be paid for with non-Federal funds.

(4) LIMITATION ON AUTHORIZATION.—No prototype demonstration project may be carried out pursuant to a recommendation under paragraph (2) unless funding has been appropriated pursuant to a report the Secretary has submitted with respect to such project pursuant to section 2402(b).

(f) ANNUAL NUCLEAR RESEARCH, DEVELOPMENT, AND DEMONSTRATION REPORT.—The Secretary, in consultation with the Advisory Board established under section 2303, shall annually submit to the Congress a report which—

(1) includes a comprehensive Federal nuclear research, development, and demonstration strategy;

(2) addresses energy supply and associated environmental problems in the immediate, short-term, mid-term, and long-term time intervals;

(3) evaluates the economic, environmental, and technological merits of each aspect of the Federal nuclear research, development, and demonstration program;

(4) includes a description of the progress made in implementing this section;

(5) includes an update of the program plan developed under subsection (c);

(6) includes an update of the program plan developed under section 2114(b); and

(7) includes the annual report required under section 2115(c).

Such report shall be submitted along with the President's annual budget request to Congress.

(g) NUCLEAR REGULATORY COMMISSION REPORT.—The Nuclear Regulatory Commission shall annually submit to the Congress, along with the President's annual budget request, a report on the certification process for standardized advanced light water reactor designs which—

(1) describes the progress of such certification process;

(2) describes the progress made in reviewing the Utility Requirements Document;

(3) includes a timetable for completion of the certification, including specific fiscal year milestones; and

(4) states resource requirements for meeting the timetable described in paragraph (3).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $110,000,000 for research and development activities for fiscal year 1993 and $490,000,000 for research and development activities for the period encompassing fiscal years 1994 through 1997, and $90,000,000 for facilities operations and maintenance for fiscal year 1993 and $455,000,000 for facilities operations and maintenance for the period encompassing fiscal years 1994 through 1997. Amounts authorized or otherwise made available for program direction, space reactor power systems, advanced radioisotope power systems, and the space exploration initiative under nuclear energy research and development shall be in addition to the amounts authorized in the preceding sentence.

SEC. 2114. CIVILIAN NUCLEAR WASTE.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research and development on new technologies for mitigating hazards associated with high level radioactive waste and spent fuel from nuclear reactors.

(b) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the research and development activities under this section. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall, with the advice of the Advisory Board established under section 2303, annually update and, as part of the report required under section 2113(f), resubmit the program plan to Congress.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $1,000,000 for fiscal year 1993 and $44,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2115. FUSION ENERGY.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research and development on fusion energy technologies. The cooperative effort to develop the International Thermonuclear Experimental Reactor program (hereafter in this section referred to as ''ITER'') shall be the main focus of the program established under this sub-

section. The Secretary shall encourage the effective participation of United States industry in the ITER program, and shall seek to ensure that United States industrial technological capability will continue to be able to support ITER.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) shall include—

(1) for the near-term—

(A) fully supporting United States participation in the Engineering Design Activity of the ITER program and development of the basis for effective participation in follow-on activities of the cooperative program;

(B) planning for the construction and operation of a major new machine for fusion research and development to provide experience with long pulse fusion phenomena or other critical research and development needs;

(C) supporting the development of technological capabilities for selected technical areas critical to fusion power and providing for significant industrial participation in the development of those technologies; and

(D) continuing research and development for the Inertial Fusion Energy Program and initiating the development of the Heavy Ion Inertial Confinement Fusion Energy Experiment;

(2) for the mid-term—

(A) participation in the ITER program after completion of the Engineering Design Activity, including preconstruction and other activities for an ITER facility;

(B) continuing research and development activities in support of a broad based fusion energy program;

(C) supporting the development of technological capabilities for selected technical areas critical to fusion power and providing for significant industrial participation in the development of those technologies; and

(D) developing, constructing, and testing a Heavy Ion Inertial Confinement Fusion Energy Experiment for the Inertial Fusion Energy Program; and

(3) for the long-term—

(A) participation in the ITER program, including construction, operation, and maintenance of an appropriate United States industrial technological base; and

(B) building and testing an inertial fusion energy reactor for the purpose of power production.

(c) REPORTS.—The Secretary, in consultation with the Advisory Board established under section 2303, shall prepare a detailed plan describing the work to be performed, resources to be committed, and milestone schedules for the following subprograms:

(1) Basic fusion energy science and research to support both the Magnetic Fusion Energy program and the Heavy Ion Inertial Confinement Fusion Energy program.

(2) The ITER.

(3) The Long Pulse Fusion Reactor.

(4) An Engineering and Technology Development program with industrial participation.

(5) The development and construction of a Heavy Ion Inertial Confinement Fusion Energy Experiment.

Each year, in conjunction with the submission of the annual budget to Congress, the Secretary shall submit a detailed report describing the progress made, including science and technical advancements, the resources committed during the previous years, expenditures, contracts with industry, and performance related to scheduled milestones.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $345,000,000 for fiscal year 1993 and $1,670,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2116. COAL.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on advanced technologies that use coal to generate electricity in a more efficient and environmentally acceptable manner.

(b) PROGRAM GOALS.—The goals of the program established under subsection (a) shall include the development of technologies that—

(1) reduce United States oil imports and ensure a reliable electricity supply;

(2) comply with applicable environmental requirements; and

(3) would achieve the greatest practicable reduction of emissions of harmful pollutants, including greenhouse gases.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section for technologies nearing the full scale demonstration stage, the Secretary may require cost sharing as provided in section 2305.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section, and all fossil energy research and development operating expenses for program direction and management support, cooperative research and development, fossil energy environmental restoration and plant and capital equipment, $250,000,000 for fiscal year 1993 and $1,090,000,000 for the period encompassing fiscal years 1994 through 1997.

(e) REPORT TO CONGRESS.—The Secretary shall provide a report to the Congress within one year after the date of enactment of this Act, investigating the technical and economic feasibility of blending farm crop products with coal to maximize indigenous fossil fuel resources and reduce sulfur emissions. The report shall identify key technical or economic issues that may provide obstacles to widespread use of fuel blends.

SEC. 2117. FUEL CELLS.

(a) PROGRAM DIRECTION.—The Secretary shall conduct a program of research, development, and demonstration on efficient and environmentally benign decentralized power generation using fuel cells. The program may include research, development, and demonstration activities on molten carbonate, solid oxide, including tubular, monolithic, and planar technologies, and advanced concepts.

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) is the development of cost-effective, efficient, and environmentally benign fuel cell systems which will operate on fossil fuels in multiple end use sectors.

(c) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $40,000,000 for fiscal year 1993 and $150,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2118. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for fiscal year 1993 $70,000,000 for the Fast Flux Test Facility to maintain the operational status of the reactor, such sums to be derived from amounts appropriated to the Secretary for the environmental restoration and waste management program.

(b) LONG-TERM MISSIONS.—The Secretary shall aggressively pursue the development and implementation of long-term missions for the Fast Flux Test Facility. Within 6 months after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the progress made in carrying out this subsection.

SEC. 2119. EFFICIENT ELECTRIC ENERGY SYSTEMS.

The Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12001 et seq.) is amended by inserting after section 5 the following new section:

"SEC. 5A. EFFICIENT ELECTRIC ENERGY SYSTEMS.

''The goal for the High Temperature Superconductivity Energy Systems Program shall be to promote energy efficiency by carrying out a program of research and development of high temperature superconducting electric power equipment technologies. Research efforts shall emphasize—

''(1) activities that address near-term technical projects such as the development of superconducting materials that are in practical form and have increased electrical current capacity;

''(2) improving the efficiency of materials performance at higher temperatures and at all magnetic field orientations; and

''(3) assisting the private sector with designs for more efficient electric power generation and delivery systems for commercial marketplace which are cost competitive with conventional energy systems.''.

SEC. 2120. ELECTRIC AND MAGNETIC FIELDS RESEARCH AND PUBLIC INFORMATION DISSEMINATION PROGRAMS.

(a) ELECTRIC AND MAGNETIC FIELDS INTERAGENCY COMMITTEE.—

(1) IN GENERAL.—The President shall, within 2 months after the date of the enactment of this Act, establish the Electric and Magnetic Fields Interagency Committee to coordinate the efforts of the Federal Government with respect to research on the possible human health effects of electric and magnetic fields, technologies to improve the measurement and characterization of electric and magnetic fields, and techniques to assess and manage exposure to electric and magnetic fields.

(2) DUTIES.—

(A) RESEARCH AGENDA.—Not later than 6 months after the date of the enactment of this Act, the Interagency Committee, in consultation with the Advisory Committee, shall develop and submit to the Congress a comprehensive agenda for conducting research on the possible human health effects of electric and magnetic fields, with particular emphasis on electric and magnetic fields produced by electricity of the 60 Hertz frequency. The Interagency Committee, in consultation with the Advisory Committee, shall update the agenda as often as necessary and submit the updated agenda to the Congress. The agenda shall include priorities for—

(i) research on biological mechanisms by which electric and magnetic fields interact with biological systems;

(ii) research and development of technologies to improve the measurement and characterization of electric and magnetic fields;

(iii) epidemiological research on the possible human health effects of electric and magnetic fields; and

(iv) research on techniques to assess and manage exposure to electric and magnetic fields.

(B) REVIEW OF FEDERAL PROGRAM.—The Interagency Committee shall review each electric and magnetic fields research project conducted under a Federal program or funded in whole or in part with Federal funds—

(i) to ensure that the research project advances the agenda and program established under this section; and

(ii) to ensure that the research project is not unnecessarily duplicative of any other such research project.

(C) RECOMMENDATIONS ON PUBLIC INFORMATION DISSEMINATION PROGRAM.—Not later than 5 months after the date of the enactment of this Act, the Interagency Committee shall submit to the Director recommendations concerning the scope and nature of the information to be disseminated under subsection (d). The Interagency Committee shall submit to the Director updated recommendations as often as necessary.

(3) MEMBERSHIP.—The Interagency Committee shall be composed of 8 members with 1 member appointed by each of the following:

(A) The Director of the National Institute of Environmental Health Sciences.

(B) The Secretary of Energy.

(C) The Administrator of the Environmental Protection Agency.

(D) The Secretary of Defense.

(E) The Administrator of the Occupational Safety and Health Administration.

(F) The Director of the National Institute of Standards and Technology.

(G) The Secretary of Transportation.

(H) The Administrator of the Rural Electrification Administration.

(4) CHAIRPERSON.—The member of the Interagency Committee who is appointed by the Director of the National Institute of Environmental Health Sciences under paragraph (3) shall be the chairperson of the Interagency Committee. The chairperson of the Interagency Committee shall be responsible for ensuring that the duties of the Interagency Committee are carried out.

(b) NATIONAL ELECTRIC AND MAGNETIC FIELDS ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—Not later than 2 months after the date of the enactment of this Act, the President shall establish the National Electric and Magnetic Fields Advisory Committee.

(2) DUTIES.—The Advisory Committee shall—

(A) make recommendations to the Interagency Committee with respect to the formulation of the research agenda referred to in subsection (a)(2)(A); and

(B) make recommendations to the Director with respect to the research program established under subsection (c), including the preparation of solicitations for proposals to conduct research under the program.

(3) MEMBERSHIP.—The Advisory Committee shall be composed of 11 members appointed by the President from among individuals who are representative of experts in possible human health effects of electromagnetic fields, experts in the measurement and characterization of electromagnetic fields, experts in the assessment and risk management of exposure to electromagnetic fields, State regulatory agencies, State health agencies, electric utilities, electrical equipment manufacturers, labor unions, and public interest groups.

(4) TERMINATION.—The Advisory Committee shall terminate within 2 months after the Advisory Committee submits the final report required under subsection (c)(4)(C).

(c) NATIONAL ELECTRIC AND MAGNETIC FIELDS RESEARCH PROGRAM.—

(1) IN GENERAL.—Within 9 months after the date of the enactment of this Act, the Director, after considering recommendations of the Advisory Committee, shall establish a program to carry out the agenda referred to in subsection (a)(2)(A).

(2) FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—The Director may provide grants and other funding and enter into contracts to conduct research projects under the program established under paragraph (1).

(B) NON-FEDERAL CONTRIBUTIONS.—

(i) IN GENERAL.—Projects selected for funding in any fiscal year under this subsection may not be conducted unless the Director receives and provides non-Federal contributions for such projects in an amount that equals at least 50 percent of the total funding for all projects to be conducted in the fiscal year.

(ii) SOLICITATION OF CONTRIBUTIONS.—The Director shall within 30 days after the date of the enactment of this Act, solicit pledges for non-Federal contributions referred to in clause (i) from non-Federal entities that are established solely to provide non-Federal contributions under clause (i) and that have no substantive involvement in the program established under this section, other than to provide the non-Federal contributions.

(3) SOLICITATION AND SELECTION OF PROPOSALS.—

(A) IN GENERAL.—Within 15 months after the date of the enactment of this Act, and as often thereafter as the Director considers to be appropriate, the Director, in coordination with the Interagency Committee, shall solicit and select proposals to conduct projects under this subsection.

(B) CONSULTATION WITH ADVISORY COMMITTEE.—In preparing solicitations for proposals to conduct projects, the Director shall consult with the Advisory Committee.

(C) PEER REVIEW PANELS.—Before a proposal to conduct a project under this subsection may be selected by the Director, such proposal must be submitted to, and evaluated by, at least one scientific and technical peer review panel constituted by the Director.

(4) REPORTS.—

(A) REPORT UPON COMPLETION OF PROJECT.—Any person who conducts a project under the program established under paragraph (1) shall, upon completion of the project, submit to the National Academy of Sciences, the Interagency Committee, and the Advisory Committee a report summarizing the research activities and findings of the project.

(B) REPORT TO INTERAGENCY COMMITTEE AND ADVISORY COMMITTEE.—The Chairman of the National Academy of Sciences shall biennially submit to the Interagency Committee and the Advisory Committee a report that evaluates the research activities that have been completed under this subsection. The report shall include recommendations to promote the effective transfer of information derived from such research projects, including the transfer to representatives of State regulatory agencies, State health agencies, electric utilities, electrical equipment manufacturers, labor unions, and public interest groups.

(C) REPORTS TO CONGRESS.—The Interagency Committee and the Advisory Committee shall each biennially submit to the Congress a report summarizing the progress of the research program established under this subsection.

(5) CONFLICTS OF INTEREST.—The Director shall include conflict of interest provisions in any grant or other funding provided, or contract entered into, under the research program established under this subsection including provisions—

(A) that require any person conducting a project under such program to disclose any other source of funding received by the person to conduct other related projects, including funding received from consulting on issues relating to electric and magnetic fields; and

(B) that prohibit a person who has been awarded a grant or contract under this program from testifying in a court of law as an expert on the specific research he is conducting under such grant or contract.

(d) ELECTRIC AND MAGNETIC FIELDS PUBLIC INFORMATION DISSEMINATION PROGRAM.—

(1) IN GENERAL.—Within 6 months after the date of the enactment of this Act, the Director shall establish a program to collect, compile, publish, and disseminate to the public information on electric and magnetic fields, with particular emphasis on electric and magnetic fields produced by electricity of the 60 Hertz frequency. The Director, in coordination with the Interagency Committee, shall ensure that the information disseminated through the program is updated as often as necessary. The program shall include information regarding—

(A) the possible human health effects of electric and magnetic fields;

(B) the types and extent of human exposure to electric and magnetic fields in various occupational and residential settings;

(C) technologies to measure and characterize electric and magnetic fields; and

(D) methods to assess and manage exposure to electric and magnetic fields.

(2) INFORMATION PAMPHLET.—The program referred to in paragraph (1) shall include the development and dissemination of a pamphlet that would be useful to the public in the assessment and risk management of exposure to electric and magnetic fields. The pamphlet shall be developed and disseminated within 2 years of the date of the enactment of this Act and shall be updated as often as necessary.

(e) DEFINITIONS.—For purposes of this section:

(1) The term ''Advisory Committee'' means the National Electric and Magnetic Fields Advisory Committee established under subsection (b).

(2) The term ''Interagency Committee'' means the Electric and Magnetic Fields Interagency Committee established under subsection (a).

(3) The term ''Director'' means the Director of the National Institute of Environmental Health Sciences.

(4) The term ''State'' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other commonwealth, territory, or possession of the United States.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) GENERAL AUTHORIZATION.—There are authorized to be appropriated to the Director $60,000,000 for the period encompassing fiscal years 1993 through 1997 to carry out the provisions of this section except for the provisions of subsection (d). Any amounts appropriated pursuant to this paragraph shall remain available until expended.

(2) PUBLIC INFORMATION DISSEMINATION PROGRAM.—There are authorized to be appropriated to the Director $1,000,000 for each of fiscal years 1993 through 1997 to carry out the provisions of subsection (d). Any amounts appropriated pursuant to this paragraph shall remain available until expended.

(3) RESTRICTIONS ON USE OF FUNDS.—

(A) ADMINISTRATIVE EXPENSES OF CERTAIN FUNDING RECIPIENTS.—Of the total amount of funds provided to any institution under subsection (c), the amount of such funds that may be used for the administrative indirect costs of the institution may not exceed 26 percent of the modified direct costs of the project funded by the grant.

(B) ADMINISTRATIVE EXPENSES OF THE NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES.—Of the total amount of funds made available under this section for any fiscal year, not more than 5 percent of such funds may be used for authorized administrative expenses of the National Institute of Environmental Health Sciences in carrying out this section.

(C) CONSTRUCTION AND REHABILITATION OF FACILITIES AND EQUIPMENT.—Funds made available under this section may not be used for the construction or rehabilitation of facilities or fixed equipment.

(g) SENSE OF CONGRESS.—It is the sense of the Congress that remedial action taken by the Government on electric and magnetic fields, if and as necessary, should be based on, and consistent with, scientifically valid research such as the results and findings of the research authorized by this Act.

Subtitle C—Pollution Prevention

SEC. 2121. ENERGY EFFICIENT POLLUTION PREVENTION PROGRAM.

(a) PROGRAM DIRECTION.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, is authorized to continue to carry out an Energy Efficient Pollution Prevention Program for the purpose of carrying out research, development, and demonstration on energy efficient pollution prevention technologies and processes, emphasizing source reduction and a systems approach to minimizing adverse environmental effects of industrial production in the most cost-effective and energy efficient manner.

(b) IDENTIFICATION OF TARGETS OF OPPORTUNITY.—Within 9 months after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall identify targets of opportunity for the demonstration of energy efficient pollution prevention technologies and processes, taking into consideration the total materials and energy cycle, and with the goal of minimizing adverse environmental effects.

(c) PROPOSALS.—Within 1 year after the date of enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall solicit proposals for research, development, and demonstration projects under this section. Proposals submitted under this subsection shall demonstrate that the proposed project includes—

(1) technically viable and replicable cost-effective approaches; and

(2) procedures for technology transfer and information outreach during and after completion of the project.

(d) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section $75,000,000 for the period encompassing fiscal years 1993 through 1997, to be derived from sums authorized under section 2101(f).

TITLE XXII—ENERGY AND ECONOMIC GROWTH

SEC. 2201. NATIONAL CRITICAL ADVANCED MATERIALS INITIATIVE.

(a) PROGRAM DIRECTION.—The Secretary shall establish a National Critical Advanced Materials Initiative in the Office of Assistant Secretary for Conservation and Renewable Energy for the purpose of carrying out a program of research, development, and demonstration on techniques not commercially available for processing, synthesizing, fabricating, and manufacturing of critical advanced materials and associated components that have energy efficiency and renewable energy applications, to supplement ongoing activities of a similar nature at the Department of Energy. Such program shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic feasibility.

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be to accelerate research, development, and demonstration of critical advanced materials not commercially available to expedite the deployment of high performance energy efficient and renewable energy technologies in the industrial, transportation, and buildings sectors that can foster economic growth and competitiveness.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy National Laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide research, development, and demonstration activities under this section. The Secretary, with the advice of the Advisory Board established under section 2303, shall biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) PROPOSALS.—

(1) SOLICITATION.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals from eligible parties for conducting research, development, and demonstration activities consistent with the 5-year program plan. Such proposals may be submitted by one or more eligible parties, and may include any funding mechanisms otherwise authorized under Federal law.

(2) CONTENTS OF PROPOSALS.—Proposals submitted under this subsection shall include—

(A) an explanation of how the proposal will expedite the commercialization of critical advanced materials in energy efficiency or renewable energy in the near-term to mid-term;

(B) evidence of consideration of whether the unique capabilities of Department of Energy National Laboratories warrants collaboration with such Laboratories, and the extent of such collaboration proposed;

(C) a description of the extent to which the proposal includes collaboration with relevant industry or other groups or organizations; and

(D) a demonstration of the ability of the proposers to undertake and complete the project proposed.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(f) GENERAL SERVICES ADMINISTRATION INSERTION DEMONSTRATION PROGRAM.—The Secretary, in consultation with the Administrator of General Services, shall establish a program to expedite the use, in goods and services acquired by the General Services Administration, of critical advanced materials technologies. Such program shall include a demonstration of the use of critical advanced materials technologies in such operating environments as may be necessary to establish technical and operating reliability. The Secretary shall transfer funds to the General Services Administration for carrying out this subsection.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, to be derived from sums authorized under section 2101(f)—

(1) $150,000,000 for the period encompassing fiscal years 1993 through 1997 for carrying out subsections (a) through (d), including Department of Energy National Laboratory participation in proposals submitted under subsection (d), of which ⅔ shall be for energy efficiency applications and ⅓ shall be for renewable energy applications; and

(2) $15,000,000 for the period encompassing fiscal years 1993 through 1997 for carrying out subsection (f), including transferring funds to the General Services Administration.

SEC. 2202. NATIONAL CRITICAL ADVANCED MANUFACTURING TECHNOLOGIES INITIATIVE.

(a) PROGRAM DIRECTION.—The Secretary shall establish a National Critical Advanced Manufacturing Technologies Initiative in the Office of Assistant Secretary for Conservation and Renewable Energy for the purpose of carrying out a program of research, development, and demonstration on critical advanced manufacturing technologies not commercially available to improve energy efficiency and productivity in manufacturing, to supplement ongoing activities of a similar nature at the Department of Energy. Such program shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic feasibility.

(b) PROGRAM GOAL.—The goal of the program established under subsection (a) shall be to accelerate research, development, and demonstration of critical advanced manufacturing technologies to expedite improved productivity, quality, and control in manufacturing processes that can foster economic growth, energy efficiency, and competitiveness.

(c) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy National Laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide research, development, and demonstration activities under this section. The Secretary, with the advice of the Advisory Board established under section 2303, shall biennially update and, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914), resubmit the program plan to Congress.

(d) PROPOSALS.—

(1) SOLICITATION.—Within 1 year after the date of enactment of this Act, the Secretary shall solicit proposals from eligible parties for conducting research, development, and demonstration activities consistent with the 5-year program plan. Such proposals may be submitted by one or more eligible parties, and may include any funding mechanisms otherwise authorized under Federal law.

(2) CONTENTS OF PROPOSALS.—Proposals submitted under this subsection shall include—

(A) an explanation of how the proposal will expedite the commercialization of critical advanced manufacturing technologies to improve energy efficiency in the building, industry, and transportation sectors;

(B) evidence of consideration of whether the unique capabilities of Department of Energy National Laboratories warrants collaboration with such Laboratories, and the extent of such collaboration proposed;

(C) a description of the extent to which the proposal includes collaboration with relevant industry or other groups or organizations; and

(D) a demonstration of the ability of the proposers to undertake and complete the project proposed.

(e) COST SHARING.—In awarding grants, contracts, cooperative agreements, or other financial assistance under this section, the Secretary shall require cost sharing as provided in section 2305.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, from sums authorized under section 2101(f), $50,000,000 for the period encompassing fiscal years 1993 through 1997 for carrying out this section, including Department of Energy National Laboratory participation in proposals submitted under subsection (d).

SEC. 2203. SUPPORTING RESEARCH AND TECHNICAL ANALYSIS.

(a) BASIC ENERGY SCIENCES.—

(1) PROGRAM DIRECTION.—The Secretary shall continue to support a vigorous program of basic energy sciences to provide basic research support for the development of energy technologies. Such program shall focus on the efficient production and use of energy, and the expansion of our knowledge of materials, chemistry, geology, and other related areas of advancing technology development.

(2) USER FACILITIES.—(A) As part of the program referred to in paragraph (1), priority shall be given to the planning, construction, and operation of user facilities to provide special scientific and research capabilities, including technical expertise and support as appropriate, to serve the research needs of our Nation's universities, industry, private laboratories, Federal Laboratories, and others. Research institutions or individuals from other nations shall be accommodated at such user facilities in cases where reciprocal accommodations are provided to United States research institutions and individuals or where the Secretary considers such accommodation to be in the national interest.

(B) The construction of the Advanced Photon Source at the Argonne National Laboratory is hereby authorized.

(C) The Secretary shall not change the user fee practice in effect as of October 1, 1991, with respect to user facilities unless expressly so authorized by law enacted after the date of enactment of this Act.

(D) The Secretary shall expedite the construction of the Advanced Neutron Source at the Oak Ridge National Laboratory, in order to provide critical research capabilities in support of our Nation's research initiatives for advanced materials, biotechnology, and advanced manufacturing, as well as a broad range of research. Within 90 days after the date of enactment of this Act, the Secretary shall submit to the Congress a plan for such construction, including a schedule for construction.

(3) COST SHARING.—Except as provided in a cooperative research and development agreement, the Secretary shall not require the use of non-Federal funds for research pursuant to this subsection.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this subsection $772,000,000 for fiscal year 1993 and $3,693,000,000 for the period encompassing fiscal years 1994 through 1997.

(b) UNIVERSITY AND SCIENCE EDUCATION.—(1) The Secretary shall support programs for improvements and upgrading of university research reactors and associated instrumentation and equipment. Within 1 year after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the condition and status of university research reactors, which includes a 5-year plan for upgrading and improving such facilities, instrumentation capabilities, and related equipment.

(2) The Secretary shall develop a method to evaluate the effectiveness of science and mathematics education programs provided by the Department of Energy and its laboratories, including specific evaluation criteria.

(3)(A)(i) The Director of the Office of Energy Research shall operate an Experimental Program to Stimulate Competitive Research (hereafter in this paragraph referred to as the "Experimental Program") as part of the Department of Energy's University and Science Education Programs.

(ii) The objectives of the Experimental Program shall be—

(I) to enhance the competitiveness within the peer-review system of investigators from academic institutions in eligible States; and

(II) to increase the probability of long-term growth of competitive funding to investigators at institutions from eligible States.

(iii) In order to carry out the objectives stated in clause (ii), the Experimental Program shall provide for activities which may include (but not be limited to) competitive research awards and graduate traineeships.

(iv) The Experimental Program shall assist those States that—

(I) historically have received relatively little Federal research and development funding; and

(II) have demonstrated a commitment to develop their research bases and improve science and engineering research and education programs at their universities and colleges.

(B) For purposes of this paragraph, the term "eligible States" means States that received DOE-EPSCoR planning or traineeship grants in fiscal year 1991 or fiscal year 1992.

(C) No more than $5,000,000 of the funds appropriated to the Experimental Program in any fiscal year are authorized to be appropriated for graduate traineeships.

(c) TECHNOLOGY TRANSFER.—The Secretary shall support technology transfer activities conducted by the National Laboratories. Within 1 year after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the adequacy of funding for such activities, along with a proposal for reducing the length of time required to consummate cooperative research and development agreements.

(d) FACILITIES SUPPORT FOR MULTIPROGRAM ENERGY LABORATORIES.—

(1) FACILITY POLICY.—The Secretary shall develop and implement a least cost strategy for correcting facility problems, closing unneeded facilities, making facility modifications, and building new facilities at multiprogram energy laboratories.

(2) FACILITY PLAN.—Within 1 year after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a comprehensive plan for conducting future facility maintenance, making repairs, modifications, and new additions, and constructing new facilities at multiprogram energy laboratories. Such plan shall provide for the organized conduct of facilities work in accordance with the following priorities, listed in descending order of priority:

(A) Providing for the safety and health of employees, visitors, and the general public with regard to correcting existing structural, mechanical, electrical, and environmental deficiencies.

(B) Providing for the repair and rehabilitation of existing facilities to keep them in use and prevent deterioration.

(C) Providing engineering design and construction services for those facilities which require modification or additions in order to meet the needs of new or expanded programs. Such plan shall include plans for new facilities and facility modifications which will be required to meet the Department of Energy's changing missions of the twenty-first century, including schedules and estimates for implementation, and including a section outlining long-term funding requirements consistent with anticipated budgets and annual authorization of appropriations. Such plan shall address the coordination of modernization and consolidation of facilities in order to meet changing mission requirements, and shall provide for annual reports to Congress on accomplishments, conformance to schedules, commitments, and expenditures.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for Supporting Research and Technical Analysis, other than for Basic Energy Sciences, but including Energy Research Analysis, University and Science Education, Technology Transfer, Advisory and Oversight Program Direction, and Facilities Support for Multiprogram Energy Laboratories, $85,000,000 for fiscal year 1993 and $700,000,000 for the period encompassing fiscal years 1994 through 1997.

SEC. 2204. INTEGRATION OF RESEARCH AND DEVELOPMENT.

(a) PROGRAM PLAN.—Within 180 days after the date of enactment of this Act, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy National Laboratories, and professional and technical societies, shall prepare and submit to Congress a 5-year program plan for improving the integration of basic and applied renewable energy and energy efficiency research and development within the Department of Energy. Such program plan shall include—

(1) an evaluation of current procedures and mechanisms used to integrate basic and applied renewable energy and energy efficiency research and development within the Department of Energy;

(2) an assessment of the role that the Department of Energy National Laboratories play in the integration of basic and applied renewable energy and energy efficiency research and development within the Department of Energy;

(3) an identification and evaluation of models that could enhance integration, with particular attention to combustion research and development and materials research and development at the Department of Energy National Laboratories;

(4) an identification and evaluation of new programs, mechanisms, and related policy options that could improve the integrating process, including—

(A) set aside funding for matching or leveraging basic and applied renewable energy and energy efficiency research and development programs;

(B) more formal linkages; and

(C) program coordination;

(5) recommendations for expanded research and development and new technology areas; and

(6) budget estimates for activities under this section.

(b) APPLIED RESEARCH AND DEVELOPMENT.—For purposes of this section, applied research and development includes end use engineering and technology development, but does not include commercialization.

SEC. 2205. DEFINITIONS.

For purposes of this title—

(1) the term "critical advanced manufacturing technology" means processes, equipment, techniques, practices, and capabilities that are applied for the purpose of—

(A) improving the productivity, quality, and energy efficiency of the design, development, testing, and manufacture of a product; or

(B) expanding the technical capability to design, develop, test, and manufacture a product that is fundamentally different in character from existing products and that will result in improved energy efficiency;

(2) the term "critical advanced materials" means materials that are processed, synthesized, fabricated, and manufactured to develop high performance properties that exceed the corresponding properties of conventional materials for structural, electronic, magnetic, or photonic applications, or for joining, welding, bonding, or packaging components into complex assemblies, including—

(A) advanced monolithic materials such as metals, ceramics, and polymers;

(B) advanced composite materials such as metal matrix (including intermetallics), polymer matrix, ceramic matrix, continuous fiber ceramic composite, and carbon matrix composites; and

(C) advanced electronic, magnetic, and photonic materials, including semiconductor, electrooptic, magnetooptic, thin-film, and special purpose coating materials used in technologies for energy efficiency, renewable energy, or electric power applications;

(3) the term ''eligible party'' includes an entity only if—

(A) the Secretary finds that the entity's participation would be in the economic interest of the United States, as evidenced by—

(i) investments in the United States in research, development, and manufacturing (including, for example, the development and manufacture of major components or subassemblies in the United States);

(ii) significant contributions to employment in the United States;

(iii) agreement with respect to any technology arising from assistance provided under this title to promote the manufacture within the United States of products resulting from that technology (taking into account the goals of promoting the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and

(iv) provision of effective protection for the intellectual property rights of the United States; and

(B) either—

(i) the entity is United States-owned; or

(ii) the Secretary finds that the entity is organized under the laws of the United States or of one of the States of the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any program similar to those authorized under this title; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies; and

(4) the term ''United States'' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Northern Mariana Islands, and any other territory or possession of the United States.

TITLE XXIII—POLICY AND ADMINISTRATIVE PROVISIONS

SEC. 2301. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS IN ENERGY TECHNOLOGY.

(a) REDUCED PROCESSING TIME.—The Secretary shall take such steps as are necessary to expedite procedures for reviewing cooperative research and development agreements entered into by the Department of Energy or its laboratories to make the administrative review process consistent with those at other Federal agencies and their laboratories.

(b) REPORT TO CONGRESS.—The Secretary shall, with the advice of the Advisory Board established under section 2303, by December 15 of each year, submit a report to Congress that—

(1) identifies cooperative research and development agreements and other agreements intended to expedite the transfer of technologies from Department of Energy laboratories that are then in effect or under negotiation;

(2) specifies the technology with respect to which each such agreement applies or will apply;

(3) identifies the resources committed by the partners to each such agreement, including Department of Energy laboratories; and

(4) provides, to the extent available, information on—

(A) the date each such agreement was proposed;

(B) the date of final approval; and

(C) the reasons for any significant time delay.

(c) COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT FUNDING.—Program funds authorized for Conservation Research and Development and Fossil Energy Research and Development may be used for the support of customary activities related to the negotiation and execution of cooperative research and development agreements by Department of Energy laboratories.

SEC. 2302. POLICY ON CAPITAL PROJECTS AND CONSTRUCTION.

(a) REQUIREMENT OF PRIOR AUTHORIZATION.—(1) No funds are authorized to be appropriated under title XX, XXI, XXII, XXIII, or XXIV of this Act by the Secretary for any substantial construction project, substantial equipment acquisition, or major construction project unless a report on such project or acquisition has been provided to Congress in accordance with subsection (b).

(2) The Secretary may not obligate any funds for any substantial construction project, substantial equipment acquisition, or major construction project unless such project or acquisition has been specifically authorized by statute.

(3) This subsection may not be amended or modified except by specific reference to this subsection.

(b) REPORTS TO CONGRESS.—(1) Within 180 days after the date of enactment of this Act, the Secretary shall submit to the Congress a report that identifies all construction projects and acquisitions of the Department of Energy described in subsection (a) for which the preliminary design phase is completed but the construction or acquisition is not completed. Such report shall include—

(A) an estimate of the total cost of completion of the construction project or acquisition, itemized by individual activity and by fiscal year; and

(B) an identification of which construction projects or acquisitions have not been specifically authorized by statute, along with an assessment of the relation of each such construction project or acquisition to the goals stated in section 2002.

The Secretary shall annually update and resubmit the report required by this paragraph, as part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914).

(2) The Secretary shall, after completion of the preliminary design phase of a major construction project, submit to the Congress a report containing—

(A) an estimate of the total cost of construction of the facility;

(B) an estimate of the time required to complete construction;

(C) an estimate of the annual operating costs of the facility;

(D) the intended useful operating life of the facility; and

(E) an identification of any existing facilities to be closed as a result of the operation of the facility.

(c) DEFINITIONS.—For purposes of this section—

(1) the term ''major construction project'' means a project whose construction costs are estimated to exceed $100,000,000 over the life of the project;

(2) the term ''substantial construction project'' means a project whose construction costs are estimated to exceed $10,000,000, but not to exceed $100,000,000, over the life of the project; and

(3) the term ''substantial equipment acquisition'' means the acquisition of equipment at a cost estimated to exceed $10,000,000 for the entire acquisition.

SEC. 2303. ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ADVISORY BOARD.

(a) ESTABLISHMENT.—The Secretary shall establish an Energy Research, Development, and Demonstration Advisory Board (hereafter in this section referred to as the ''Advisory Board'').

(b) RESPONSIBILITIES.—The Advisory Board shall provide impartial technical advice to the Secretary to assist in the development of energy research, development, and demonstration plans and reports under sections 6 and 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905 and 5914), under section 801 of the Department of Energy Organization Act (42 U.S.C. 7321), and as otherwise provided in titles XX through XXIV of this Act. The Advisory Board shall also periodically review such plans and reports and their implementation in relation to the goals stated in section 2002 of this Act, and report the results of such review to the Secretary and the Congress.

(c) MEMBERSHIP.—The Advisory Board shall be composed of 11 voting members, appointed by the Secretary from among individuals who are qualified by education, training, and experience to evaluate scientific and technical information on matters referred to the Advisory Board. The membership shall represent a range of scientific and technological expertise that reflects the range of energy research, development, and demonstration programs conducted by the Department of Energy. At least 1 member shall have expertise in the environmental sciences related to the production and consumption of energy. Additionally, the Director of the Office of Energy Research shall serve as an ex officio, nonvoting member of the Advisory Board.

(d) TERMS.—(1) Except as provided in paragraph (2), voting members of the Advisory Board shall serve 3-year terms.

(2) Of the voting members of the Advisory Board initially appointed under subsection (c)—

(A) 4 shall be appointed to 2-year terms; and

(B) 3 shall be appointed to 1-year terms.

(e) CHAIRPERSON.—At the first meeting each year of the Advisory Board, the members shall elect a chairperson from among the membership, who shall serve in such position for 1 year.

(f) MEETINGS.—The Advisory Board shall meet at least once a year.

(g) PANELS.—The Advisory Board, after consultation with the Secretary, may establish such panels as the Advisory Board considers appropriate to develop information, reports, advice, and recommendations for the use of the Advisory Board in carrying out this section.

(h) COMPENSATION.—Each member of the Advisory Board who is not otherwise employed by the Federal Government shall be paid at a rate equal to the daily equivalent of the rate of basic pay payable for GS–18 of the General Schedule for each day (including travel time) during which such member is engaged in the actual performance of the responsibilities of the Advisory Board.

(i) CONFLICT OF INTEREST.—Each member of the Advisory Board shall be subject to the requirements of sections 603 and 604 of the Department of Energy Act (42 U.S.C. 7213 and 7214).

(j) REPORTS TO CONGRESS.—(1) The Advisory Board shall annually submit a report to the Congress on its activities and progress toward meeting its responsibilities under this section. Such report shall be made a part of the report required under section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914).

(2) The Advisory Board shall prepare and submit to the Congress before February 15 of

each year a report on electric generating technology appropriate for demonstration. This report shall recommend—

(A) priorities for demonstration including the size and scale of the demonstration unit;

(B) cost sharing guidelines for projects that demonstrate such technologies;

(C) recommendations for levels of funding for such demonstrations; and

(D) an assessment of completed demonstration projects that identifies the problem areas and recommends improvements.

(k) TERMINATION.—The Advisory Board shall terminate 5 years after the establishment of such Board.

SEC. 2304. AMENDMENTS TO EXISTING LAW.

(a) FEDERAL NONNUCLEAR ENERGY RESEARCH AND DEVELOPMENT ACT OF 1974 AMENDMENTS.—Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905) is amended—

(1) in subsection (a)—

(A) by striking ''the Administrator'' and inserting in lieu thereof ''the Department of Energy Act (42 U.S.C. 7101 et seq.), and titles XX through XXV of the Comprehensive National Energy Policy Act, the Secretary, in consultation with the Advisory Board established under section 2303 of the Comprehensive National Energy Policy Act,'';

(B) by striking ''(to the early 1980's)'' in paragraph (1) and inserting in lieu thereof ''(the period up to 5 years after submission of the plan or its annual revision)'';

(C) by striking ''(the early 1980's to 2000)'' in paragraph (2) and inserting in lieu thereof ''(the period from 5 years to 10 years after submission of the plan or its annual revision)''; and

(D) by striking ''(beyond 2000)'' in paragraph (3) and inserting in lieu thereof ''(the period beyond 10 years after submission of the plan or its annual revision)'';

(2) in subsection (b)—

(A) by striking ''Administrator'' in paragraphs (1) and (2) and inserting in lieu thereof ''Secretary, in consultation with the Advisory Board established under section 2303 of the Comprehensive National Energy Policy Act,'';

(B) by inserting ''Such program shall be updated and transmitted to the Congress annually as part of the report required under section 15.'' at the end of paragraph (1);

(C) by striking ''(to the early 1980's), middle-term (the early 1980's to 2000), and long-term (beyond 2000) time intervals'' in paragraph (2) and inserting in lieu thereof '', middle-term, and long-term time intervals described in subsection (a)(1) through (3)'';

(D) by striking ''Administrator'' each place it appears in paragraph (3) and inserting in lieu thereof ''Secretary'';

(E) by striking ''and'' at the end of paragraph (3)(P);

(F) by striking the period at the end of paragraph (3)(Q) and inserting in lieu thereof a semicolon; and

(G) by adding at the end of paragraph (3) the following new subparagraphs:

''(R) to implement the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12001 et seq.); and

''(S) to implement titles XX through XXIV of the Comprehensive National Energy Policy Act.''; and

(3) in subsection (c)—

(A) by striking ''Administrator'' and inserting in lieu thereof ''Secretary, in consultation with the Advisory Board established under section 2303 of the Comprehensive National Energy Policy Act,''; and

(B) by inserting ''Such program shall be updated and transmitted to the Congress annually as part of the report required under section 15.'' after ''and demonstration plans.''.

(b) RENEWABLE ENERGY AND ENERGY EFFICIENCY TECHNOLOGY COMPETITIVENESS ACT OF 1989 AMENDMENT.—Section 9(b)(4) of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12006(b)(4)) is amended by inserting ''and the plan developed under section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905)'' after ''(42 U.S.C. 7321)''.

SEC. 2305. COST SHARING.

Proposals submitted under provisions of titles XX through XXIV this Act requiring cost sharing shall, except as otherwise specifically provided in those provisions, include a commitment from non-Federal sources for providing, in cash or in kind, between 20 and 50 percent of the cost of the project proposed. Each such proposal shall include a justification of the non-Federal percentage proposed. The Secretary may reduce or eliminate the non-Federal percentage requirement under this section if the Secretary determines that research under the proposal is of a more basic or fundamental nature.

SEC. 2306. COMPREHENSIVE ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION PLAN AND PROGRAM.

(a) ENERGY TECHNOLOGY INVENTORY AND STATUS REPORT.—As part of the National Energy Policy Plan required under section 801 of the Department of Energy Organization Act (42 U.S.C. 7321), the Secretary, with the advice of the Advisory Board established under section 2303 of this Act, shall develop an inventory and status report of technologies to enhance energy supply and to improve the efficiency of energy end uses. The inventory and status report shall include fossil, renewable, nuclear, and energy conservation technologies which have not yet achieved the status of fully reliable and cost-competitive commercial availability, but which the Secretary projects may become available with additional research, development, and demonstration. The inventory and status report shall provide, for each technology—

(1) an assessment of its—

(A) degree of technological maturity; and

(B) principal research, development, and demonstration issues, including—

(i) the barriers posed by capital, operating, and maintenance costs;

(ii) technical performance; and

(iii) potential environmental impacts;

(2) the projected time frame for commercial availability, specifying at a minimum whether the technology will be commercially available in the near-term, mid-term, or long-term, whether there are too many uncertainties to project availability, or whether it is unlikely that the technology will ever be commercial; and

(3) a projection of the future cost-competitiveness of the technology in comparison with alternative technologies to provide the same energy service.

The Secretary shall publish the proposed report for a written public comment period of at least 90 days. The Secretary shall consider such comments and include a summary thereof in the report.

(b) RESEARCH AND DEVELOPMENT PRIORITIES.—As part of the National Energy Policy Plan required under section 801 of the Department of Energy Organization Act (42 U.S.C. 7321), the Secretary shall establish comprehensive energy research, development, and demonstration program priorities to give highest priority to the development of technologies assessed in the energy technology inventory and status report that will enable the United States to meet the goals stated in section 2002 of this Act.

SEC. 2307. COSTS RELATED TO DECOMMISSIONING AND THE STORAGE AND DISPOSAL OF NUCLEAR WASTE.

(a) AWARD OF CONTRACTS.—

(1) PRIME CONTRACTORS.—In awarding contracts to perform nuclear hot cell services, the Secretary, in evaluating bids for such contracts, shall exclude from consideration costs related to the decommissioning of nuclear facilities or the storage and disposal of nuclear waste, if—

(A) one or more of the parties bidding to perform such services is a United States company that is subject to such costs; and

(B) one or more of the parties bidding to perform such services is a foreign company that is not subject to comparable costs.

(2) SUBCONTRACTORS.—Any person awarded a contract subject to the restrictions described in paragraph (1) who subcontracts with a person to perform the services described in such paragraph shall be subject to the same restrictions in evaluating bids among potential subcontractors, as the Secretary was subject to in evaluating bids among prime contractors.

(b) ISSUANCE OF REGULATIONS.—The Secretary shall issue regulations not later than 90 days after the date of the enactment of this Act to carry out the requirements of subsection (a).

(c) DEFINITIONS.—As used in this section—

(1) the term ''costs related to decommissioning of nuclear facilities'' means any cost associated with the compliance with regulatory requirements governing the decommissioning of nuclear facilities licensed by the Nuclear Regulatory Commission;

(2) the term ''costs related to storage and disposal of nuclear waste'' means any costs, whether required by regulation or incurred as a matter of prudent business practice, associated with the storage or disposal of nuclear waste;

(3) the term ''nuclear hot cell services'' means services related to the examination of, or performance of various operations on, nuclear fuel rods, control assemblies, or other components that are emitting large quantities of ionizing radiation; and

(4) the term ''nuclear waste'' means any radioactive waste material subject to regulation by the Nuclear Regulatory Commission or the Department of Energy.

SEC. 2308. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF ''MADE IN AMERICA'' LABELS.—(1) A person shall not intentionally affix a label bearing the inscription of ''Made in America'', or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under title XX, XXI, XXII, XXIII, or XXIV of this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—(1) Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the ''Buy American Act'').

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by title XX, XXI, XXII, XXIII, or XXIV of this Act to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) The Secretary, before January 1, 1994, shall report to the Congress on procurements

covered under this subsection of products that are not domestic products.

(c) DEFINITIONS.—For the purposes of this section, the term ''domestic product'' means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 2309. LIMITATION ON APPROPRIATIONS.

Appropriations for activities with respect to which specific amounts are authorized under title XX, XXI, XXII, XXIII, or XXIV of this Act may not be made to the extent such appropriations provide for allocations of amounts not explicitly provided for in such titles.

SEC. 2310. RENEWABLE ENERGY AND OCEAN RESOURCES CENTER.

(a) FEASIBILITY STUDY.—The Secretary of Energy shall conduct a feasibility study of establishing a national laboratory able to carry out research, development, and technology transfer activities on—

(1) solar and renewable energy;

(2) energy storage, including the production of hydrogen from renewable energy;

(3) materials applications related to energy and marine environments;

(4) other environmental and ocean resource concepts, including global climate change; and

(5) other matters as the Secretary of Energy may direct.

(b) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Secretary shall transmit a report on the study conducted in subsection (a) to Congress.

SEC. 2311. UNCOSTED OBLIGATIONS.

(a) REPORT.—Along with the submission of each of the President's annual budget requests to Congress, the Secretary shall submit to Congress a report which—

(1) identifies the amount of Department of Energy funds that were, as of the end of the previous fiscal year—

(A) committed uncosted obligations; and

(B) uncommitted uncosted obligations;

(2) specifically describes the purposes for which all such funds are intended; and

(3) explains the effect that information contained in the report has had on the annual budget request for the Department of Energy being simultaneously submitted.

(b) DEFINITIONS.—Within 90 days after the date of enactment of this Act, the Secretary shall submit a report to the Congress containing definitions of the terms ''uncosted obligation'', ''committed uncosted obligation'', and ''uncommitted uncosted obligation'' for purposes of reports to be submitted under subsection (a).

TITLE XXIV—MARINE AND COASTAL ENVIRONMENT PROTECTION

SEC. 2401. SHORT TITLE.

This title may be cited as the ''Marine and Coastal Environment Protection Act of 1992''.

Subtitle A—Ocean and Coastal Resources Block Grants

SEC. 2411. SHORT TITLE.

This subtitle may be cited as the ''Ocean and Coastal Resources Block Grant Act''.

SEC. 2412. DEFINITIONS.

For purposes of this subtitle—

(1) ''block grant'' means a National Ocean and Coastal Resources Block Grant;

(2) ''coastal State'' means the Commonwealth of Puerto Rico and any State of the United States in, or bordering on, the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes;

(3) ''coastal territory'' means the Virgin Islands, the Northern Mariana Islands, American Samoa, or Guam;

(4) ''Fund'' means the Ocean and Coastal Resources Fund;

(5) ''local government'' means that term as defined in section 304(11) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(11)) and, with respect to the State of Alaska, the term includes unincorporated communities, including Alaska Native villages and with respect to Indian tribes, the term includes any Indian tribe, band, nation, or other organized group or community which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(6) ''Secretary'' means the Secretary of Commerce; and

(7) ''State'' means any coastal State or coastal territory—

(A) for which the Secretary has approved a coastal zone management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455); or

(B) which the Secretary has determined is making satisfactory progress toward the development of such program which will be approvable under such section 306.

The determination made by the Secretary under subparagraph (B) shall not be made for any State for more than one fiscal year and may be renewed with respect to such State for no more than two additional fiscal years.

SEC. 2413. OCEAN AND COASTAL RESOURCES FUND.

(a) There is established in the Treasury of the United States a fund to be known as the Ocean and Coastal Resources Fund.

(b)(1) Beginning in fiscal year 1993 and in each fiscal year thereafter, the Secretary of the Treasury shall deposit into the Fund, not later than 60 days after the end of the previous fiscal year, an amount equal to 4 percent of the average amount of all sums deposited in the Treasury of the United States pursuant to section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) during the three previous fiscal years.

(2) Beginning in fiscal year 1994, and in each fiscal year thereafter, the amount deposited in the Fund shall not exceed 105 percent of the amount deposited in the Fund in the prior fiscal year.

(c) As provided in advance by appropriation Acts, the Secretary shall use the total amount of any amounts deposited in the Fund during each fiscal year to carry out the purposes of, and in accordance with, the provisions of section 2414 of this Act.

SEC. 2414. NATIONAL OCEAN AND COASTAL RESOURCES BLOCK GRANTS.

(a) Subject to the provisions of section 2413(c) and this section, for fiscal year 1993 and for each subsequent fiscal year, the Secretary shall provide to each State a national ocean and coastal resources block grant from amounts paid into the Fund during such fiscal year under section 2413(b).

(b)(1) No State may receive a block grant for a fiscal year unless such State has submitted to the Secretary, and the Secretary has approved after notice and comment, a report for such fiscal year that—

(A) specifies the proposed allocation by such State of the block grant among the activities specified in section 2415(a);

(B) describes each proposed activity receiving funds provided by the block grant and the amounts proposed to be expended for each activity; and

(C) demonstrates that each proposed project is consistent with the allowable uses specified in section 2415, will benefit the coastal environment of the State, and is justified in terms of its need, design, and cost of implementation.

(2) In order to be eligible to receive a block grant pursuant to this subtitle and before submitting the report required under paragraph (1), each State shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report at a site in the State convenient for encouraging maximum public participation.

(c) All amounts appropriated from the Fund in any fiscal year shall be apportioned by the Secretary as block grants to eligible States as follows—

(1) 0.25 percent for each coastal territory;

(2) 5.0 percent for each of Alabama and Mississippi;

(3) 10.0 percent for each of Alaska, California, Louisiana, and Texas;

(4) 1.75 percent for each of the remaining States; and

(5) the balance of appropriated amounts among the States in the same ratio that the volume of oil and natural gas produced from the outer Continental Shelf which is first landed in such State in the immediately preceding fiscal year bears to the total volume of oil and natural gas produced from the entire outer Continental Shelf which is first landed in all of the States in such year.

(d) The authority of the Secretary to award block grants under this subtitle shall expire on September 30, 2004. Not later than September 30, 2003, the Secretary, in consultation with the Secretary of the Interior, shall review the apportionment provided in subsection (c) and the existing and projected volume of oil and natural gas from the outer Continental Shelf landed in coastal States. Based on such review, the Secretary shall submit a report to Congress not later than December 31, 2003. The report shall include recommendations for maintaining or revising such apportionment. If a revision of such apportionment is recommended, the report shall include further recommendations for an equitable and orderly transition from the apportionment provided in subsection (c) to any new apportionment provision.

SEC. 2415. REQUIREMENTS ON THE USE OF BLOCK GRANTS.

(a) Funds received pursuant to this subtitle shall be used by the coastal States for—

(1) projects to protect, conserve, or enhance air quality, water quality, fish and wildlife habitats, or wetlands in, or in close proximity, to the State's coastal zone as identified in the State's management program under section 306(d)(2)(A) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455);

(2) projects that ameliorate adverse environmental impacts that result from the siting, construction, expansion, or operation of energy facilities in the coastal zone, above and beyond any mitigation required of permittees under current law;

(3) administrative, resource assessment, and environmental study costs the State incurs in reviewing and approving or disapproving Outer Continental Shelf lease sale, exploration, and development and production activities under any applicable law; and

(4) administrative costs of complying with this subtitle.

(b) The Secretary shall reduce any block grant, provided under this subtitle to a State, by no more than 30 percent of the amount of such State's block grant, if the Secretary makes the determination provided in section 312(c) of the Coastal Zone Management Act of 1972.

SEC. 2416. RELATIONSHIP TO OTHER LAW.

Nothing in this subtitle shall reduce any amounts required to be credited to the Land and Water Conservation Fund, pursuant to the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 to 4601-11), or to the Historic Preservation Fund, pursuant to the Historic Preservation Act (16 U.S.C. 470h),

from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act. To the extent that the crediting of such amounts into the Land and Water Conservation Fund or the Historic Preservation Fund makes monies otherwise payable under this subtitle unavailable, payments to the States pursuant to this subtitle shall be reduced on a pro rata basis.

SEC. 2417. LOCAL GOVERNMENTS.

(a) Each State receiving a block grant in any fiscal year under section 2414(a) shall—

(1) establish an effective mechanism for consultation and coordination with its local governments with respect to the allocation of such block grant within the State; and

(2) provide to its local governments allocations from such block grant, taking into consideration the responsibilities of the local governments in carrying out activities under section 2415(a).

(b) In carrying out its responsibilities under this section, each State shall provide no less than 33⅓ percent of each block grant received under section 2414(a) to its local governments.

SEC. 2418. AUDIT.

(a) Under regulations promulgated by the Secretary, any State receiving a block grant under section 2414(a) shall, for each fiscal year that it receives such grant, submit to the Secretary a financial audit of the grant. The income derived from such grant for each fiscal year shall be included in the audit required by this section.

(b) Each audit submitted by a State under subsection (a) shall—

(1) contain a statement of all funds provided by the block grant received by such State for the fiscal year;

(2) include a statement of all financial assistance provided to such State's local governments pursuant to section 2417;

(3) be conducted by an entity which is independent of any agency or official administering or using funds provided by such block grant; and

(4) be conducted in accordance with the financial and compliance element of the standards for audit of governmental organizations, activities, and functions established by the Comptroller General of the United States.

(c) After receiving a State's financial audit under this section, the Secretary shall—

(1) make a preliminary evaluation of each audit submitted pursuant to this section. If the Secretary determines, in the preliminary evaluation of a State's audit, that all or any part of the block grant has not been used as required by this subtitle, the Secretary shall publish notice of this finding in the Federal Register. In addition, the Secretary may suspend, and place in escrow, an amount from any future block grant which is equivalent to the amount misused, pending final determination pursuant to paragraph (3);

(2) provide the State with an opportunity for a hearing; and

(3) make a final determination.

(d) If the Secretary makes a final determination under subsection (c)(3) that all or any part of such funds were not used as required by this subtitle, the Secretary shall—

(1) provide in writing to the State the reasons for the determination and the amount of funds misused; and

(2) take appropriate action to recover an amount equal to that determined to have been misused under subsection (c), including the withholding of such amount from a State's future block grant or the amount which may have been suspended under subsection (c)(1).

(e) If no appeal of the final determination is filed within 60 days following notification to the State of the final determination, any funds withheld or recovered by the Secretary under subsection (d)(2) shall be returned to the Fund.

(f) If an appeal of the final determination is filed within the 60-day period specified in subsection (e), any funds withheld by the Secretary shall be held in escrow until such time as a final determination is made of the appeal.

SEC. 2419. RULES AND REGULATIONS.

Within 180 days of enactment of this Act, the Secretary shall promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for participation by relevant Federal agencies, State agencies, local governments, regional organizations, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of this subtitle.

Subtitle B—Revisions to the Outer Continental Shelf Program

SEC. 2431. RELATIONSHIP TO OUTER CONTINENTAL SHELF LEASING PROGRAM AND EXISTING LAW.

(a) RELATIONSHIP TO OUTER CONTINENTAL SHELF LEASING PROGRAM.—Notwithstanding the Outer Continental Shelf Leasing Program maintained by the Secretary pursuant to section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) or any lease sale schedule contained in a specific leasing program thereunder, the Secretary shall carry out such program consistent with the provisions of this subtitle.

(b) RELATIONSHIP TO EXISTING LAW.—Except as otherwise specifically provided in this Act, nothing in this Act shall be construed to affect the application of other Federal law to activities conducted on the Outer Continental Shelf.

SEC. 2432. SPECIFIC REGIONAL OUTER CONTINENTAL SHELF PLANNING AREAS.

The specific regional Outer Continental Shelf planning areas referred to in this subtitle shall be those so designated in the Department of the Interior Outer Continental Shelf Natural Gas and Oil Resource Management Comprehensive Program 1992–1997 Proposal, dated July 1991.

SEC. 2433. OUTER CONTINENTAL SHELF LEASING ENVIRONMENTAL SCIENCES REVIEW.

(a) ENVIRONMENTAL SCIENCES REVIEW PANELS.—

(1) ESTABLISHMENT.—An environmental sciences review panel shall be established for each of the Planning Areas described in section 2434, except that one such review panel shall be established for the South Atlantic Planning Area and the Straits of Florida Planning Area, collectively.

(2) PURPOSES.—The purposes of each review panel established under paragraph (1) shall be—

(A) to assess the adequacy of available physical oceanographic, ecological, and socioeconomic information in enabling the Secretary to carry out his responsibilities under the Outer Continental Shelf Lands Act with respect to authorizing—

(i) leasing and exploration; and

(ii) development and production,

in the area covered by such review panel;

(B) if such available information is not adequate for such purposes, to identify the additional studies required to obtain such information;

(C) to identify the potential physical oceanographic, ecological, and socioeconomic impacts of exploration and development in the area covered by such review panel;

(D) to provide for and supervise the peer review, by qualified scientists not employed by the Federal Government, of the proposed studies identified under subparagraph (B) before their submission to the Secretary and separate reviews of each research proposal designed to implement those studies; and

(E) to report to the Secretary on its findings and recommendations under this paragraph.

(3) MEMBERSHIP.—Each review panel established under paragraph (1) shall consist of—

(A) one representative each from the Environmental Protection Agency, the Minerals Management Service, the National Oceanic and Atmospheric Administration, and the United States Fish and Wildlife Service;

(B) at least one representative from each State approved by the Governor of such State in the area covered by such review panel; and

(C) three members appointed by the Secretary of Commerce from a list of individuals nominated by the National Academy of Sciences who are professional scientists in the fields of physical oceanography, marine ecology, and social science.

There shall be 4 members as described in subparagraph (B) on each review panel, except that the total representation under such subparagraph (B) on a review panel covering more than 4 States shall equal the number of States covered.

(4) COMPENSATION.—(A) Members of each review panel appointed under paragraph (3)(C), while performing official duties under this subtitle shall receive compensation for travel and transportation expenses under section 5703 of title 5, United States Code.

(B) Members of each review panel appointed under paragraph (3)(C) may be compensated at a rate to be fixed by the Secretary of Commerce, but not in excess of the maximum rate of pay for grade GS–18 provided in the General Schedule under section 5332 of title 5, United States Code, for each day such member spends performing the duties of the panel.

(b) REPORTS TO CONGRESS.—The Secretary shall, after consideration of the findings and recommendations of each review panel established under subsection (a), submit a report to the Congress—

(1) certifying that the physical oceanographic, ecological, and socioeconomic information available is sufficient to enable the Secretary to carry out his responsibilities under the Outer Continental Shelf Lands Act with respect to authorizing leasing and development in the area covered by such review panel; and

(2) including a detailed explanation of any differences between such certification and the findings and recommendations of the review panel, along with a detailed justification for each such difference.

(c) LEASING CONSIDERATIONS.—The Secretary shall, in determining whether to lease any area described in section 2434—

(1) consider the findings and recommendations of the appropriate review panel established under subsection (a) of this section; and

(2) to the extent that the Secretary disagrees with such findings and recommendations, provide substantial evidence for such disagreement.

SEC. 2434. RESTRICTIONS AND REQUIREMENTS APPLICABLE TO SPECIFIC PLANNING AREAS.

(a) NORTH ATLANTIC PLANNING AREA.—In the North Atlantic Planning Area, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(b) MID-ATLANTIC PLANNING AREA.—In the Mid-Atlantic Planning Area, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(3)(A) The restrictions and requirements of subparagraphs (B), (C), and (D) of this paragraph shall apply only with respect to the area offshore North Carolina included within blocks numbered 246, 247, 290, 291, 334, 335, 378, 379, 422, 423, 466, 467, 510, 511, 553, 554, 555, 597, 598, 640, and 641 on protraction diagram NI 18–2 of the Universal Transverse Mercator Grid System.

(B) Notwithstanding the requirements of section 5(a)(2)(A) and (B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(A) and (B)), the Secretary, within 90 days after the date of enactment of this Act, shall cancel any active leases in the area.

(C) Before the cancellation required under subparagraph (B), no exploration or development plans or permits to drill shall be approved for any such lease in existence on the date of enactment of this Act.

(D) Compensation to lessees owning leases that are canceled under subparagraph (B) shall be determined under section 5(a)(2)(C) and (D) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(C) and (D)).

(c) SOUTH ATLANTIC PLANNING AREA.—In the South Atlantic Planning Area, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(d) STRAITS OF FLORIDA PLANNING AREA.—In the Straits of Florida Planning Area, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(e) EASTERN GULF OF MEXICO PLANNING AREA.—(1) In the Eastern Gulf of Mexico Planning Area north of 26 degrees north latitude and east of the lateral seaward boundary between the States of Florida and Alabama, the following additional restrictions and requirements shall apply:

(A) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(B) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(2) In the Eastern Gulf of Mexico Planning Area, the additional restrictions and requirements in this paragraph shall apply only with respect to the area offshore Florida, south of 26 degrees north latitude and east of 86 degrees west longitude:

(A) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(B) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(C) Studies to acquire the information found inadequate by the National Research Council's report shall be completed prior to any lease sale held after January 1, 2002.

(D)(i) Notwithstanding the requirements of section 5(a)(2)(A) and (B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(A) and (B)), the Secretary, within 90 days after the date of enactment of this Act, shall cancel any active leases in the area.

(ii) Before the cancellation required under clause (i), no exploration or development plans or permits to drill shall be approved for any such lease in existence on the date of enactment of this Act.

(iii) Compensation to lessees owning leases that are cancelled under clause (i) shall be determined under section 5(a)(2)(C) and (D) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(C) and (D)).

(f) SOUTHERN CALIFORNIA, CENTRAL CALIFORNIA, AND NORTHERN CALIFORNIA PLANNING AREAS.—In the Southern California, Central California, and Northern California Planning Areas, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(3) Studies to acquire the information found inadequate by the National Research Council's report shall be completed, and additional research on the incremental risks of an oil spill in the area shall be conducted, prior to any lease sale held after January 1, 2002.

(g) WASHINGTON-OREGON PLANNING AREA.—In the Washington-Oregon Planning Area, the following additional restrictions and requirements shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(3) Studies recommended by the Pacific Northwest Outer Continental Shelf Task Force, shall be completed prior to any lease sale held after January 1, 2002.

(4) No leasing or preleasing activity shall be conducted within the area designated as the Olympic Coast National Marine Sanctuary in accordance with Public Law 100–627.

(h) NORTH ALEUTIAN BASIN PLANNING AREA.—In the North Aleutian Basin Planning Area, the additional restrictions and requirements in this paragraph shall apply:

(1) No preleasing activity shall be conducted before the issuance of the first final 5-year leasing plan under section 18 of the Outer Continental Shelf Lands Act after January 1, 2002.

(2) No lease sale shall be held until after the expiration of 45 days of continuous session of Congress after the Secretary submits a report with respect to the area under section 2433(b).

(3)(A) Notwithstanding the requirements of section 5(a)(2)(A) and (B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(A) and (B)), the Secretary, within 90 days after the date of enactment of this Act, shall cancel any active leases in the area.

(B) Before the cancellation required under subparagraph (A), no exploration or development plans or permits to drill shall be approved for any such lease in existence on the date of enactment of this Act.

(C) Compensation to lessees owning leases that are cancelled under subparagraph (A) shall be determined under section 5(a)(2)(C) and (D) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(C) and (D)).

(i) CONTINUOUS SESSION OF CONGRESS.—In computing any 45-day period of continuous session of Congress under this section—

(1) continuity of session is broken only by an adjournment of the Congress sine die; and

(2) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain are excluded.

SEC. 2435. ALASKA OCS SUBSISTENCE REVIEW.

The Outer Continental Shelf Lands Act (43 U.S.C. 1301 et seq.), as amended by section 2434(h) of this Act, is further amended by adding at the end thereof the following:

''SEC. 32. ALASKA OCS SUBSISTENCE REVIEW.—Prior to issuing any five-year program under section 18 of this Act, conducting any lease sale, or approving any plan or permit for exploration, development, or production activities in the Alaska region authorized by this Act, the Secretary shall comply with section 810 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3120). At the lease sale stage the Secretary shall fully consider the effects of exploration, development, and production upon subsistence uses.''.

SEC. 2436. DEFINITIONS.

For the purposes of this subtitle—

(1) terms defined in the Outer Continental Shelf Lands Act have the meaning given such terms in that Act;

(2) the term ''adequate'' means sufficiently complete to enable necessary decisions to be made under the Outer Continental Shelf Lands Act, and of sufficient scientific quality to be repeatable, reliable, and valid in measurements and analysis with appropriate methods and subject;

(3) the term ''National Research Council's report'' means the report entitled ''The Adequacy of Environmental Information for Outer Continental Shelf Oil and Gas Decisions: Florida and California'' issued in 1989 by the Council's Committee to Review the Outer Continental Shelf Environmental Studies Program and supported by the President's Outer Continental Shelf Leasing and Development Task Force through Department of the Interior Contract No. 1435000130495; and

(4) the term ''preleasing activities'' means activities conducted before a lease sale is held, and includes the scheduling of a lease, requests for industry interest, calls for information and nominations, area identifications, publication of draft or final environmental impact statements, notices of sale, and any form of rotary drilling; but such term does not include environmental, geologic, geophysical, economic, engineering, or other scientific analyses, studies, and evaluations.

Subtitle C—Environmental Studies Program

SEC. 2441. ENVIRONMENTAL STUDIES.

Section 20(a)(1) of the Outer Continental Shelf Lands Act (43 U.S.C. 1346(a)(1)) is

amended by adding at the end the following new sentence: ''Such study shall include an assessment of the adequacy of available physical oceanographic, ecological, and socioeconomic information.''.

SEC. 2442. AUTHORIZATION OF APPROPRIATIONS.

Section 20 of the Outer Continental Shelf Lands Act (43 U.S.C. 1346) is amended by adding at the end the following new subsections:

''(g) ADEQUACY OF INFORMATION.—For the purposes of this section, the term 'adequacy' means sufficiently complete to enable necessary decisions to be made under this Act, and of sufficient quality to be repeatable, reliable, and valid in measurements and analysis with appropriate methods and subject.

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary for carrying out this section—

''(1) $21,000,000 for fiscal year 1993;

''(2) $25,000,000 for fiscal year 1994;

''(3) $30,000,000 for fiscal year 1995;

''(4) $35,000,000 for fiscal year 1996; and

''(5) $40,000,000 for fiscal year 1997.''.

Subtitle D—Miscellaneous

SEC. 2451. CANCELLATION OF LEASES.

Section 5(a)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)(B)) is amended—

(1) by inserting ''or pursuant to an Act of Congress'' after ''by the Secretary''; and

(2) by striking ''five'' and inserting in lieu thereof ''two''.

SEC. 2452. COMPENSATION FOR LEASE BUYBACKS.

Section 5(a)(2) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)(2)) is amended—

(1) by inserting ''and'' at the end of subparagraph (C); and

(2) by adding at the end the following new subparagraph:

''(D) that compensation a lessee is entitled to receive under subparagraph (C) may be made in the form of currency, forgiveness of the lessee's obligation to pay rents or royalties which would otherwise be paid to the Federal Government on another lease issued pursuant to this Act, or a combination of currency with such forgiveness.''.

SEC. 2453. EVALUATION OF DEVELOPMENT POTENTIAL.

The Act of August 30, 1935 (Public Law No. 409 of the 74th Congress), is amended by inserting ''The Secretary shall undertake a demonstration project to evaluate the potential for hydropower development, utilizing tidal currents;'' after ''Document Numbered 15, Seventy-fourth Congress;''.

Subtitle E—Alaska Resources

PART 1—TRANS-ALASKA PIPELINE

SEC. 2461. RESPONSIBILITY OF RIGHT-OF-WAY HOLDER.

Title II of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.) is amended by adding at the end thereof the following:

''RESPONSIBILITY OF RIGHT-OF-WAY HOLDER

''SEC. 208. In addition to the existing duties to respond to, contain, and clean up oil spills within the State of Alaska, including Prince William Sound, under section 204(b) of this Act and other laws and requirements, the holder of the right-of-way shall submit an oil spill response plan for Prince William Sound to the Secretary of Transportation for approval under section 4202 of the Oil Pollution Act of 1990.''.

SEC. 2462. EXXON VALDEZ SETTLEMENT FUND LAND ACQUISITION.

Title II of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.), as amended by section 2401 of this Act, is amended by adding at the end thereof the following:

''EXXON VALDEZ SETTLEMENT FUND HABITAT ACQUISITION

''SEC. 209. (a) Notwithstanding any other provision of law, all amounts received by the United States in settlement of United States v. Exxon Corporation and Exxon Shipping Company (Case No. A90–015–1CR and 2CR) (Criminal Plea Agreement) shall be exclusively utilized to acquire from willing sellers land or interests in land, including timber rights, within the Chugach National Forest in the Prince William Sound region and in other Gulf of Alaska areas affected by the discharge of oil from the T/V EXXON VALDEZ, including Kenai Fjords National Park, Afognak Island, the Alaska Maritime National Wildlife Refuge, and Kodiak National Wildlife Refuge.

''(b) Notwithstanding any other provision of law, the Federal Trustees identified in the Memorandum of Agreement and Consent Decree entered into by the United States and the State of Alaska, as approved by the District Court for the District of Alaska on October 8, 1991, shall not approve any restoration plan which does not include acquisition, in addition to that required by subsection (a), as the primary component of such restoration plan.''.

SEC. 2463. SUBSISTENCE CLAIMS AGAINST TRANS-ALASKA PIPELINE LIABILITY FUND.

Section 204(c)(13) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(13)) is amended—

(1) by striking out ''and'' at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ''; and''; and

(3) by adding after subparagraph (B) the following:

''(C) all injuries suffered by individuals or entities due to the impact of a discharge on people engaging in subsistence.

''In order to expedite compensation, the Fund shall certify a class action claim with respect to subparagraph (C).''.

SEC. 2464. TAPS REMEDY NOT EXCLUSIVE.

Section 204(c)(3) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1653(c)(3)) is amended by adding at the end thereof the following: ''Notwithstanding any other provision of law, claim determinations or payments by the Fund shall not limit the right of any person to pursue other remedies provided by State or Federal law against parties other than the Fund for the full amount of all uncompensated damages caused by a discharge of oil.''.

SEC. 2465. UTILITY CORRIDOR.

The Secretary of the Interior shall not implement the Bureau of Land Management's Record of Decision related to the Utility Corridor Management Plan, dated January 11, 1991. Notwithstanding any other provision of law, lands withdrawn by Public Land Order No. 5150 of December 31, 1971, that are owned by the United States shall not be conveyed or otherwise transferred to any other entity, but shall be retained and managed by the Secretary pursuant to applicable law.

PART 2—ARCTIC RESEARCH

SEC. 2471. FUNDING FOR ARCTIC RESEARCH PROGRAMS.

(a) IN GENERAL.—There is hereby authorized to be appropriated for a period of five fiscal years, commencing in fiscal year 1994, monies not to exceed $20,000,000 annually to be used to fund high priority research projects and programs related to, among other things, understanding the long- and short-term effects of energy development and productive activities on the Arctic environment. To be eligible for funding under this section, the project or program must be identified in accordance with subsection (b).

(b) ARCTIC RESEARCH PROJECTS LIST.—(1) Not later than six months after the date of enactment of this section, the Chairman of the Interagency Arctic Research Policy Committee shall prepare, with the concurrence of the Arctic Research Commission, a list of arctic research projects and programs as described in subsection (a) which will be eligible for funding under this section.

(2) The list referred to in paragraph (1) shall be transmitted to the Congress as part of the first budget submitted by the President following enactment of this section. Thereafter, revisions of the list shall be prepared in accordance with paragraph (1) and transmitted to the Congress as part of the President's budget submission.

Subtitle F—Transshipment of Plutonium Through United States Ports

SEC. 2481. TRANSSHIPMENT OF PLUTONIUM THROUGH UNITED STATES PORTS.

(a) DENIAL OF PORT PRIVILEGES.—

(1) IN GENERAL.—A vessel in transit from a foreign nation to a foreign nation that is transporting plutonium shall not be permitted entry, even under emergency circumstances, to any place in the United States and to the navigable waters of the United States, unless the container for the plutonium is certified as safe by the United States Nuclear Regulatory Commission in accordance with subsection (b).

(2) INTERNATIONAL LAW.—Paragraph (1) of this subsection applies except when denial of entry violates international law or practice.

(b) RESPONSIBILITIES OF THE NUCLEAR REGULATORY COMMISSION.—

(1) DETERMINATION OF SAFETY.—The Nuclear Regulatory Commission shall determine whether the container referred to in subsection (a) is safe for use in the transporting of plutonium by vessels and transmit to Congress a certification for the purpose of such subsection in the case of each type of container determined to be safe.

(2) TESTING.—In order to make a determination with respect to a container under paragraph (1), the Nuclear Regulatory Commission shall test such container, to the fullest extent possible, under conditions approximating a maximum credible accident involving collision, fire, and sinking, based upon actual worst case maritime accident experience.

(3) LIMITATION.—The Nuclear Regulatory Commission may not certify under this section that a container is safe for use in the transportation of plutonium by vessel if the container ruptured or released any of its contents during tests conducted in accordance with paragraph (2).

(4) EVALUATION.—The Nuclear Regulatory Commission shall evaluate the container certification required by subsection (a) in accordance with the National Environmental Policy Act of 1969 (83 Stat. 852; 42 U.S.C. 4321 et seq.) and all other applicable law.

(c) CONTENT OF CERTIFICATION.—A certification referred to in subsection (a) with respect to a container shall include—

(1) the determination of the Nuclear Regulatory Commission as to the safety of such container;

(2) a statement that the requirements of subsection (b)(2) were satisified in the testing of such container; and

(3) a statement that the container did not rupture or release any of its contents into the environment during testing.

(d) DESIGN OF TESTING PROCEDURES.—In designing the tests required by subsection (b), the Nuclear Regulatory Commission shall—

(1) convene an independent scientific panel of marine safety experts, a majority of whom shall be representatives of the Coast Guard and National Transportation Safety Board, to assist in (A) the definition of a maximum credible accident involving plutonium trans-

port based upon a survey of maritime accidents and an assessment of the most severe conditions under which such accidents have occured and (B) the design of appropriate test procedures to replicate such conditions;

(2) provide for public notice of the proposed definition and test procedures;

(3) provide a reasonable opportunity for public comment on such definition and procedures; and

(4) consider such comments, if any, before making its final determination with respect to such definition and procedures.

(e) TESTING RESULTS: REPORTS AND PUBLIC DISCLOSURE.—The Nuclear Regulatory Commission shall transmit to Congress a report on the results of each test conducted under this section and shall make such results available to the public.

(f) INAPPLICABILITY TO MEDICAL DEVICES.—Subsections (a) through (c) shall not apply with respect to plutonium in any form contained in a medical device designed for individual human application.

(g) INAPPLICABILITY TO MILITARY USES.—Subsections (a) through (c) shall not apply to plutonium in the form of nuclear weapons or to other shipments of plutonium determined by the Department of Energy to be directly connected with the United States national security or defense programs.

(h) PAYMENT OF COSTS.—All costs incurred by the Nuclear Regulatory Commission associated with the testing program required by this section, and administrative costs related thereto, shall be reimbursed to the Nuclear Regulatory Commission by any foreign country receiving plutonium shipped through the United States in containers specified by the Commission.

(i) DEFINITION.—For purposes of this section the term ''United States'' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, and any other territory or possession of the United States.

TITLE XXV—COAL, OIL, AND GAS

SEC. 2501. AMENDMENT TO SURFACE MINING ACT.

Section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) is amended by striking ''1995'' and inserting in lieu thereof ''2010, after which time the fee shall be established at a rate to continue to provide for the deposit referred to in subsection (h)''.

SEC. 2502. HOT DRY ROCK GEOTHERMAL ENERGY.

(a) USGS PROGRAM.—The Secretary of the Interior, acting through the United States Geological Survey, and in consultation with the Secretary of Energy, shall establish a cooperative Government-private sector program with respect to hot dry rock geothermal energy resources on public lands (as such term is defined in section 103(e) of the Federal Land Policy and Management Act of 1976) and lands managed by the Department of Agriculture, other than any such public or other lands that are withdrawn from geothermal leasing. Such program shall include, but shall not be limited to, activities to identify, select, and classify those areas throughout the United States that have a high potential for hot dry rock geothermal energy production and activities to develop and disseminate information regarding the utilization of such areas for hot dry rock energy production. Such information may include information regarding field test processes and techniques for assuring that hot dry rock geothermal energy development projects are developed in an economically feasible manner without adverse environmental consequences. Utilizing the information developed by the Secretary, together with information developed in connection with other related programs carried out by other Federal agencies, the Secretary, acting through the United States Geological Survey, may also enter into contracts and cooperative agreements with any public or private entity to provide assistance to any such entity to enable such entity to carry out additional projects with respect to the utilization of hot dry rock geothermal energy resources which will further the purposes of this section.

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

SEC. 2503. HOT DRY ROCK GEOTHERMAL ENERGY IN EASTERN UNITED STATES.

The United States Geological Survey, in collaboration with the Secretary of Energy, shall convene a workshop of interested governmental and private parties to discuss the regional potential for hot dry rock geothermal energy in the Eastern United States. The purpose of the workshop shall be to review the status of recoverability of hot dry rock energy in the Eastern United States and to determine what geologic, technological, and economic obstacles need to be overcome to make the utilization of hot dry rock energy feasible. The workshop shall be convened within 6 months after enactment of this Act and the United States Geological Survey shall submit a report to Congress within 6 months after the workshop containing a summary of the findings and conclusions of the workshop.

SEC. 2504. COAL REMINING.

(a) MODIFICATION OF PROHIBITION.—Section 510 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1260) is amended by adding the following new subsection at the end thereof:

''(e) After the date of enactment of this subsection, the prohibition of subsection (c) shall not apply to a permit application due to any violation resulting from an unanticipated event or condition at a surface coal mining operation on lands eligible for remining under a permit held by the person making such application. As used in this subsection, the term 'violation' has the same meaning as such term has under subsection (c). The authority of this subsection and section 515(20)(B) shall terminate on September 30, 2010.''.

(b) PERIOD OF RESPONSIBILITY.—Section 515(b)(20) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1265(b)(20)) is amended as follows:

(1) Insert ''(A)'' after ''(20)''.

(2) Add the following new subparagraph at the end thereof:

''(B) on lands eligible for remining assume the responsibility for successful revegetation for a period of two full years after the last year of augmented seeding, fertilizing, irrigation, or other work in order to assure compliance with the applicable standards, except in those areas or regions of the country where the annual average precipitation is twenty-six inches or less, then the operator's assumption of responsibility and liability will be extended for a period of five full years after the last year of augmented seeding, fertilizing, irrigation, or other work in order to assure compliance with the applicable standards.''.

(c) DEFINITIONS.—Section 701 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1291) is amended by striking the period at the end of paragraph (32) and inserting a semicolon in lieu thereof, and by adding the following new paragraphs at the end thereof:

''(33) the term 'unanticipated event or condition' as used in section 510(e) means an event or condition encountered in a remining operation that was not contemplated by the applicable surface coal mining and reclamation permit; and

''(34) the term 'lands eligible for remining' means those lands that would otherwise be eligible for expenditures under section 404 or under section 402(g)(4).''.

(d) ELIGIBILITY.—Section 404 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1234) is amended by adding the following new sentence at the end thereof: ''Surface coal mining operations on lands eligible for remining shall not affect the eligibility of such lands for reclamation and restoration under this title after the release of the bond or deposit for any such operation as provided under section 519. In the event the bond or deposit for a surface coal mining operation on lands eligible for remining is forfeited, funds available under this title may be used if the amount of such bond or deposit is not sufficient to provide for adequate reclamation or abatement, except that if conditions warrant the Secretary shall immediately exercise his authority under section 410.''.

(e) ABANDONED COAL REFUSE SITES.—(1) Notwithstanding any other provision of the Surface Mining Control and Reclamation Act of 1977 to the contrary, the Secretary of the Interior shall, within one year after the enactment of this Act, publish proposed regulations in the Federal Register, and after opportunity for public comment publish final regulations, establishing environmental protection performance and reclamation standards, and separate permit systems applicable to operations for the on-site reprocessing of abandoned coal refuse and operations for the removal of abandoned coal refuse on lands that would otherwise be eligible for expenditure under section 404 and section 402(g)(4) of the Surface Mining Control and Reclamation Act of 1977.

(2) The standards and permit systems referred to in paragraph (1) shall distinguish between those operations which reprocess abandoned coal refuse on-site, and those operations which completely remove an abandoned coal refuse from a site for the direct use of such coal refuse, or for the reprocessing of such coal refuse, at another location. Such standards and permit systems shall be premised on the distinct differences between operations for the on-site reprocessing, and operations for the removal, of abandoned coal refuse and other types of surface coal mining operations.

(3) The Secretary may devise a different standard than any of those set forth in section 515 and section 516 of the Surface Mining Control and Reclamation Act of 1977, and devise a separate permit system, if he determines, on a standard-by-standard basis, that a different standard may facilitate the on-site reprocessing, or the removal, of abandoned coal refuse in a manner that would provide the same level of environmental protection as under section 515 and section 516.

(4) Not later than 30 days prior to the publication of the proposed regulations referred to in this subsection, the Secretary shall submit a report to the Committee on Interior and Insular Affairs of the United States House of Representatives, and the Committee on Energy and Natural Resources of the United States Senate containing a detailed description of any environmental protection performance and reclamation standards, and separate permit systems, devised pursuant to this subsection.

SEC. 2505. SURFACE MINING ACT IMPLEMENTATION.

(a) SUBSIDENCE.—(1) Section 717(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1307(b)) is amended as follows:

(A) Strike ''a surface coal mine'' and insert in lieu thereof ''surface coal mining operations''.

(B) Strike ''surface coal mine operation'' and insert in lieu thereof ''surface coal mining operations''.

(2) Title VII of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1291 and following) is amended by adding the following new section at the end thereof:

''SEC. 720. (a) Surface coal mining operations shall comply with the following requirement: Promptly repair, or compensate for, damage resulting from subsidence caused to any structure or facility due to underground coal mining operations, without regard to the mining technique used. Repair of damage shall include rehabilitation, restoration, or replacement of the damaged structure or facility. Compensation shall be provided to the owner of the damaged structure or facility and shall be in the full amount of the diminution in value resulting from the subsidence. Compensation may be accomplished by the purchase, prior to mining, of a noncancellable premium-prepaid insurance policy.

''(b) Within one year after the date of enactment of this section, the Secretary of the Interior shall, after providing notice and opportunity for public comment, promulgate final regulations to implement subsection (a). Such regulations shall include adequate bonding to ensure that the requirements of subsection (a) are met.''.

(b) VALID EXISTING RIGHTS.—Section 701 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1291) is amended by adding the following new paragraph after paragraph (34)(as added by section 2801(c) of this Act):

''(35) for the purpose of section 522(e) 'valid existing rights' means—

''(A) Except for haul roads and as otherwise provided under this paragraph, those property rights of the applicant in existence on August 3, 1977, that were created by a legally binding conveyance, lease, deed, contract or other document which authorizes the applicant, any subsidiary, affiliate or persons controlled by or under common control with the applicant, to produce coal by a surface coal mining operation; and the person proposing to conduct surface coal mining operations in an area protected under section 522(e) either—

''(i) had been validly issued, or was making a good faith effort to obtain, as of August 3, 1977, all state and federal permits necessary to conduct such operations on those lands; or

''(ii) can demonstrate that the coal is both needed for, and immediately adjacent to, an ongoing surface coal mining operation which existed on August 3, 1977.

''(B) For haul roads the term 'valid existing rights' means—

''(i) a recorded right-of-way, a recorded easement or a permit for a coal haul road recorded as of August 3, 1977, or

''(ii) any other road in existence as of August 3, 1977.

''(C) When an area comes under the protection of section 522(e) after August 3, 1977, the date the protection comes into existence shall be used in lieu of August 3, 1977.

''(D) Notwithstanding the reference to surface impacts incident to an underground coal mine in paragraph (28)(A), for the purpose of section 522(e) the term 'surface coal mining operations' shall not include subsidence caused by an underground coal mine.''.

(c) RESEARCH.—(1) Section 401(c)(6) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231(c)(6)) is amended as follows:

(A) Insert '', research, and demonstration projects'' after ''studies''.

(B) Strike ''to provide information, advice, and technical assistance, including research and demonstration projects''.

(2) Section 403(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233) is amended by striking paragraph (4) and renumbering the subsequent paragraphs accordingly.

(3) Title VII of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1291 and following) is amended by adding the following new section after section 720:

''SEC. 721. The Office of Surface Mining Reclamation and Enforcement is authorized to conduct studies, research and demonstration projects relating to the implementation of, and compliance with, title V of this Act, and provide technical assistance to states for that purpose. Prior to approving any such studies, research or demonstration projects the Director, Office of Surface Mining Reclamation and Enforcement, shall first consult with the Director, Bureau of Mines, and obtain a determination from such Director that the Bureau of Mines is not already conducting like or similar studies, research or demonstration projects. Studies, research and demonstration projects for the purposes of title IV of this Act shall only be conducted in accordance with section 401(c)(6).''.

(d) COAL FORMATIONS.—(1) Notwithstanding section 205 of Public Law 89–4 and any regulation relating to such section, in furtherance of the purposes of the Act of August 31, 1954 (30 U.S.C. 551–558) the Secretary of the Interior, acting through the Director of the Office of Surface Mining Reclamation and Enforcement, shall enter into a cooperative agreement with any State that has an approved abandoned mine reclamation program pursuant to section 405 of the Surface Mining Control and Reclamation Act of 1977 to undertake the activities referred to in section 3(b) of the Act of August 31, 1954 (30 U.S.C. 553(b)). The Secretary shall immediately enter into such cooperative agreement upon application by a State.

(2) For the purposes of the cooperative agreements entered into pursuant to paragraph (1), the requirements of section 5 of the Act of August 31, 1954 (30 U.S.C. 555) are hereby waived.

(3) Section 8 of the Act of August 31, 1954 (30 U.S.C. 558) is amended by striking ''not to exceed $500,000 annually,''.

(4) Notwithstanding any other provision of law, independent of the cooperative agreements referred to in this section, any State referred to in paragraph (1) may at its discretion transfer up to 30 percent of the annual grants available to the State under section 402(g) of the Surface Mining Control and Reclamation Act of 1977 for the purpose of undertaking the activities referred to in paragraph (1) if such activities conform with the declaration of policy set forth in section 1 of the Act of August 31, 1954 (30 U.S.C. 551). Such activities shall be deemed to meet the requirements of section 403(a) of the Surface Mining Control and Reclamation Act of 1977.

SEC. 2506. FEDERAL COAL ROYALTY STUDY.

(a) ROYALTY STUDY.—(1) The Secretary of the Interior shall conduct a study of current Federal coal royalty rates for surface mined and underground mined coal, and the valuation methodology of such coal, for the purposes of assessing, for each of the following, whether the current Federal coal royalty system:

(A) Creates competitive inequities among the Federal coal producing regions and States.

(B) Suppresses coal production in certain Federal coal producing regions and States.

(C) Results in a loss of mineral receipts to the Federal Government and to State government.

(D) Causes inefficiencies in Federal valuation, audit and collection activities.

(2) The Secretary shall compare the alternative royalty systems identified in subsection (b) with the current system and make separate findings, on each of the following, with respect to whether any such alternative royalty system would:

(A) Mitigate any competitive inequities among the Federal coal producing regions and States.

(B) Increase coal production in certain Federal coal producing regions and States.

(C) Result in an increase in mineral receipts to the Federal government and to State governments.

(D) Provide for a more efficient valuation, audit and collection program.

(b) ALTERNATIVES.—(1) For the purposes of making the comparison referred to in subsection (a)(2), the Secretary shall examine each of the following alternative coal royalty systems based on:

(A) The value of coal measured in cents per million British thermal units.

(B) A flat cents-per-ton rate.

(C) Any other methodology the Secretary deems appropriate for the purpose of the study.

(2) For the purposes of making the comparison referred to in subsection (a)(2), the Secretary shall examine the justification for establishing a separate royalty rate for lignite coal and a separate valuation methodology for lignite coal.

(c) NOTICE.—Within 60 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register a notice detailing the scope and methodology proposed to be used in the study, and after opportunity for public comment, publish a final notice on the scope and methodology that will be used in the study.

(d) REPORT.—The Secretary shall report the findings of the study, and recommendations on alternative Federal royalty systems, to the President and the Congress within 2 years after the date of enactment of this Act.

SEC. 2507. ACQUIRED FEDERAL LAND MINERAL RECEIPTS MANAGEMENT.

(a) MINERAL RECEIPTS UNDER ACQUIRED LANDS ACT.—Section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355) is amended by inserting ''(a)'' before the first sentence and by adding the following new subsection at the end thereof:

''(b) Notwithstanding any other provision of law, any payment to a State under this section shall be made by the Secretary of the Interior and shall be made not later than the last business day of the month following the month in which such moneys or associated reports are received by the Secretary of the Interior, whichever is later. The Secretary shall pay interest to a State on any amount not paid to the State within that time at the rate prescribed under section 111 of the Federal Oil and Gas Royalty Management Act of 1982 from the date payment was required to be made under this subsection until the date payment is made.''.

(b) AUTHORITY TO MANAGE CERTAIN MINERAL LEASES.—The Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 and following) is amended by adding the following new section at the end thereof:

''SEC. 11. Each department, agency and instrumentality of the United States which administers lands acquired by the United States with one or more existing mineral lease shall transfer to the Secretary of the Interior the authority to administer such lease and to collect all receipts due and payable to the United States under the lease. In the case of lands acquired on or before the date of the enactment of this section, the authority to administer the leases and collect receipts shall be transferred to the Secretary of the Interior as expeditiously as prac-

ticable after the date of enactment of this section. In the case of lands acquired after the date of enactment of this section, such authority shall be vested with the Secretary at the time of acquisition. The provisions of section 6 of this Act shall apply to all receipts derived from such leases where such receipts are due and payable to the United States under the lease in the same manner as such provisions apply to receipts derived from leases issued under the authority of this Act. For purposes of this section, the term 'existing mineral lease' means any lease in existence at the time land is acquired by the United States.''.

(c) CLARIFICATION.—Section 7 of the Act of August 18, 1941, ch. 377 (33 U.S.C. 701c-3) is amended by adding the following sentence at the end thereof: ''For the purposes of this section, the term 'money' includes, but is not limited to, such bonuses, royalties and rentals (and any interest or other charge paid to the United States by reason of the late payment of any royalty, rent, bonus or other amount due to the United States) paid to the United States from a mineral lease issued under the authority of the Mineral Leasing Act for Acquired Lands or paid to the United States from a mineral lease in existence at the time of the acquisition of the land by the United States.''.

SEC. 2508. RESERVED OIL AND GAS.

(a) IN GENERAL.—Section 17(b) of the Mineral Leasing Act (30 U.S.C. 226(b)) is amended—

(1) in paragraph (1)(A), by striking out ''under paragraph (2)'' and inserting in lieu thereof ''under paragraphs (2) and (3)''; and

(2) by adding at the end thereof the following new paragraph:

''(3)(A) If the United States held a vested future interest in a mineral estate that, immediately prior to becoming a vested present interest, was subject to a lease under which oil or gas was being produced, or had a well capable of producing, in paying quantities at an annual average production volume per well per day of not more than 15 barrels per day of oil or condensate, or not more than 60,000 cubic feet of gas, the holder of the lease may elect to continue the lease as a noncompetitive lease under subsection (c)(1).

''(B) An election under this paragraph is effective—

''(i) in the case of an interest which vested after January 1, 1990, and on or before the date of enactment of this paragraph, if the election is made before the date that is 1 year after the date of enactment of this paragraph;

''(ii) in the case of an interest which vests within 1 year after the date of enactment of this paragraph, if the election is made before the date that is 2 years after the date of enactment of this paragraph; and

''(iii) in any case other than those described in clause (i) or (ii), if the election is made prior to the interest becoming a vested present interest.

''(C) Notwithstanding the consent requirement referenced in section 3 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 352), the Secretary shall issue a noncompetitive lease under subsection (c)(1) to a holder who makes an election under subparagraph (A) and who is qualified to hold a lease under this Act. Such lease shall be subject to all terms and conditions under this Act that are applicable to leases issued under subsection (c)(1).

''(D) A lease issued pursuant to this paragraph shall continue so long as oil or gas continues to be produced in paying quantities.

''(E) This paragraph shall apply only to those lands under the administration of the Secretary of Agriculture where the United States acquired an interest in such lands pursuant to the Act of March 1, 1911 (36 Stat. 961 and following).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to those mineral estates in which the interest of the United States becomes a vested present interest after January 1, 1990.

SEC. 2509. OUTSTANDING OIL AND GAS.

(a) IN GENERAL.—Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended by adding the following new subsection after subsection (o):

''(p)(1) Prior to the commencement of surface-disturbing activities relating to the development of oil and gas deposits on lands described under paragraph (3), the Secretary of Agriculture is authorized to require, pursuant to regulations promulgated by the Secretary, that such activities be subject to such reasonable terms and conditions as may be necessary to protect the interests of the United States in accordance with applicable laws, rules and regulations governing the Secretary's acquisition of an interest in such lands, and in accordance with applicable laws, rules and regulations relating to the management of such lands.

''(2) The terms and conditions referred to in paragraph (1) shall prevent or minimize damage to the environment and other resource values.

''(3) The lands referred to in this subsection are those lands under the administration of the Secretary of Agriculture where the United States acquired an interest in such lands pursuant to the Act of March 1, 1911 (36 Stat. 961 and following), but does not have an interest in oil and gas deposits that may be present under such lands. This subsection does not apply to any such lands where, under the provisions of its acquisition of an interest in the lands, the United States is to acquire any oil and gas deposits that may be present under such lands in the future but such interest has not yet vested with the United States.''.

(b) REGULATIONS.—Within 90 days after the enactment of this Act the Secretary of Agriculture shall promulgate regulations to implement the amendment made by subsection (a).

SEC. 2510. FEDERAL ONSHORE OIL AND GAS LEASING.

Section 17(c)(1) of the Mineral Leasing Act is amended by adding the following after the first sentence: ''If more than one qualified person applies for a noncompetitive lease under this paragraph for any unit on the first day on which applications for noncompetitive leases may be submitted under this paragraph for that unit, the Secretary shall not issue a noncompetitive lease for that unit under this paragraph but shall make such unit available for competitive leasing under subsection (b) at the next quarterly competitive oil and gas lease sale held by the Secretary.''.

SEC. 2511. OIL PLACER CLAIMS.

Notwithstanding any other provision of law, in furtherance of the purposes of the Act of February 11, 1897, commonly referred to as the Oil Placer Act, and section 37 of the Mineral Leasing Act, the Secretary of the Interior is authorized and directed to, within 90 days after the enactment of this Act, (1) convey by quit-claim deed to the owner or owners, or separately and as an alternative, (2) disclaim and relinquish by a document in any form suitable for recordation in the county within which the lands are situated, all right, title and interest or claim of interest of the United States to those lands in the counties of Hot Springs, Park and Washakie in the State of Wyoming, held pursuant to the Act of February 11, 1897, and which are currently producing covered substances under a cooperative or unit plan of development.

SEC. 2512. OIL SHALE CLAIMS.–

Section 37 of the Mineral Leasing Act (30 U.S.C. 193) is amended by inserting ''(a)'' before the first sentence and by adding the following at the end thereof:

''(b) REVIEW.—(1) Not later than 30 days after the enactment of this subsection the Secretary of the Interior shall publish proposed regulations in the Federal Register containing standards and criteria for determining the validity of all unpatented oil shale claims referred to in subsection (a). Final regulations shall be promulgated within 180 days after the date such proposed regulations are published. The Secretary shall make a determination with respect to the validity of each such claim within 2 years after the promulgation of such final regulations. In making such determinations the Secretary shall give priority to those claims referred to in subsection (c).

''(2) The proposed regulations referred to in paragraph (2) shall be in lieu of proposed regulations concerning oil shale claims published in the Federal Register on January 9, 1991, and shall provide that oil shale claims supported a discovery of a valuable oil shale deposit within the meaning of the general mining laws of the United States on February 25, 1920, not imposed arbitrary limitations on lawful contest proceedings against such claims by the United States with respect to failure to comply with the assessment work requirements of the general mining laws of the United States or sanction an absolute right of resumption with respect to such requirements, and shall be limited in scope to oil shale claims.

''(c) FULL PATENT.—(1) Except as provided under subsection (d)(2), after April 8, 1992, no patent shall be issued by the United States for any oil shale claim referred to in subsection (a) unless the Secretary determines that, for the claim concerned—

''(A) a patent application was filed with the Secretary on or before April 8, 1992;

''(B) all requirements established under sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) were fully complied with by that date; and

''(C) the claim is valid pursuant to the regulations referred to in subsection (b).

''(2) If the Secretary makes the determinations referred to in paragraph (1) for any oil shale claim, the holder of the claim shall be entitled to the issuance of a patent in the same manner and degree to which such claim holder would have been entitled to prior to the enactment of this subsection, unless and until such determinations are withdrawn or invalidated by the Secretary or by a court of the United States.

''(d) ELECTION.—(1) The holder of each oil shale claim for which no patent may be issued by reason of subsection (c) shall make an election under paragraph (2) or paragraph (3). Not later than 30 days after the enactment of this subsection, the Secretary shall by certified mail notify the holder of each such claim of the requirement to make such election. The holder shall make the election within such period shall be deemed conclusively to constitute a forfeiture of the claim and the claim shall be null and void.

''(2)(A) The holder of a claim required to make an election pursuant to paragraph (1) may apply for a patent within 1 year after making such election. The Secretary may issue a patent to such claim as provided under this paragraph if the requirements established under sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) are met and the Secretary determines the claim to be valid pursuant to the regulations referred to in subsection (b).

''(B) Notwithstanding any other provision of law, the patent referred to in subparagraph (A) shall be limited to the oil shale and associated minerals and may be issued

only upon the payment of fair market value for the oil shale and associated minerals by the holder of the claim to the Secretary.

''(C) Any patent issued for an oil shale claim under this paragraph shall be subject to an express reservation to the United States of the surface of the affected lands, and the provisions of sections 4 and 6 of the Act of August 13, 1954 (30 U.S.C. 524 and 526), popularly known as the Multiple Minerals Development Act, and of section 4 of the Act of July 23, 1955 (30 U.S.C. 612), popularly known as the Surface Resources Act, shall apply to such claim in the same manner and to the same extent as such provisions apply to the unpatented mining claims referred to in such provisions.

''(3)(A) The holder of a claim required to make an election pursuant to paragraph (1) may continue to maintain the claim by complying with the general mining laws of the United States, except in order to maintain the claim as valid such claim holder shall also make an annual payment to the Secretary of at least $1,000 for each claim. Payments received under this paragraph shall be deposited into the General Fund of the Treasury.

''(B) The holder of a claim referred to in subparagraph (A) shall comply with the provisions of section 314(a)(1) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1744) by filing the affidavit referred to in such section and including the payment referred to in subparagraph (A). The payment requirement shall take effect on the first day of the first month of September which occurs more than 90 days after an election is made to maintain a claim under this paragraph.

''(C) Failure to comply with the requirements of this paragraph shall be deemed conclusively to constitute a forfeiture of the oil shale claim and the claim shall be null and void.

''(D) The provisions of sections 4 and 6 of the Act of August 13, 1954 (30 U.S.C. 524 and 526), popularly known as the Multiple Minerals Development Act, and of section 4 of the Act of July 23, 1955 (30 U.S.C. 612), popularly known as the Surface Resources Act, shall apply to oil shale claims under this paragraph in the same manner and to the same extent as such provisions apply to the mining claims referred to in such provisions.

''(e) RECLAMATION.—In addition to other applicable requirements, any person who maintains a claim pursuant to subsection (d) shall be required to reclaim the land subject to such claim and to pose a surety bond or provide other types of financial guarantee satisfactory to the Secretary before disturbance of the land subject to such claim to ensure reclamation.''.

SEC. 2513. HEALTH, SAFETY, AND MINING TECHNOLOGY RESEARCH PROGRAM.

(a) HEALTH, SAFETY, AND MINING TECHNOLOGY RESEARCH PLAN.—(1) Every 5 years, the Secretary of the Interior, acting through the Director of the Bureau of Mines (hereinafter referred to as the ''Director''), shall develop a Plan for Health, Safety, and Mining Technology Research (hereinafter in this subsection referred to as the ''Plan''). After developing a proposed Plan, the Director of the Bureau of Mines shall submit it to the Committee established under subsection (b) for its review.

(2) The Plan shall identify the goals and objectives of the Health, Safety, and Mining Technology program of the Bureau of Mines, and shall guide research and technology development under such program, over each 5-year period.

(3) In preparing the proposed Plan referred to in paragraph (1), the Director shall solicit suggestions, comments and proposals for research and technology development projects from the mining industry, labor, academia and other concerned groups and individuals.

(4) The Director shall prepare a list of all health, safety, and mining technology projects received pursuant to the solicitation referred to in paragraph (3), and all such projects initiated by the Bureau of Mines, and submit the list to the Committee established under subsection (b) as part of the proposed Plan. The list shall contain the following information:

(A) the title and a brief synopsis of each project;

(B) a justification of the health, safety, and employment benefits anticipated by each project;

(C) an estimate of the timeframe to complete each project;

(D) an estimate of the funding requirements of each project; and

(E) an explanation of how each project would assist the Bureau of Mines in achieving the goals and objectives defined in the proposed Plan.

(5) The Director shall to the extent possible adopt the recommendations made by the Committee in the report referred to in subsection (b)(4) in selecting projects for the Health, Safety, and Mining Technology program, unless the Director determines, in writing, that a deviation from such report is necessary to meet a high-priority research need that was unanticipated at the time of the submission of the Committee report. The Director shall submit an explanation for any such deviation to the Secretary and to the Congress.

(b) HEALTH, SAFETY, AND MINING TECHNOLOGY RESEARCH ADVISORY COMMITTEE.—(1) There is hereby established the Health, Safety, and Mining Technology Research Advisory Committee (hereinafter in this subsection referred to as the ''Committee''). The Committee shall be composed of 14 members appointed by the Secretary of the Interior. Members of the Committee shall serve for terms of two years. Any member of the Committee may serve after the expiration of a term until a successor is appointed. Any member of the Committee may be appointed to serve more than one term.

(2) The Secretary shall appoint members to the Committee as follows:

(A) A representative from the Mine Safety and Health Administration.

(B) A representative from the National Institute for Occupational Safety and Health.

(C) Two representatives from the coal mining industry, one with expertise in surface mining techniques and one with expertise in underground mining techniques.

(D) Two representatives from the metal, non-metal mining industry, one with expertise in surface mining techniques and one with expertise in underground mining techniques.

(E) Six representatives from unions representing miners, of which 2 shall have expertise in metal, non-metal mining.

(F) A representative from a school of mines with expertise in coal mining research located in the eastern portion of the United States.

(G) A representative from a school of mines with expertise in metal, non-metal mining research located in the western portion of the United States.

(3) Members of the Committee shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this subtitle on vouchers signed by the Chairman.

(4) Notwithstanding the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), the Committee established under this subtitle shall serve as a standing Advisory Committee to the Bureau of Mines. The provisions of section 14(b) of such Act (relating to the charter of the Committee) are hereby waived with respect to the Committee established under this subsection.

(5) The purpose of the Committee shall be to review the proposed Plan submitted by the Director under subsection (a), evaluate the list contained in such proposed Plan using the values set forth in paragraph (5), and submit the proposed Plan within 60 days after it is received by the Committee to the Director as part of a report with recommendations.

(6) Each proposal on the list submitted by the Director as part of the proposed Plan shall be assigned a value by the Committee for each of the following factors: safety, health, impact on employment of miners and timeliness of the proposed project's benefits. The values shall be as follows:

(A) Safety can assume a value of 0 to 5, where a 0 signifies little or no safety value, a 1 signifies an indirect safety benefit, a 3 signifies a direct safety benefit, and a 5 means a significant, direct safety benefit.

(B) Health can assume a value of 0 to 5, where a 0 signifies little or no health value, a 1 signifies an indirect health benefit, a 3 signifies a direct health benefit, and a 5 means a significant, direct health benefit.

(C) Employment can assume a value of 0 to 5, with a value of 0 if miners will be unemployed as a result of the research program, 5 if employment will be increased and 3 if there is no change in employment.

(D) Timeliness can assume a value of 0 to 2, where a 0 signifies that all health, safety, and productivity benefits will require 5 or more years, a 1 signifies that health, safety, and productivity benefits will be realized in 3 to 5 years, a 2 signifies that health, safety, and productivity benefits will be realized in less than 3.

(c) TECHNICAL AMENDMENT.—For the purposes of section 501(b) of Public Law 91-173, as amended, activities in the field of coal or other mine health under such section shall also be carried out by the Secretary of the Interior acting through the Director of the Bureau of Mines.

SEC. 2514. SURFACE MINING REGULATIONS.

Section 710 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300) is amended by adding at the end the following new subsection:

''(i) The Secretary shall make grants to the Navajo, Hopi, Northern Cheyenne, and Crow tribes to assist such tribes in developing regulations and programs for regulating surface coal mining and reclamation operations on Indian lands, except that nothing in this subsection may be construed as providing such tribes with the authorities set forth under section 503. Grants made under this subsection shall be used to establish an office of surface mining regulation for each such tribe. Each such office shall—

''(1) develop tribal regulations and program policies with respect to surface mining;

''(2) assist the Office of Surface Mining Reclamation and Enforcement established by section 201 in the inspection and enforcement of surface mining activities on Indian lands, including, but not limited to, permitting, mine plan review, and bond release; and

''(3) sponsor employment training and education in the area of mining and mineral resources.''.

TITLE XXVI—INDIAN ENERGY RESOURCES

SEC. 2601. SHORT TITLE.

This title may be cited as the ''Indian Energy Amendments of 1992''.

SEC. 2602. DEFINITIONS.

For purposes of this title—

(1) except as provided in section 1104(c) and section 1105(d), the term ''Indian tribe'' means any Indian tribe, band, nation, or other organized group or community which

is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(2) the term ''Indian reservation'' includes Indian reservations; public domain Indian allotments; former Indian reservations in Oklahoma; land held by incorporated Native groups, regional corporations, and village corporations under the provisions of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a state; and

(3) the term ''Secretary'' means the Secretary of the Department of Energy.

SEC. 2603. TREATMENT OF INDIAN TRIBES AS STATES.

(a) INVOLVEMENT OF TRIBES.—In implementing the provisions of this Act, the Secretary shall involve Indian tribes to the maximum extent possible and where appropriate and shall do so in a manner that is consistent with the Federal trust and the Government-to-Government relationship between Indian tribes and the Federal Government.

(b) TREATMENT AS STATE.—The Secretary may, whenever appropriate, treat an Indian tribe as a State for any purpose of section 122 pursuant to such reasonable conditions as the Secretary may establish.

SEC. 2604. PROMOTING ENERGY RESOURCE DEVELOPMENT AND ENERGY VERTICAL INTEGRATION ON INDIAN RESERVATIONS.

(a) DEMONSTRATION PROGRAMS.—The Secretary of Energy, in consultation with the Secretary of the Interior, shall establish and implement a demonstration program to assist Indian tribes in pursuing energy self-sufficiency and to promote the development of a vertically integrated energy industry on Indian reservations, in order to increase development of the substantial energy resources located on such Indian reservations. Such program shall include, but not be limited to, the following components:

(1) The Secretary shall provide development grants to Indian tribes or to joint ventures which are 51 percent or more controlled by an Indian tribe to assist Indian tribes in obtaining the managerial and technical capability needed to develop the energy resources on Indian reservations. Such grants shall include provisions for management training for tribal or village members, improving the technical capacity of the Indian tribe, and the reduction of tribal unemployment. Each grant shall be for a period of 3 years.

(2) The Secretary shall provide grants, not to exceed 50 percent of the project costs, for vertical integration projects. For purposes of this paragraph, the term ''vertical integration project'' means a project that promotes the vertical integration of the energy resources on an Indian reservation, so that the energy resources are used or processed on such Indian reservation. Such term includes, but is not limited to, projects involving solar and wind energy, oil refineries, the generation and transmission of electricity, hydroelectricity, cogeneration, natural gas distribution, and clean, innovative uses of coal.

(3) The Secretary shall provide technical assistance (and such other assistance as is appropriate) to Indian tribes for energy resource development and to promote the vertical integration of energy resources on Indian reservations.

(b) LOW INTEREST LOANS.—

(1) IN GENERAL.—The Secretary shall establish a program for making low interest loans to Indian tribes. Such loans shall be used to promote Indian energy resource exploitation, development, and vertical integration.

(2) TERMS.—The Secretary shall establish reasonable terms for loans made under this subsection.

(c) DEFINITION.—For the purposes of this section, the term ''Indian tribe'' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

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

(1) $10,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, and 1999 to carry out the purposes of subsection (a)(1);

(2) $10,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, and 1999 to carry out the purposes of subsection (a)(2); and

(3) such sums as are necessary to carry out the purposes of subsection (b).

SEC. 2605. INDIAN ENERGY RESOURCE REGULATION.

(a) GRANTS.—The Secretary is authorized to make annual grants to Indian tribes for the purpose of assisting Indian tribes in the development, administration, implementation, and enforcement of tribal laws and regulations governing the development of energy resources on Indian reservations.

(b) PURPOSE.—The purposes for which funds provided under a grant awarded under subsection (a) may be used include, but are not limited to—

(1) the training and education of employees responsible for enforcing or monitoring compliance with Federal and tribal laws and regulations;

(2) the development of tribal inventories of energy resources;

(3) the development of tribal laws and regulations;

(4) the development of tribal legal and governmental infrastructure to regulate environmental quality pursuant to Federal and tribal laws; and

(5) the enforcement and monitoring of Federal and tribal laws and regulations.

(c) OTHER ASSISTANCE.—The Secretary shall cooperate with and provide assistance to Indian tribes for the purpose of assisting Indian tribes in the development, administration, and enforcement of tribal programs. Such cooperation and assistance shall include the following:

(1) Technical assistance and training, including the provision of necessary circulars and training materials.

(2) Assistance in the preparation and maintenance of a continuing inventory of information on tribal energy resources and tribal operations. In providing assistance under this paragraph, Federal departments and agencies shall make available to Indian tribes all relevant data concerning tribal energy resource development consistent with applicable laws regarding disclosure of proprietary and confidential information.

(d) DEFINITION.—For the purposes of this section, the term ''Indian tribe'' means any Indian tribe, band, nation, or other organized group or community, including an Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, and 1999 to carry out the purposes of this section.

SEC. 2606. INDIAN ENERGY ROYALTY MANAGEMENT COMMISSION.

(a) ESTABLISHMENT.—There is hereby established the Indian Energy Taxation and Royalty Management Commission (hereafter in this Act referred to as the ''Commission'').

(b) MEMBERSHIP.—The Commission shall consist of—

(1) 8 members appointed by the Secretary of the Interior from recommendations submitted by Indian tribes, at least 4 of whom shall be elected tribal leaders;

(2) 3 members appointed by the Secretary of the Interior from recommendations submitted by the Governors of States that have Indian reservations with energy resources;

(3) 1 member appointed by the Secretary of the Interior from among individuals in the private sector with expertise in tribal and State taxation of energy resources;

(4) 1 member appointed by the Secretary of the Interior from individuals with expertise in oil and gas royalty management administration, including auditing and accounting;

(5) 1 member appointed by the Secretary of the Interior from recommendations submitted by national environmental organizations; and

(6) the Secretary of the Interior, or his designee.

(c) APPOINTMENTS.—Members of the Commission shall be appointed not later than 60 days following the date of the enactment of this title.

(d) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment was made. A vacancy in the Commission shall not affect the powers of the Commission.

(e) CHAIRPERSON.—The members of the Commission shall elect a Chairperson from among the members of the Commission.

(f) QUORUM.—7 members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(g) ORGANIZATIONAL MEETING.—The Commission shall hold an organizational meeting to establish the rules and procedures of the Commission not later than 30 days after the members are first appointed to the Commission.

(h) COMPENSATION.—Each member of the Commission who is not an officer or employee of the United States shall be compensated at a rate established by the Commission, not to exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties as a member of the Commission. Each member of the Commission who is an officer or employee of the United States shall receive no additional compensation.

(i) TRAVEL.—While away from their homes or regular places of business in the performance of duties for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at a rate established by the Commission not to exceed the rates authorized for employees under sections 5702 and 5703 of title 5, United States Code.

(j) COMMISSION STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an Executive Director who shall be compensated at a rate established by the Commission not to exceed the rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) ADDITIONAL PERSONNEL.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive

Director considers necessary to carry out the duties of the Commission. Such appointments shall be made in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, but at rates not to exceed the rate of basic pay payable for level 15 of the General Schedule.

(3) EXPERTS AND CONSULTANTS.—Subject to such rules as may be issued by the Commission, the Chairperson may procure temporary and intermittent services of experts and consultants to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $200 a day for individuals.

(4) PERSONNEL DETAIL AUTHORIZED.—Upon the request of the Chairperson, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this title. Such detail shall be without interruption or loss of civil service status or privilege.

(k) DUTIES OF THE COMMISSION.—The Commission shall—

(1) develop proposals to address the dual taxation by Indian tribes and States of the extraction of mineral resources on Indian reservations;

(2) make recommendations to improve the management, administration, accounting, and auditing of royalties associated with the production of oil and gas on Indian reservations;

(3) develop alternatives for the collection and distribution of royalties associated with the production of oil and gas on Indian reservations; and

(4) develop proposals on incentives to foster the development of energy resources on Indian reservations.

(l) POWERS OF THE COMMISSION.—The powers of the Commission shall include the following:

(1) For the purpose of carrying out its duties under this section, the Commission may hold hearings, take testimony, and receive evidence at such times and places as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(2) Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) The Commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out its duties under this section.

(m) COMMISSION REPORT.—The Commission shall, within 12 months after funds are made available to carry out this section, prepare and transmit to the President, the Committee on Interior and Insular Affairs of the House of Representatives, the Select Committee on Indian Affairs of the Senate, and the Committee on Energy and Natural Resources of the Senate, a report containing the recommendations and proposals specified in subsection (k).

(n) AUTHORIZATION.—There are authorized to be appropriated to the Commission $1,000,000 to carry out this section. Such sum shall remain available, without fiscal year limitation, until expended.

(o) TERMINATION.—The Commission shall terminate 30 days after submitting the final report required under subsection (m).

TITLE XXVII—INSULAR AREAS ENERGY SECURITY

SEC. 2701. SHORT TITLE.

This title shall be cited as the ''Insular Areas Energy Security Act''.

SEC. 2702. THE INSULAR AREAS ENERGY SECURITY AMENDMENT OF 1992.

Section 604 of the Act entitled ''An Act to authorize appropriations for certain insular areas of the United States, and for other purposes'', Public Law 96–597, as amended by Public Law 98–213 (48 U.S.C. 1492), is amended by adding the following subsection—

''(g)(1) There are hereby authorized to be appropriated $2,000,000 for each fiscal year through 1998 for grants to insular area governments to carry out projects to evaluate the feasibility of, develop options for, and encourage the adoption of energy efficiency and renewable energy measures which reduce the dependence of the insular area on imported fuels and improve the quality of life in the insular area, such sums to remain available until expended.

''(2) Factors which shall be considered in determining the amount of financial assistance to be provided for a proposed energy-efficiency or renewable energy grant under this subsection shall include, but not be limited to, the following:

''(A) Whether the measure will reduce the relative dependence of the insular area on imported fuels.

''(B) The ease and costs of operation and maintenance of any facility contemplated as part of the project.

''(C) Whether the project will rely on the use of conservation measures or indigenous, renewable energy resources that were identified in the report by the Secretary of Energy pursuant to this section or identified by the Secretary as consistent with the purposes of this section.

''(D) Whether the measure will contribute significantly to the quality of the environment in the insular area.''.

SEC. 2703. DEFINITION.

Section 401 of Public Law 97–425, the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10241) is amended by striking ''States,'' the first place it appears, and inserting in lieu thereof ''States and'', inserting a period after ''District of Columbia'', and striking the remainder of the sentence.

SEC. 2704. ELECTRICITY REQUIREMENTS IN TRUST TERRITORY OF THE PACIFIC ISLANDS.

Not later than 6 months after the date of enactment of this Act, the Secretary of the Interior shall, in consultation with the Government of Palau, submit a plan to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives to extend electric service to those areas of the Trust Territory of the Pacific Islands that are not yet served or fully served and eliminate any debt incurred in the Trust Territory of the Pacific Islands relating to its electrical generating plant and related facilities. The plan shall include—

(1) an assessment of the power needs of the Trust Territory of the Pacific Islands both currently, and for the year 2000, including how electricity in the Trust Territory of the Pacific Islands will be distributed to those areas that on the date of enactment of this Act do not have electricity;

(2) an assessment of, and recommendations regarding, how these needs can be met;

(3) an assessment of, and recommendations regarding, any additional legal authority or funding which may be necessary to meet these needs; and

(4) an assessment of, and recommendations regarding, the respective roles of the Federal Government and the Government of the Trust Territory of the Pacific Islands in meeting these needs.

SEC. 2705. PCB CLEANUP IN MARSHALL ISLANDS AND FEDERATED STATES OF MICRONESIA.

Section 105(h)(1) of Public Law 99–239 is amended by adding at the end the following new paragraph:

''The programs and services of the Environmental Protection Agency regarding PCBs shall, to the extent applicable, as appropriate, and in accordance with applicable law, be construed to be made available to such islands.''.

TITLE XXVIII—NUCLEAR PLANT LICENSING

Subtitle A—Combined Construction Permit and Operating License

SEC. 2801. COMBINED LICENSES.

Section 185 of Atomic Energy Act of 1954 (42 U.S.C. 2235) is amended—

(1) in the heading for such section by adding ''and Operating Licenses'' after ''Permits'';

(2) by adding a subsection designator ''a.'' before ''All applicants for licenses''; and

(3) by adding at the end the following new subsection:

''b. After holding a public hearing under section 189 a. (1)(A), the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. The Commission shall identify within the combined license the inspections, tests, and analyses, including those applicable to emergency planning, that the licensee shall perform, and the acceptance criteria that, if met, are necessary and sufficient to provide reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met. Any finding made under this subsection shall not require a hearing except as provided in section 189 a. (1)(B).''.

SEC. 2802. POST-CONSTRUCTION HEARINGS ON COMBINED LICENSES.

Section 189 a. (1) of Atomic Energy Act of 1954 (42 U.S.C. 2239(a)(1)) is amended—

(1) by adding a subparagraph designator ''(A)'' before ''In any proceeding under this Act,''; and

(2) by adding after subparagraph (A) the following new subparagraph:

''(B)(i) Not less than 180 days before the date scheduled for initial loading of fuel into a plant by a licensee that has been issued a combined construction permit and operating license under section 185 b., the Commission shall publish in the Federal Register notice of intended operation. That notice shall provide that any person whose interest may be affected by operation of the plant, may within 60 days request the Commission to hold a hearing on whether the facility as constructed complies, or on completion will comply, with the acceptance criteria of the license.

''(ii) A request for hearing under clause (i) shall show, prima facie, that one or more of the acceptance criteria in the combined license have not been, or will not be met, and the specific operational consequences of nonconformance that would be contrary to providing reasonable assurance of adequate protection of the public health and safety.

''(iii) After receiving a request for a hearing under clause (i), the Commission expedi-

tiously shall either deny or grant the request. If the request is granted, the Commission shall determine, after considering petitioners' prima facie showing and any answers thereto, whether during a period of interim operation, there will be reasonable assurance of adequate protection of the public health and safety. If the Commission determines that there is such reasonable assurance, it shall allow operation during an interim period under the combined license.

''(iv) The Commission, in its discretion, shall determine appropriate hearing procedures, whether informal or formal adjudicatory, for any hearing under clause (i), and shall state its reasons therefor.

''(v) The Commission shall, to the maximum possible extent, render a decision on issues raised by the hearing request within 180 days of the publication of the notice provided by clause (i) or the anticipated date for initial loading of fuel into the reactor, whichever is later. Commencement of operation under a combined license is not subject to subparagraph (A).''.

SEC. 2803. RULEMAKING.

The Nuclear Regulatory Commission shall propose regulations implementing sections 185 b. and 189 a. (1)(B) of the Atomic Energy Act of 1954, as added by sections 2801 and 2802 of this Act, not later than 1 year after the date of enactment of this Act.

SEC. 2804. AMENDMENT OF A COMBINED LICENSE PENDING A HEARING.

Section 189 a. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2239(a)(2)) is amended by inserting ''or any amendment to a combined construction and operating license'' after ''any amendment to an operating license'' each time it occurs.

SEC. 2805. JUDICIAL REVIEW.

Section 189 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2239(b)) is amended by inserting ''or any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license'' before ''shall be subject to judicial review''.

SEC. 2806. EFFECT ON PENDING PROCEEDINGS.

Sections 185 b. and 189 a. (1)(B) of the Atomic Energy Act of 1954, as added by sections 2801 and 2802 of this Act, shall apply to all proceedings involving a combined license for which an application was filed after May 8, 1991, under such sections.

SEC. 2807. CONFORMING AMENDMENT.

The table of contents of the Atomic Energy Act of 1954 is amended by amending the item related to section 185 to read as follows:

''Sec. 185. Construction Permits and Operating Licenses.''.

TITLE XXIX—RADIATION PROTECTION

Subtitle A—Below Regulatory Concern

SEC. 2901. STATE AUTHORITY TO REGULATE RADIATION BELOW LEVEL OF NRC REGULATORY CONCERN.

(a) IN GENERAL.—The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended by inserting after section 275 the following new section:

''SEC. 276. STATE AUTHORITY TO REGULATE RADIATION BELOW LEVEL OF REGULATORY CONCERN OF NUCLEAR REGULATORY COMMISSION.

''(a) IN GENERAL.—No provision of this Act, or of the Low-Level Radioactive Waste Policy Act, may be construed to prohibit or otherwise restrict the authority of any State to regulate, on the basis of radiological hazard, the management, storage, incineration, or disposal of low-level radioactive waste, or other practices or materials involving low-level radioactivity, if the Nuclear Regulatory Commission, after January 1, 1990—

''(1) exempts such waste, practices, or materials from regulation; or

''(2) issues a regulation governing such waste, practices, or materials that substantially reduces protection of the public health and safety.

''(b) AUTHORITY TO EXCLUDE WASTE.—Any State that is a member of a compact for the disposal of low-level radioactive waste may prohibit or otherwise restrict the importation into such State, for purposes of storage or disposal in such State, of low-level radioactive waste, or other low-level radioactive materials, generated outside the borders of the compact region of such State, if the Commission, after January 1, 1990—

''(1) exempts such waste or materials from regulation; or

''(2) issues a regulation governing such waste or materials that substantially reduces protection of the public health and safety.

''(c) DEFINITIONS.—Each term used in this section that is also used in the Low-Level Radioactive Waste Policy Act shall have the meaning given such term in section 2 of such Act.''.

(b) CONFORMING AMENDMENT.—The table of contents of the Atomic Energy Act of 1954 (42 U.S.C. 2011 prec.) is amended by inserting after the item relating to section 275 the following new item:

''Sec. 276. State authority to regulate radiation below level of regulatory concern of Nuclear Regulatory Commission.''.

SEC. 2902. REVOCATION OF RELATED NRC POLICY STATEMENTS.

The policy statements of the Nuclear Regulatory Commission published in the Federal Register on July 3, 1990 (55 Fed. Reg. 27522) and August 29, 1986 (51 Fed. Reg. 30839), relating to radioactive waste below regulatory concern, shall have no effect after the date of the enactment of this Act.

Subtitle B—Disposal Standards at Mill Tailings Sites

SEC. 2911. DISPOSAL STANDARDS AT MILL TAILINGS SITES.

Section 84 of the Atomic Energy Act of 1954 (42 U.S.C. 2114) is amended by adding at the end the following new subsection:

''d. No radioactive material may be disposed of at a site subject to Federal regulation pursuant to title II of the Uranium Mill Tailings Radiation Control Act of 1978 unless—

''(1) the Governor of the State has agreed to such disposal; or

''(2) the radioactive material to be disposed of is byproduct material as defined in section 11 e.(2) and—

''(A) the site to be used for disposal is in compliance with all applicable Federal and State regulations; and

''(B) the proposed disposal will not cause the site to fail to comply with such regulations.''.

TITLE XXX—MISCELLANEOUS

SEC. 3001. POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978 REPEAL.

Section 403(a) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8373(a)) is repealed.

SEC. 3002. ALASKA NATURAL GAS TRANSPORTATION ACT OF 1976 REPEAL.

(a) REPEAL.—Section 7(a)(5) of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719e(a)(5)) is repealed.

(b) ABOLITION OF OFFICE OF FEDERAL INSPECTOR OF CONSTRUCTION.—The Office of Federal Inspector of Construction for the Alaska Natural Gas Transportation System, created pursuant to the paragraph repealed by subsection (a) of this section, is abolished. All functions and authority vested in the Inspector are hereby transferred to the Chairman of the Federal Energy Regulatory Commission.

(c) REVOCATION OF CERTAIN OFI REGULATIONS.—Regulations applicable to the Office of Federal Inspector of the Alaska Natural Gas Transportation System, as set forth in chapter 15 of title 10, Code of Federal Regulations, are hereby revoked.

SEC. 3003. GEOTHERMAL HEAT PUMPS.

The Secretary shall—

(1) encourage States, municipalities, counties, and townships to allow the installation of geothermal heat pumps, and, where applicable, to permit public and private water recipients to utilize the flow of water from, and back into, public and private water mains for the purpose of providing sufficient water supply for the operation of residential and commercial geothermal heat pumps; and

(2) not discourage any local authority which allows the use of geothermal heat pumps from—

(A) inspecting, at any reasonable time, geothermal heat pump connections to the water system to ensure the exclusive use of the public or private water supply to the geothermal heat pump system; and

(B) requiring that geothermal heat pump systems be designed and installed in a manner that minimizes the risk of contamination of the public water supply.

SEC. 3004. EMPLOYEE PROTECTION FOR NUCLEAR WHISTLEBLOWERS.

(a) INTERNAL WHISTLEBLOWERS; EMPLOYERS.—Section 210(a) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(a)) is amended—

(1) by inserting ''(1)'' after ''SEC. 210. (a)'';

(2) by striking '', including'' and all that follows through ''licensee or applicant,'';

(3) by inserting after the dash the following new subparagraphs:

''(A) notified his employer (or an agent of such employer) of an alleged violation of this Act or the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.);

''(B) opposed any practice made unlawful by this Act or the Atomic Energy Act of 1954;

''(C) testified before Congress or at any Federal or State proceeding regarding any provision (or proposed provision) of this Act or the Atomic Energy Act of 1954;'';

(4) by redesignating paragraphs (1) through (3) as subparagraphs (D) through (F), respectively; and

(5) by adding at the end the following new paragraph:

''(2) For purposes of this section, the term 'employer' includes—

''(A) a licensee of the Commission or of an agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021);

''(B) an applicant for a license from the Commission or such an agreement State;

''(C) a contractor or subcontractor of such a licensee or applicant;

''(D) a contractor or subcontractor at a nuclear or radioactive waste facility of the Department of Energy; and

''(E) any other employer engaged in any activity licensed under the Atomic Energy Act of 1954.''.

(b) TIME PERIOD FOR FILING COMPLAINT.—Section 210(b)(1) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)(1)) is amended by striking ''thirty days'' and inserting ''1 year''.

(c) DE NOVO REVIEW.—Section 210(b)(2)(A) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)(2)(A)) is amended—

(1) by inserting ''(i)'' after ''(2)(A)''; and

(2) by adding at the end the following new clause:

''(ii)(I) Notwithstanding subsection (c)(2), in the event that the Secretary does not issue an order under clause (i) within the 120-day period prescribed by such clause, the complainant shall be entitled to de novo review of the complaint in any district court of the United States.

''(II) Nothing in this subparagraph shall be construed to preclude the applicability of the provisions of section 554 of title 5, United States Code, to the issuance of an order under clause (i).''.

(d) AVOIDANCE OF FRIVOLOUS COMPLAINTS.—Section 210(b) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)) is amended by adding at the end the following new paragraph:

''(3)(A) The Secretary may determine that a violation of subsection (a) has occurred only if the complainant has demonstrated that any behavior described in subparagraphs (A) through (F) of subsection (a)(1) was a contributing factor in the unfavorable personnel action alleged in the complaint.

''(B) Relief may not be ordered under paragraph (2) if the employer demonstrates by clear and convincing evidence that it would have taken the same unfavorable personnel action in the absence of such behavior.''.

(e) NONPREEMPTION.—Section 210 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) is amended by adding at the end the following new subsection:

''(h) Notwithstanding subsection (c)(2), the provisions of this section shall not be construed to preclude a complainant under this section from pursuing any right or remedy otherwise available to such complainant under any law—

''(1) contemporaneously with pursuit of relief under this section;

''(2) subsequent to the issuance of a final order by the Secretary under this section; or

''(3) subsequent to judicial review under subsection (c)(1).''.

(f) POSTING REQUIREMENT.—Section 210 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) is further amended by adding at the end the following new subsection:

''(i) The provisions of this section shall be prominently posted in any place of employment to which this section applies.''.

(g) EXEMPLARY DAMAGES.—Section 210 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) is further amended by adding at the end the following new subsection:

''(j) In any action brought under this section, the Secretary or, on appeal under subsection (b)(2)(A)(ii), the United States district court, shall have jurisdiction to grant all appropriate relief, including injunctive relief, compensatory, and exemplary damages.''.

(h) DUTY OF NRC TO INVESTIGATE SUBSTANTIVE ALLEGATIONS.—Section 210 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) is further amended by adding at the end the following new subsection:

''(k)(1) The Commission or the Department of Energy shall not delay any investigation or proceeding by it with respect to an alleged violation of this Act or the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) on the basis of—

''(A) the filing of a complaint under subsection (b)(1); or

''(B) any investigation by the Secretary, or other action, under this section in response to such complaint.

''(2) A determination by the Secretary under this section that a violation of subsection (a) has not occurred shall not be considered by the Commission or the Department of Energy in its determination of whether any violation of this Act or the Atomic Energy Act of 1954 has occurred.''.

(i) PROHIBITION ON PASSTHROUGH OF DAMAGES AND LEGAL COSTS.—Section 210 of the Energy Reorganization Act of 1974 (42 U.S.C. 5851) is further amended by adding at the end the following new subsection:

''(l) In the event that a complainant prevails in any action against a contractor or subcontractor of the Department of Energy under this section, no amount awarded against such contractor or subcontractor in such action, nor any amount paid by such contractor or subcontractor in legal costs related to such action, may be paid or reimbursed, directly or indirectly, by contract or otherwise, by the Department of Energy or any other Federal entity. No such amount may be considered an allowable cost under any contract with the Department of Energy.''.

(j) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The title heading of title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.) is amended to read as follows:

''TITLE II—NUCLEAR REGULATORY COMMISSION; NUCLEAR WHISTLEBLOWER PROTECTION''.

(2) Section 210(b)(1) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)(1)) is amended—

(A) by striking ''(hereinafter in this subsection referred to as the 'Secretary')'' and inserting ''(in this section referred to as the 'Secretary')''; and

(B) by striking ''and the Commission'' and inserting '', the Commission, and the Department of Energy''.

(3) The second of the two sections of the Energy Reorganization Act of 1974 that is numbered 210 (42 U.S.C. 5851) is redesignated as section 211.

(k) APPLICABILITY.—The amendments made by this section shall apply to claims filed under section 211(b)(1) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)(1)) on or after the date of the enactment of this Act.

SEC. 3005. RENEWABLE ENERGY PARK DEMONSTRATION PROGRAM.

The Secretary shall designate a location for a Federal demonstration of integrating renewable, coal, oil, and other energy production with agriculture and manufacturing. Such location shall—

(1) be in a county with greater than 18 percent unemployment in December 1991;

(2) be in a county which lost greater than 6 percent of its population between 1980 and 1990; and

(3) have had an energy park development plan approved by a governmental body before March 10, 1992.

There are authorized to be appropriated to the Secretary $1,000,000, for providing grants, with or without a recoupment requirement, to attract new energy-related industries to the location designated under this section. The Federal share of the cost of any project funded under this section shall not exceed 20 percent of the total capital costs of the project.

SEC. 3006. USE OF ENERGY FUTURES FOR FUEL PURCHASES.

(a) FUEL STUDY.—The Secretary of Energy shall conduct a study—

(1) to ascertain if the use of energy futures and options contracts could provide cost-effective protection for Government entities (including Government purchases for military purposes and for the Strategic Petroleum Reserve) and consumer cooperatives (or any organization whose purpose is to purchase fuel in bulk) from unanticipated surges in the price of fuel; and

(2) to ascertain how such Government entities or consumer cooperatives may be educated in the prudent use of energy futures and options contracts to maximize their purchasing effectiveness, protect themselves against unanticipated surges in the price of fuel, and minimize fuel costs.

(b) REPORT.—The Secretary of Energy, no later than 12 months after the date of enactment of this Act, shall transmit the study required in this section to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(c) PILOT PROGRAM.—The Secretary of Energy shall conduct a pilot program, commencing not later than 30 days after the transmission of the study required in subsection (b), to educate such governmental entities, consumer cooperatives, or other organizations on the prudent and cost-effective use of energy futures and options contracts to increase their protection against unanticipated surges in the price of fuel and thereby increase the efficiency of their fuel purchase or assistance programs.

(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 3007. ENERGY SUBSIDY STUDY.

(a) IN GENERAL.—The Secretary shall contract with the National Academy of Sciences to conduct a study of energy subsidies that—

(1) are in effect on the date of the enactment of this Act; or

(2) have been in effect prior to the date of the enactment of this Act.

(b) REPORT TO CONGRESS.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit to the Congress, the results of such study to be accompanied by recommendations for legislation, if any.

(c) CONTENTS.—

(1) IN GENERAL.—The study shall identify and quantify the direct and indirect subsidies and other legal and institutional factors that influence decisions in the marketplace concerning fuels and energy technologies.

(2) TOPICS FOR EXAMINATION.—The study shall examine—

(A) fuel and technology choices that are—

(i) available on the date of the enactment of this Act; or

(ii) reasonably foreseeable on the date of the enactment of this Act;

(B) production subsidies for the extraction of raw materials;

(C) subsidies encouraging investment in large capital projects;

(D) indemnification;

(E) fuel cycle subsidies, including waste disposal;

(F) government research and development support; and

(G) other relevant incentives and disincentives.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $500,000 for each of the fiscal years 1993 and 1994.

SEC. 3008. TAR SANDS.

(a) POLICY.—It is the policy of the United States to encourage the development and production, by all means consistent with sound engineering, economic, and environmental practices, of deposits of tar sands.

(b) STUDY.—The Secretary of Energy shall, within one year after the date of enactment of this Act, submit to the Congress the results of a study which—

(1) identifies and evaluates the development potential of sources of tar sands in the United States, including tar sands waste tailings;

(2) identifies and evaluates processes for extracting oil from those identified tar sands sources; and

(3) evaluates the environmental benefits of, and the potential for coproduction of minerals and metals from, such processes.

SEC. 3009. EXEMPTION OF CERTAIN RESEARCH AND EDUCATIONAL LICENSEES FROM ANNUAL CHARGES.

(a) IN GENERAL.—Section 6101(c) of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 2214(c)) is amended—

(1) in paragraph (1), by striking ''Any licensee'' and inserting ''Except as provided in paragraph (4), any licensee''; and

(2) by adding at the end the following new paragraph:

''(4) EXEMPTION.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to the holder of any license for a federally owned research reactor used primarily for educational training and academic research purposes.

''(B) RESEARCH REACTOR.—For purposes of subparagraph (A), the term 'research reactor' means a nuclear reactor that—

''(i) is licensed by the Nuclear Regulatory Commission under section 104 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2134(c)) for operation at a thermal power level of 10 megawatts or less; and

''(ii) if so licensed for operation at a thermal power level of more than 1 megawatt, does not contain—

''(I) a circulating loop through the core in which the licensee conducts fuel experiments;

''(II) a liquid fuel loading; or

''(III) an experimental facility in the core in excess of 16 square inches in cross-section.''.

(b) APPLICABILITY.—The amendments made by this section shall apply to annual charges assessed under section 6101(c) of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 2214(c)) for fiscal year 1992 or any succeeding fiscal year.

SEC. 3010. AMENDMENTS TO TITLE 11 OF THE UNITED STATES CODE.

(a) DEFINITIONS.—

(1) FARMOUT AGREEMENT.—Section 101 of title 11, United States Code, is amended—

(A) by redesignating paragraph (22) and all that follows through the last paragraph (57) as paragraphs (23) through (62), respectively, and

(B) by inserting after paragraph (21) the following:

''(22) 'farmout agreement' means written agreement in which—

''(A) the owner of a right to drill, produce, or operate liquid or gaseous hydrocarbons on property agrees or has agreed to transfer or assign all or a part of such right to another entity; and

''(B) such other entity (either directly or through its agents or its assigns), as consideration, agrees to perform drilling, reworking, recompleting, testing, or similar or related operations, to develop or produce liquid or gaseous hydrocarbons on the property;''.

(2) CONFORMING AMENDMENTS.—(A) Section 362(b)(6) of title 11, United States Code, is amended—

(i) by striking ''section 101(34)'' and inserting ''section 101'', and

(ii) by striking ''section 101(35)'' and inserting ''section 101''.

(B) Section 546(e) of title 11, United States Code, is amended—

(i) by striking ''section 101(34)'' and inserting ''section 101'', and

(ii) by striking ''section 101(35)'' and inserting ''section 101''.

(C) Section 548(d)(2)(B) of title 11, United States Code, is amended—

(i) by striking ''section 101(34)'' and inserting ''section 101'', and

(ii) by striking ''section 101(35)'' and inserting ''section 101''.

(D) Section 207(c)(8)(D) of the Federal Credit Union Act (12 U.S.C. 1787(c)(8)(D)) is amended—

(i) in clause (iii) by striking ''section 101(24)'' and inserting ''section 101'',

(ii) in clause (iv)(I) by striking ''section 101(41)'' and inserting ''section 101'', and

(iii) in clause (v) by striking ''section 101(50)'' and inserting ''section 101''.

(E) Section 11(e)(8)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)) is amended—

(i) in clause (iv) by striking ''section 101(24)'' and inserting ''section 101'',

(ii) in clause (v)(I) by striking ''section 101(41)'' and inserting ''section 101'', and

(iii) in clause (viii) by striking ''section 101(50)'' and inserting ''section 101''.

(b) PROPERTY OF THE ESTATE.—Section 541(b) of title 11, United States Code, is amended—

(1) in paragraph (2) by striking ''or'' at the end,

(2) in paragraph (3) by striking the period at the end and inserting ''; or'', and

(3) by adding at the end the following:

''(4) any interest of the debtor in liquid or gaseous hydrocarbons to the extent that—

''(A) the debtor has transferred or has agreed to transfer such interest pursuant to a farmout agreement or any written agreement directly related to a farmout agreement; and

''(B) but for the operation of this paragraph, the estate could include such interest only by virtue of section 365 or 544(a)(3) of this title.

Paragraph (4) shall not be construed to exclude from the estate any consideration the debtor retains, receives, or is entitled to receive for transferring an interest in liquid or gaseous hydrocarbons pursuant to a farmout agreement.''.

(c) EFFECTIVE DATE; APPLICATION OF AMENDMENTS.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) The amendments made by this section shall not apply with respect to any case commenced under title 11 of the United States Code before the date of the enactment of this Act.

TITLE XXXI—FEDERAL AND STATE LANDS

SEC. 3101. RIGHTS-OF-WAY ON CERTAIN FEDERAL LANDS.

(a) EXTENT OF RIGHTS.—(1) Section 501 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761) is amended by adding at the end of subsection (b)(1) thereof the following: ''Any right-of-way granted or issued under this section shall convey only the rights specifically described therein, and shall not convey or be construed to imply conveyance of any other rights to the use of the affected lands or the resources of such lands.''.

(2) Section 501 of such Act is amended as follows:

(A) Insert in subsection (a), after ''public lands'' the following: ''(as defined in section 103(e) of this Act)''.

(B) In paragraph (4) of subsection (a), strike ''Federal Power Commission under the Federal Power Act of 1935 (49 Stat. 847; 16 U.S.C. 791) and insert in lieu thereof ''Federal Energy Regulatory Commission under the Federal Power Act, including part 1 thereof (41 Stat. 1063, 16 U.S.C. 791a-825r).''.

(b) ENERGY-RELATED RIGHTS-OF-WAY.—Section 501 of the Federal Land Policy and Management Act of 1976 is amended by adding at the end thereof a new subsection, as follows:

''(d)(1) Under this section, a right-of-way on public lands or lands within the National Forest System may be granted or issued for the construction or operation of a non-Federal system (including any dam, diversion, or appurtenant project works) for the generation, transmission, or distribution of electrical energy only if the Secretary or the Secretary of Agriculture, as appropriate, finds that the use of such lands for the construction or operation of the facilities involved in such system—

''(A) is consistent with applicable management plans for such lands, and will not interfere with or be inconsistent with the protection and utilization of such lands for the purposes for which such lands are managed; and

''(B) will not result in substantial degradation of natural or cultural resources, scenic or recreational values, watershed resources, or fish and wildlife populations or habitat affected by the proposed system or affected by the cumulative effects of the proposed system and other uses of such lands or adjacent lands.

''(2)(A) The Secretary concerned shall provide for early and continued public participation in connection with consideration of an application for a right-of-way under this subsection by making a copy of such application available for public inspection in the vicinity of the affected lands for at least 90 days prior to acting on the application and by conducting at least 1 public meeting thereon at a time and location likely to assure public participation.

''(B) All information, including documents and testimony, related to the concerned Secretary's decision on an application under this subsection shall be available for public inspection in regional or local offices of the Bureau of Land Management or Forest Service, and at the same time as such Secretary decides whether or not to grant or issue the requested right-of-way, such Secretary shall publish in the Federal Register an appropriate document stating and explaining the basis for such decision.

''(3)(A) If facilities of a system described in paragraph (1) would be located on lands under the administrative jurisdiction of a single agency of the United States, that agency shall have the principal role in preparing any analysis, under applicable law, of the effects of construction and operation of such facilities on the environment. If such facilities would be located on lands under the administrative jurisdiction of more than 1 such agency, each such agency involved may enter into an agreement among themselves in order to avoid duplication of responsibility or effort, to expedite the consideration of applications for rights-of-way or other rights with respect to use of such lands, to issue joint regulations in appropriate cases, and to assure that decisions about such system are based on a comprehensive review of possible effects on Federal lands and resources.

''(B) Any analysis described in subparagraph (A) of this paragraph shall be prepared by an agency of the United States with administrative jurisdiction over affected lands, or by an independent contractor selected by such an agency, and not by the applicant for a right-of-way under this subsection or by any other party selected or reimbursed by such applicant.

''(C) Nothing in this paragraph shall be construed as precluding an agency of the United States from requiring an applicant for a right-of-way under this section or any other party to provide any necessary information in connection with an analysis described in subparagraph (A) or in connection with decisions about any other aspect of a system described in paragraph (1) of this subsection.''.

(c) EFFECTIVE DATE AND IMPLEMENTATION.—(1) The amendments to the Federal Land Policy and Management Act of 1976 made by this section shall not apply to any project for which the land-management agency has completed a final review of an application for a right-of-way prior to the enactment of this section.

(2) No later than 1 year after the date of enactment of this Act, the Secretaries of the Interior and Agriculture shall issue joint regulations to:

(A) establish procedures for appropriate public participation in decisions relating to applications for rights-of-way of the type covered by section 501(d) of the Federal Land Policy and Management Act of 1976; and

(B) establish procedures to coordinate, so far as possible, the timing of review by such Secretaries regarding such applications with

review of related projects by other Federal agencies.

SEC. 3102. DAMS IN NATIONAL PARKS.

(a) PROHIBITION.—(1) Except as provided in paragraph (2), no individual corporation, partnership, Federal or State agency, political subdivision, or any other legal entity may commence construction of—

(A) any new dam or other new impoundment within the external boundaries of any unit of the National Park System; or

(B) any new dam or other new impoundment which, after the date of enactment of this Act, will inundate any land within the external boundaries of any unit of the National Park System.

(2) The provisions of this subsection shall not apply to a project developed by the National Park Service that the Secretary of the Interior determines necessary to meet the purposes for which the affected unit of the National Park System was established if such project would not degrade the resources or values of such unit.

(b) DEFINITIONS.—For purposes of this section, the following terms shall have the following meanings:

(1) The term ''new dam or other new impoundment'' means any facility for impoundment or obstruction of the flow of water, construction of which commences after the enactment of this Act.

(2) The term ''impoundment'' means the formation of a body of water upstream from a dam or other structure caused by the construction or operation of the dam or other structure.

(3) The term ''inundate'' means to permanently or intermittently cover land with water.

(c) CONCURRENCE.—Notwithstanding any other provision of law, no department or agency of the United States shall renew or reissue any license, or issue a new license, for any dam or other facility for impoundment or obstruction of the flow of water that is located on or that inundates any land within the National Park System, if such action would result in new or increased effects on the resources and values of such land, unless the Secretary of the Interior concurs in such action.

(d) SCOPE.—The prohibition of this section shall be in addition to, and not in lieu of, any other prohibition or restriction on activities within any unit of the National Park System.

(e) OTHER PROJECTS.—Nothing in this section prohibits the Secretary of the Army or any other Federal department or agency from undertaking a study of any project or from submitting a recommendation to Congress for the authorization or licensing of such project.

SEC. 3103. STATE OR LOCAL GOVERNMENT LANDS.

Section 21 of the Federal Power Act is amended as follows:

(1) In the first sentence after the word ''right'' the first place it appears insert '', temporarily during project construction,''.

(2) In the first sentence after the word ''damage'' insert ''(and to restore and repair),''.

(3) After the first sentence insert: ''The term 'unimproved dam site' shall not include any site or area that was acquired by a State or local government or agency thereof solely for the purposes of a public park, recreation, or wildlife refuge before the date such licensee is issued a license by the Commission and is owned and operated for such purposes, except that nothing in this sentence shall preclude a State or local government from consenting to the acquisition of such site or area with the licensee.''.

The amendments made by this section to section 21 of the Federal Power Act shall apply to the exercise of eminent domain by any licensee under such section after the date of enactment of this Act.

SEC. 3104. COORDINATION WITH FEDERAL AGENCIES.

Section 6(g) of the Land and Water Conservation Fund Act of 1965 is amended by inserting the following at the end thereof: ''If a State has enacted statutory provisions providing for the permanent protection of the natural, ecological, cultural, scenic, or recreational resources of designated river segments within that State, if such protection is part of a comprehensive Statewide plan approved by the Secretary of the Interior under section 6, and if such provisions prohibit the development of new hydroelectric power projects on such designated segments, neither the Secretary nor any other officer or agent of the United States (other than the Secretary of the Army or the Chief of the United States Soil Conservation Service) shall assist or issue an original license or an exemption for the construction of any new hydroelectric power project if the project is located wholly within that State and if such assistance, license, or exemption would be inconsistent with such prohibition. The preceding sentence shall not apply to any project authorized for construction by the Secretary of the Army before, on, or after the date of the enactment of this sentence and not subsequently deauthorized pursuant to the provisions of title X of Public Law 99-662 or any other provision of law.''.

The bill, as amended, was ordered to be engrossed and read a third time, was read a third time by title.

Mr. FIELDS moved to recommit the bill to the Committee on Energy and Commerce.

By unanimous consent, the previous question was ordered on the motion to recommit.

The question being put, viva voce,

Will the House recommit said bill?

The SPEAKER pro tempore, Mr. GEPHARDT, announced that the nays had it.

So the motion to recommit was not agreed to.

The question being put, viva voce,

Will the House pass said bill?

The SPEAKER pro tempore, Mr. GEPHARDT, announced that the yeas had it.

Mr. LENT demanded a recorded vote on passage of said bill, which demand was supported by one-fifth of a quorum, so a recorded vote was ordered.

The vote was taken by electronic device.

It was decided in the affirmative ..... { Yeas ..... 381 / Nays 37

¶60.13 [Roll No. 144]

AYES—381

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bryant
Bunning
Burton
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carper
Carr
Chandler
Clay
Clement
Coble
Coleman (MO)
Coleman (TX)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Olin
Olver
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Sundquist
Swett
Swift
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler