

111TH CONGRESS  
1ST SESSION

# S. 774

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

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## IN THE SENATE OF THE UNITED STATES

APRIL 1, 2009

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

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## A BILL

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

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “National Energy Security Act of 2009” or the “NESA  
6       of 2009”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definition of Secretary.

## DIVISION A—TRANSMISSION AND TRANSPORTATION

### TITLE I—ELECTRICITY TRANSMISSION

- Sec. 101. Siting of interstate electric transmission facilities.
- Sec. 102. Recovery of costs for smart grid technology and advanced materials.

### TITLE II—TRANSPORTATION SECTOR

#### Subtitle A—Electrification of Transportation Sector

- Sec. 201. Minimum Federal fleet requirement.
- Sec. 202. Use of HOV facilities by light-duty plug-in electric drive vehicles.
- Sec. 203. Recharging infrastructure.
- Sec. 204. Loan guarantees for advanced battery purchases.
- Sec. 205. Study of end-of-useful life options for motor vehicle batteries.

#### Subtitle B—Medium- and Heavy-Duty Vehicles

- Sec. 211. Maximum weight study.
- Sec. 212. Fuel economy.

#### Subtitle C—Alternative Transportation Technologies

- Sec. 221. Flexible fuel automobiles.
- Sec. 222. Transportation roadmap study.

## DIVISION B—DOMESTIC PRODUCTION AND WORKFORCE DEVELOPMENT

### TITLE I—INCREASING SUPPLY

#### Subtitle A—Increasing Production From Domestic Resources

- Sec. 300. Amendment of 1986 Code.

#### PART I—INVESTMENT IN RENEWABLE ENERGY

- Sec. 301. Extension of renewable electricity production credit.
- Sec. 302. Expansion and extension of new clean renewable energy bonds.
- Sec. 303. Extension of investment tax credit for certain energy property.
- Sec. 304. Increase in credit for investment in advanced energy facilities.

#### PART II—INVESTMENT IN ALTERNATIVE FUEL PROPERTY

- Sec. 311. Extension of credits for alcohol fuels.
- Sec. 312. Extension of credits for biodiesel and renewable diesel.

#### PART III—INVESTMENT IN ELECTRIC DRIVE AND ADVANCED VEHICLES

- Sec. 321. Extension of credit and extension of temporary increase in credit for alternative fuel vehicle refueling property.
- Sec. 322. Extension and expansion of credit for new qualified plug-in electric drive motor vehicles.
- Sec. 323. Extension of credit for certain plug-in electric vehicles.
- Sec. 324. Extension of credit for medium and heavy duty hybrid vehicles.

Sec. 325. Credit for heavy duty natural gas vehicles.

PART IV—LOW CARBON LOAN GUARANTEE PROGRAM

Sec. 331. Innovative low-carbon loan guarantee program.

PART V—INVESTMENT IN ETHANOL

Sec. 341. Research and development of fungible biofuels.

PART VI—STUDIES ON MARKET PENETRATION OF RENEWABLE RESOURCES

Sec. 351. Studies on market penetration of renewable resources.

Subtitle B—Increasing Production From Fossil Resources

PART I—OUTER CONTINENTAL SHELF

Sec. 361. Inventory of outer Continental Shelf oil and gas resources.

Sec. 362. Leasing of offshore areas estimated to contain commercially recoverable oil or gas resources.

Sec. 363. Environmental stewardship and allowable activities.

Sec. 364. Moratorium of oil and gas leasing in certain areas of the Gulf of Mexico.

Sec. 365. Treatment of revenues.

PART II—OTHER FOSSIL RESOURCES

Sec. 371. Authorization of activities and exports involving hydrocarbon resources.

Sec. 372. Travel in connection with authorized hydrocarbon exploration and extraction activities.

Sec. 373. Alaska OCS joint lease and permitting processing office.

Sec. 374. Alaska Natural Gas Pipeline.

TITLE II—CLEAN ENERGY TECHNOLOGY WORKFORCE DEVELOPMENT

Sec. 401. Clean energy technology workforce.

DIVISION C—GLOBAL RISK MANAGEMENT

Sec. 501. Sense of Congress on geopolitical consequences of oil dependence.

Sec. 502. Study of foreign fuel subsidies.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

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

1 (B) approximately 40 percent of the primary  
2 energy demand of the United States is met by petro-  
3 leum, the price for which is set in a fungible and  
4 opaque international market vulnerable to geo-  
5 political instability and increasingly complex barriers  
6 to investment;

7 (2)(A) it should be the goal of the United  
8 States to reduce the oil intensity (the number of  
9 barrels of oil required to generate \$1 of gross do-  
10 mestic product) of the national economy from 2008  
11 levels by at least 50 percent by calendar year 2030  
12 and by at least 80 percent by calendar year 2050;  
13 and

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

17 (3) the transportation sector of the United  
18 States is critical to breaking the oil dependence of  
19 the United States because the transportation sec-  
20 tor—

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

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

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

3 (4)(A) electrification of short-haul transpor-  
4 tation represents a likely pathway to reduced oil de-  
5 pendence;

6 (B) electrified ground transport—

7 (i) promotes fuel diversity because the elec-  
8 tric power sector uses a diverse range of feed-  
9 stocks; and

10 (ii) relies on a portfolio of fuels that are  
11 largely domestic and have prices that are gen-  
12 erally less volatile than oil; and

13 (C) electricity prices are generally stable re-  
14 lative to oil because the price of fuel in the electric  
15 power sector is a small portion of the cost of deliv-  
16 ered energy;

17 (5)(A) electrification of transportation will re-  
18 quire a more modern, technologically advanced na-  
19 tional electric power system that draws on a variety  
20 of location-constrained generation sources sited in a  
21 range of geographic areas; and

22 (B) a national transmission system that effi-  
23 ciently delivers power across long distances to load  
24 centers should be a high priority;

1           (6)(A) widespread deployment of electric vehi-  
2           cles and supporting infrastructure is a long-term  
3           process that will require a national commitment over  
4           many years;

5           (B) in the interim, steps can be taken to mini-  
6           mize the danger that oil dependence poses to the  
7           economic and national security of the United States;  
8           and

9           (C) it is critical to—

10           (i) support the continued growth of the do-  
11           mestic biofuels industry;

12           (ii) foster domestic production of conven-  
13           tional fuels for which infrastructure and tech-  
14           nology exist; and

15           (iii) support deployment of additional re-  
16           newable, cleaner fossil, and nuclear generating  
17           capacity for providing the necessary low emis-  
18           sions, reliable, and dispatchable power that is  
19           essential for the electricity supply of the United  
20           States;

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

24           (B) a stable market for biofuels, including wide-  
25           spread deployment of flexible fuel vehicles, can re-

1       duce oil consumption as the United States transi-  
2       tions to electrified ground transport;

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

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

10              (C) in 2008, the United States net deficit in pe-  
11       troleum trade amounted to more than  
12       \$380,000,000,000, or nearly 60 percent of the total  
13       trade deficit;

14              (9) a highly skilled, well trained, and adaptable  
15       workforce is vital to the economic and energy secu-  
16       rity of the United States; and

17              (10)(A) addressing the twin challenges of en-  
18       ergy security and global climate change now and in  
19       the future will require the United States to use all  
20       instruments of national power, including the military  
21       and diplomatic and intelligence services;

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

24                      (i) protect key energy infrastructure;

25                      (ii) secure critical geographic transit areas;

1 (iii) mitigate political instability from en-  
2 ergy suppliers; and

3 (iv) strengthen the domestic industrial  
4 base required for the development and wide-  
5 spread implementation of clean energy tech-  
6 nologies; and

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

11 **SEC. 3. DEFINITION OF SECRETARY.**

12 In this Act, the term “Secretary” means the Sec-  
13 retary of Energy.

14 **DIVISION A—TRANSMISSION**  
15 **AND TRANSPORTATION**  
16 **TITLE I—ELECTRICITY**  
17 **TRANSMISSION**

18 **SEC. 101. SITING OF INTERSTATE ELECTRIC TRANSMISSION**

19 **FACILITIES.**

20 Section 216 of the Federal Power Act (16 U.S.C.  
21 824p) is amended—

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

24 “(a) DEFINITIONS.—In this section:

1           “(1) BENEFICIARY.—The term ‘beneficiary’  
2 means a wholesale or retail customer, market partic-  
3 ipant, or other entity that benefits from a trans-  
4 mission upgrade, enhancement, or expansion under a  
5 regional transmission plan, including an economic  
6 benefit, improvement in service reliability, or reduc-  
7 tion in greenhouse gas emissions.

8           “(2) CLEAN ENERGY SUPERHIGHWAY.—The  
9 term ‘Clean Energy Superhighway’ means the inter-  
10 state extra-high voltage transmission grid overlay es-  
11 tablished under this section.

12           “(3) CLEAN ENERGY SUPERHIGHWAY FACIL-  
13 ITY.—The term ‘Clean Energy Superhighway facil-  
14 ity’ means an overhead or underground transmission  
15 facility of the Clean Energy Superhighway included  
16 in a plan certified under subsection (b)(9) (including  
17 conductors, cables, towers, manhole duct systems,  
18 phase shifting transformers, reactors, capacitors,  
19 and any ancillary facilities and equipment necessary  
20 for the proper operation of the facility) that—

21                   “(A) operates at or above a voltage of 345  
22 kilovolt alternating current;

23                   “(B) operates at or above a voltage of 400  
24 kilovolts direct current;

1           “(C) is a renewable feeder line that trans-  
2           mits electricity directly or indirectly to the  
3           Clean Energy Superhighway; or

4           “(D) is a necessary upgrade to an existing  
5           transmission facility.

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

13          “(5) INTERCONNECTION.—The term ‘Inter-  
14          connection’ has the meaning given the term in sec-  
15          tion 215(a).

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

22          “(7) LOCATION-CONSTRAINED RESOURCE.—

23                 “(A) IN GENERAL.—The term ‘location-  
24                 constrained resource’ means a low-carbon re-  
25                 source used to produce electricity that is geo-

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

4 “(B) INCLUSIONS.—The term ‘location-  
5 constrained resource’ includes the following  
6 types of resources described in subparagraph  
7 (A):

8 “(i) Renewable energy.

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

13 “(8) RENEWABLE ENERGY.—The term ‘renew-  
14 able energy’ means electric energy generated from—

15 “(A) solar energy, wind, landfill gas, re-  
16 newable biogas, or geothermal energy;

17 “(B) new hydroelectric generation capacity  
18 achieved from increased efficiency, or an addi-  
19 tion of new capacity, at an existing nonhydro-  
20 electric project if—

21 “(i) the hydroelectric project installed  
22 on the nonhydroelectric dam—

23 “(I) is licensed by the Commis-  
24 sion; and

1           “(II) meets all other applicable  
2 environmental, licensing, and regu-  
3 latory requirements, including applica-  
4 ble fish passage requirements;

5           “(ii) the nonhydroelectric dam—

6                 “(I) was placed in service before  
7 the date of enactment of the National  
8 Energy Security Act of 2009;

9                 “(II) was operated for flood con-  
10 trol, navigation, or water supply pur-  
11 poses; and

12                 “(III) did not produce hydro-  
13 electric power as of the date of enact-  
14 ment of the National Energy Security  
15 Act of 2009; and

16                 “(iii) the hydroelectric project is oper-  
17 ated so that the water surface elevation at  
18 any given location and time that would  
19 have occurred in the absence of the hydro-  
20 electric project is maintained, subject to  
21 any license requirements imposed under  
22 applicable law that change the water sur-  
23 face elevation for the purpose of improving  
24 the environmental quality of the affected  
25 waterway, as certified by the Commission;

1 “(C) hydrokinetic energy, including—

2 “(i) waves, tides, and currents in  
3 oceans, estuaries, and tidal areas;

4 “(ii) free flowing water in rivers,  
5 lakes, and streams;

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

11 “(iv) differentials in ocean tempera-  
12 ture through ocean thermal energy conver-  
13 sion; or

14 “(D) electricity that is generated from the  
15 combustion of the biogenic portion of municipal  
16 solid waste materials from facilities that comply  
17 with the maximum pollutant emissions stand-  
18 ards established by the Administrator of the  
19 Environmental Protection Agency.

20 “(9) RENEWABLE FEEDER LINE.—

21 “(A) IN GENERAL.—The term ‘renewable  
22 feeder line’ means an electricity transmission  
23 line that—

24 “(i) operates at or above 100 kilovolts  
25 alternating current;

1           “(ii) connects 1 or more renewable en-  
2           ergy generators directly or indirectly to the  
3           Clean Energy Superhighway; and

4           “(iii) is identified in the Clean Energy  
5           Superhighway plan certified under sub-  
6           section (b)(9).

7           “(B) INCLUSION.—The term ‘renewable  
8           feeder line’ includes an upgrade to an existing  
9           transmission line necessary for interconnection  
10          to a new transmission line described in sub-  
11          paragraph (A).

12          “(10) SECRETARY.—The term ‘Secretary’  
13          means the Secretary of Energy.

14          “(11) STATE.—The term ‘State’ means—

15                  “(A) a State; and

16                  “(B) the District of Columbia.

17          “(b) PLANNING.—

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

20                          “(A) expands and modernizes the electrical  
21                  transmission grid of the United States to meet  
22                  the goals of increasing energy security and pro-  
23                  tecting the environment;

1           “(B) integrates location-constrained re-  
2 sources, including renewable and low-carbon  
3 electricity generation;

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

6           “(D) ensures sufficient transmission capac-  
7 ity for future demand growth, including energy  
8 efficiency, distributed generation and storage,  
9 and demand response resources;

10          “(E) integrates smart grid technologies;

11          “(F) enhances the reliability and efficiency  
12 of the electrical transmission grid;

13          “(G) relieves congestion on the electrical  
14 transmission grid;

15          “(H) plans, to the maximum extent prac-  
16 ticable, for at least 50 percent of light-duty ve-  
17 hicles used in the United States by calendar  
18 year 2030 to be light-duty grid-enabled vehicles;

19          “(I) meets any renewable electricity stand-  
20 ard established by law; and

21          “(J) provides the lowest-cost delivered en-  
22 ergy to markets.

23          “(2) PLANNING REQUIREMENT.—

24                 “(A) IN GENERAL.—

1           “(i) REQUIREMENT.—Not later than  
2           90 days after the date of enactment of the  
3           National Energy Security Act of 2009, the  
4           Commission shall promulgate regulations  
5           consistent with this section for—

6                   “(I) the operation, composition,  
7                   and selection of the regional planning  
8                   authorities; and

9                   “(II) the contents of, and certifi-  
10                  cation requirements for, the regional  
11                  plans produced by regional planning  
12                  authorities.

13           “(ii) REQUIREMENT.—The Commis-  
14           sion shall certify not less than 1, and not  
15           more than 4, regional planning authorities  
16           for each of the Eastern and Western Inter-  
17           connections of the United States.

18           “(iii) CLEAN ENERGY SUPER-  
19           HIGHWAY.—Each regional planning au-  
20           thority certified by the Commission shall  
21           participate in the development of the Clean  
22           Energy Superhighway.

23           “(iv) NUMBER OF REGIONAL PLAN-  
24           NING AUTHORITIES.—The Commission  
25           shall minimize, to the maximum extent

1 practicable, the number of regional plan-  
2 ning authorities in the Eastern and West-  
3 ern Interconnections while ensuring that  
4 the entire domestic footprint of the Inter-  
5 connections is covered.

6 “(B) CERTIFICATION OF REGIONAL PLAN-  
7 NING AUTHORITIES.—

8 “(i) IN GENERAL.—To be eligible to  
9 be certified as a regional planning author-  
10 ity for a region under this subsection, a re-  
11 gional planning organization shall apply to,  
12 and be approved by, the Commission.

13 “(ii) REQUEST FOR APPLICATIONS.—  
14 Not later than 90 days after the date of  
15 enactment of National Energy Security  
16 Act of 2009, the Commission shall issue a  
17 request for from entities seeking to be cer-  
18 tified as a regional planning authority for  
19 the Eastern or Western Interconnection.

20 “(iii) ELIGIBILITY.—

21 “(I) IN GENERAL.—Any group of  
22 Regional Transmission Organizations,  
23 Independent System Operators, re-  
24 gional entities (as defined in section  
25 215(a)), or other multistate organiza-

1 tions or entities may apply to be cer-  
2 tified as a regional planning authority  
3 under this subsection.

4 “(II) STATE PARTICIPATION.—

5 An organization that applies for cer-  
6 tification under subclause (I) shall in-  
7 vite the Governor or the designee of  
8 the Governor from each affected State  
9 and a representative from each af-  
10 fected Indian tribe to participate in  
11 the organization.

12 “(III) MINIMUM SIZE.—To be

13 certified as a regional planning au-  
14 thority under this subparagraph, an  
15 organization shall represent a region  
16 that is of sufficient size—

17 “(aa) to encompass genera-  
18 tion resources that are sufficient  
19 to meet load requirements in the  
20 region, taking into account po-  
21 tential generation from location-  
22 constrained resources and pro-  
23 jected load growth; and

24 “(bb) to possess sufficient  
25 market scope to produce eco-

1                    nomic and operational effi-  
2                    ciencies.

3                    “(iv) PLANNING PRINCIPLES.—The  
4                    Commission shall establish rules and pro-  
5                    cedures for the designation of regional  
6                    planning authorities to ensure that the  
7                    planning process proposed by an appli-  
8                    cant—

9                                       “(I) is consistent with the pur-  
10                                       poses described in paragraph (1);

11                                       “(II) is open, transparent, and  
12                                       nondiscriminatory;

13                                       “(III) includes consultation with  
14                                       all affected Federal land management  
15                                       agencies, Indian tribes, and States  
16                                       within a region;

17                                       “(IV) builds on planning under-  
18                                       taken by States, Indian tribes, Fed-  
19                                       eral transmitting utilities, Regional  
20                                       Transmission Organizations, Inde-  
21                                       pendent System Operators, utilities,  
22                                       and others;

23                                       “(V) is developed in conformance  
24                                       with Commission requirements for

1 planning using open access trans-  
2 mission tariffs;

3 “(VI) solicits input from load-  
4 serving and wholesale entities, trans-  
5 mission owners and operators, renew-  
6 able energy developers, environmental  
7 organizations, Indian tribes, and other  
8 interested parties;

9 “(VII) includes an interim proc-  
10 ess to evaluate expeditiously whether  
11 new renewable feeder lines should be  
12 added to the plan; and

13 “(VIII) uses the best available  
14 information on resources, load, and  
15 demand projections.

16 “(v) CERTIFICATION.—

17 “(I) IN GENERAL.—Except as  
18 provided in subclauses (II) and (III),  
19 not later than 90 days after the date  
20 on which the Commission issues a re-  
21 quest for applications under clause  
22 (ii), the Commission shall certify at  
23 least 1 regional planning authority for  
24 each of the Eastern and Western  
25 Interconnections.

1                   “(II) INSUFFICIENT APPLICA-  
2                   TION.—Subclause (I) shall not apply  
3                   if the Commission—

4                   “(aa) has not received an  
5                   application from any entity in the  
6                   applicable Interconnection; or

7                   “(bb) has received applica-  
8                   tions from entities that do not  
9                   satisfy the criteria established by  
10                  the Commission for a regional  
11                  planning authority.

12                  “(III) COMMISSION RESPONSIBI-  
13                  LITY.—If the Commission does not  
14                  receive sufficient applications as de-  
15                  scribed in subclause (II) for any por-  
16                  tion of an Interconnection, the Com-  
17                  mission shall—

18                  “(aa) assume the respon-  
19                  sibilities of a regional planning  
20                  authority for the uncovered por-  
21                  tion of the Interconnection; and

22                  “(bb) submit to Congress  
23                  written notification of an intent  
24                  to assume responsibility under  
25                  this subclause at least 30 days

1 before the date that responsibility  
2 is assumed.

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

7 “(3) DUTIES OF SECRETARY.—

8 “(A) RESOURCE ASSESSMENTS.—

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

14 “(ii) FORMATS.—The resource assess-  
15 ments shall be made available to the public  
16 in multiple formats, including in a Geo-  
17 graphical Information System compatible  
18 format.

19 “(iii) TIMING.—The Secretary shall—

20 “(I) make the initial resource as-  
21 sessment required under this subpara-  
22 graph not later than 180 days after  
23 the date of enactment of the National  
24 Energy Security Act of 2009; and

1                   “(II) refine the resource assess-  
2                   ment on a regular basis that is con-  
3                   sistent with regional planning cycles.

4                   “(B) TECHNICAL ASSISTANCE.—The Sec-  
5                   retary shall provide technical assistance to re-  
6                   gional planning authorities, on request, to assist  
7                   the authorities in carrying out this section.

8                   “(C) CONGESTION STUDIES.—

9                   “(i) IN GENERAL.—The Secretary  
10                  shall conduct or update a study of electric  
11                  transmission congestion and report the re-  
12                  sults of the study to certified regional  
13                  planning authorities to assist the authori-  
14                  ties in carrying out this section.

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

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

24                  “(4) PLANNING PROCESS.—

1           “(A) IN GENERAL.—Once certified, a re-  
2           gional planning authority shall establish a re-  
3           gional or Interconnection-wide Clean Energy  
4           Superhighway plan that—

5                   “(i) meets the purposes of this sub-  
6                   section; and

7                   “(ii) identifies necessary Clean En-  
8                   ergy Superhighway facilities and trans-  
9                   mission infrastructure that need to be  
10                  added or upgraded to achieve the planned  
11                  Clean Energy Superhighway.

12           “(B) STAKEHOLDER INVOLVEMENT.—

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

18                           “(I) public service commissions  
19                           and other relevant State agencies;

20                           “(II) load-serving entities and  
21                           wholesale entities that provide trans-  
22                           mission and power supply services;

23                           “(III) representatives of the re-  
24                           tail customers of the load-serving enti-  
25                           ties;

1                   “(IV) transmission owners and  
2 operators;

3                   “(V) utilities and merchant gen-  
4 erators;

5                   “(VI) renewable energy devel-  
6 opers;

7                   “(VII) environmental organiza-  
8 tions;

9                   “(VIII) Indian tribes;

10                  “(IX) Federal land use agencies;

11                  and

12                  “(X) other interested parties.

13                  “(ii) CRITERIA.—A regional planning  
14 authority shall encourage stakeholders, to  
15 the maximum extent practicable, to provide  
16 input to establish criteria based on para-  
17 graphs (1) and (2)(B)(iv) to create a Clean  
18 Energy Superhighway plan.

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

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

1 authority shall submit to the Commission for ap-  
2 proval a Clean Energy Superhighway plan that—

3 “(A) evaluates potential location-con-  
4 strained resources;

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

11 “(C) establishes (in consultation with Fed-  
12 eral and State land agencies, environmental  
13 groups, and Indian tribes) appropriate areas to  
14 be avoided in siting of Clean Energy Super-  
15 highway facilities, to the maximum extent prac-  
16 ticable, including—

17 “(i) national parks, national marine  
18 sanctuaries, reserves, recreation areas, and  
19 other similar units of the National Park  
20 System;

21 “(ii) designated wilderness, designated  
22 wilderness study areas, and other areas  
23 managed for wilderness characteristics;

24 “(iii) national historic sites and his-  
25 toric parks;

1           “(iv) inventoried roadless areas and  
2           significant noninventoried roadless areas  
3           within the National Forest System;

4           “(v) national monuments;

5           “(vi) national conservation areas;

6           “(vii) national wildlife refuges and  
7           areas of critical environmental concern;

8           “(viii) national historic and national  
9           scenic trails;

10          “(ix) areas designated as critical habi-  
11          tat;

12          “(x) national wild, scenic, and rec-  
13          reational rivers;

14          “(xi) any area in which Federal law  
15          prohibits energy development; and

16          “(xii) any area in which applicable  
17          State law or Indian tribal code enacted  
18          prior to the date of enactment of the Na-  
19          tional Energy Security Act of 2009 pro-  
20          hibits transmission development;

21          “(D) identifies the transmission infrastruc-  
22          ture to be included as Clean Energy Super-  
23          highway facilities, taking into consideration—

24                 “(i) that, to the maximum extent  
25                 practicable—

1                   “(I) areas with the potential for  
2                   the development of location-con-  
3                   strained resources shall be connected  
4                   to the Clean Energy Superhighway;

5                   “(II) load centers shall be con-  
6                   nected to the Clean Energy Super-  
7                   highway; and

8                   “(III) areas in subparagraph (C)  
9                   shall be avoided by the Clean Energy  
10                  Superhighway; and

11                  “(ii) all other relevant factors;

12                  “(E) performs necessary engineering anal-  
13                  yses;

14                  “(F) permits persons to propose to the re-  
15                  gional planning authority Clean Energy Super-  
16                  highway facilities to meet the needs identified  
17                  in the long-term plan of the regional planning  
18                  authority; and

19                  “(G) considers staging of projects, includ-  
20                  ing the logical order of building and construc-  
21                  tion timelines.

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

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

4 “(7) MULTIPLE REGIONAL PLANNING AUTHORI-  
5 TIES.—

6 “(A) IN GENERAL.—If more than 1 re-  
7 gional planning authority is certified in an  
8 Interconnection, the regional planning authori-  
9 ties in the Interconnection shall ensure that the  
10 submitted plan integrates with the other plans  
11 in the Interconnection.

12 “(B) MODIFICATION.—The Commission  
13 shall modify the plans submitted under para-  
14 graph (9)(B), as necessary, to ensure that plans  
15 established under this section are integrated.

16 “(8) COORDINATION.—In the development of a  
17 Clean Energy Superhighway plan, a regional plan-  
18 ning authority shall coordinate, as appropriate, with  
19 planning authorities and other interested parties in  
20 Canada, Mexico, the Electric Reliability Council of  
21 Texas, and other Interconnections.

22 “(9) NATIONAL PLAN CERTIFICATION.—

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

1 regional planning authorities under this sub-  
2 section carry out the purposes of this section.

3 “(B) ADMINISTRATION.—

4 “(i) PUBLIC COMMENT.—The Com-  
5 mission shall provide an opportunity for  
6 public comment on each plan submitted by  
7 a regional planning authority.

8 “(ii) MODIFICATIONS.—

9 “(I) IN GENERAL.—The Commis-  
10 sion may modify or reject a plan as  
11 necessary to achieve the purposes of  
12 this section.

13 “(II) OPINION.—If the Commis-  
14 sion modifies or rejects a plan, not  
15 later than 60 days after the date the  
16 plan is submitted by the regional  
17 planning authority, the Commission  
18 shall provide a written opinion to the  
19 regional planning authority that con-  
20 tains the facts and reasons supporting  
21 the action of the Commission.

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

1           thority may submit a revised plan within  
2           90 days of the Commission’s rejection.

3           “(iv) CERTIFICATION.—If the Com-  
4           mission determines that a plan meets the  
5           purposes of this section, the Commission  
6           shall certify the plan for establishing a  
7           Clean Energy Superhighway.

8           “(10) BEST PRACTICES.—The Commission  
9           shall—

10           “(A) conduct regular reviews of best prac-  
11           tices in planning under this subsection; and

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

14           “(11) TIMING.—

15           “(A) IMPLEMENTATION.—

16           “(i) IN GENERAL.—Not later than 1  
17           year after the date of certification by the  
18           Commission, a regional planning authority  
19           shall complete the planning process re-  
20           quired under this section.

21           “(ii) WITHHOLDING OF PLANNING  
22           FUNDS.—If the Commission has not re-  
23           ceived a plan from a regional planning au-  
24           thority by the date that is 1 year after the  
25           date of the certification of the regional

1 planning authority by the Commission, the  
2 Commission shall—

3 “(I) determine the cause for the  
4 delay; and

5 “(II) inform the Secretary, who  
6 may withhold future planning funds  
7 from the regional planning authority  
8 under this subsection, if the Commis-  
9 sion determines that the process of  
10 the regional planning authority is not  
11 sufficiently implementing this sub-  
12 section.

13 “(iii) ASSUMPTION OF PLANNING RE-  
14 SPONSIBILITY.—If the Commission has not  
15 certified the regional plan for a region by  
16 the date that is 18 months after the date  
17 of the certification of the regional planning  
18 authority by the Commission, the Commis-  
19 sion shall assume the responsibility for cre-  
20 ating a regional plan for the region con-  
21 sistent with the planning process estab-  
22 lished under paragraph (4).

23 “(iv) NOTIFICATION.—The Commis-  
24 sion shall submit to Congress written noti-  
25 fication of an intent to assume responsi-

1           bility under clause (iii) at least 30 days be-  
2           fore the date that responsibility is as-  
3           sumed.

4           “(B) UPDATES.—Not later than 2 years  
5           after the initial establishment of a plan under  
6           this section and every 2 years thereafter, a re-  
7           gional planning authority shall (in accordance  
8           with procedures required for the initial estab-  
9           lishment of a plan) review and (as necessary)  
10          modify the plan established under this section  
11          to ensure that the plan promotes the purposes  
12          of this section.

13          “(12) RECOVERY OF COSTS ASSOCIATED WITH  
14          INTERCONNECTION-WIDE      TRANSMISSION      GRID  
15          PROJECT PLANNING.—

16                 “(A) IN GENERAL.—A regional planning  
17                 authority and a participating State shall be per-  
18                 mitted to recover prudently incurred costs to  
19                 carry out the planning activities required under  
20                 this subsection pursuant to a Federal trans-  
21                 mission surcharge that will be established by  
22                 the Commission for the purposes of carrying  
23                 out this section.

24                 “(B) SURCHARGE.—A regional planning  
25                 authority shall—

1           “(i) establish a Federal transmission  
2           surcharge based on a formula rate that is  
3           submitted to the Commission for approval;  
4           and

5           “(ii) adjust the formula and surcharge  
6           on an annual basis.

7           “(C) COST RESPONSIBILITY.—Cost respon-  
8           sibility under each surcharge shall be assigned  
9           based on energy usage to all load-serving enti-  
10          ties within each regional planning authority.

11          “(D) LIMITATION.—The total amount of  
12          surcharges that may be imposed or collected na-  
13          tionally under this paragraph shall not exceed  
14          \$80,000,000 for any calendar year.

15          “(E) OTHER FUNDS.—Funds made avail-  
16          able for transmission planning under the Amer-  
17          ican Recovery and Reinvestment Act of 2009  
18          (Public Law 111–5) may be used to carry out  
19          this subsection.

20          “(c) COST ALLOCATION.—

21                 “(1) PURPOSES.—The purposes of this sub-  
22          section are—

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

1 borne disproportionately by ratepayers or gen-  
2 erators in specific areas; and

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

6 “(2) SUBMISSION.—Not later than 1 year after  
7 the date of the certification of the last regional plan-  
8 ning authority, all regional planning authorities  
9 within an Interconnection may submit jointly a sin-  
10 gle integrated Interconnection-wide cost allocation  
11 proposal to the Commission for allocating the costs  
12 of Clean Energy Superhighway facilities under this  
13 section.

14 “(3) ACTION BY COMMISSION.—Not later than  
15 120 days after the date of receipt of a cost-allocation  
16 plan submitted under paragraph (2), the Commis-  
17 sion shall—

18 “(A) provide notice and an opportunity for  
19 a hearing;

20 “(B) evaluate the plan; and

21 “(C)(i) approve the plan if the Commission  
22 finds that the plan results in just and reason-  
23 able rates that promote the purposes of this  
24 section (including this subsection); or

1           “(ii) reject or modify the plan if the Com-  
2 mission finds that the plan does not result in  
3 just and reasonable rates that promote the pur-  
4 poses of this section (including this subsection).

5           “(4) RESUBMISSION OF PLAN.—

6           “(A) IN GENERAL.—If the Commission re-  
7 jects the cost allocation plan under paragraph  
8 (3)(C)(ii), the Commission shall give guidance  
9 to the regional planning authorities on remedi-  
10 ation measures.

11           “(B) RESUBMISSION.—Not later than 90  
12 days after the date of the rejection, the regional  
13 planning authorities may submit to the Com-  
14 mission a revised cost allocation plan for the re-  
15 gion under this subsection.

16           “(C) MODIFICATIONS.—

17           “(i) IN GENERAL.—Not later than 60  
18 days after the date of resubmission of a  
19 cost-allocation plan, the Commission shall  
20 approve, modify, or reject the plan as nec-  
21 essary to achieve the purposes of this sec-  
22 tion.

23           “(ii) OPINION.—If the Commission  
24 modifies or rejects a plan, not later than  
25 60 days after the date the plan is resub-

1           mitted by the regional planning authority,  
2           the Commission shall provide a written  
3           opinion to the regional planning authority  
4           that contains the facts and reasons sup-  
5           porting the action of the Commission.

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

16          “(6) IMPLEMENTATION.—

17                  “(A) IN GENERAL.—The Commission shall  
18                  adopt such rules, require inclusion of such pro-  
19                  visions in transmission tariffs, and take such  
20                  other actions as are necessary to efficiently—

21                          “(i) collect the costs for development  
22                          and operation of Clean Energy Super-  
23                          highway facilities; and

24                          “(ii) distribute the resultant revenues  
25                          to owners of the facilities.

1           “(B) TRANSMISSION CUSTOMER.—The  
2 rules or tariffs may consider each load-serving  
3 entity in an Interconnection to be a trans-  
4 mission customer under 1 or more of the tariffs  
5 established for collection of the costs for devel-  
6 opment and operation of Clean Energy Super-  
7 highway facilities.

8           “(d) SITING.—

9           “(1) PURPOSES.—The purpose of the inte-  
10 grated siting process provided for in this subsection  
11 is to provide an efficient and timely certification  
12 process that ensures participation of Federal land  
13 management agencies, States, and Indian tribes, and  
14 the appropriate protection of resources, in siting ap-  
15 plications before the Commission.

16           “(2) PREFILING.—

17           “(A) IN GENERAL.—Not later than 180  
18 days after the date of enactment of the Na-  
19 tional Energy Security Act of 2009, the Com-  
20 mission shall promulgate regulations to imple-  
21 ment an integrated prefiling process for the  
22 preparation of an application for the certifi-  
23 cation of a Clean Energy Superhighway facility.

24           “(B) PREAPPLICATION INFORMATION.—

1           “(i) IN GENERAL.—The regulations  
2           for the prefiling process shall include the  
3           appropriate information required for the  
4           Commission to determine if the proposed  
5           facility is included in the Clean Energy Su-  
6           perhighway plan certified by the Commis-  
7           sion under subsection (b)(9).

8           “(ii) STEPS.—The regulations shall  
9           establish a list of steps that shall be com-  
10          pleted before submitting an application for  
11          a certificate, including the steps required  
12          under this subparagraph.

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

18          “(iv) DETERMINATION OF INCLUSION  
19          IN PLAN.—The Commission shall deter-  
20          mine whether the proposed facility is in-  
21          cluded in a Clean Energy Superhighway  
22          plan certified under subsection (b)(9).

23          “(v) NOTIFICATION.—The Commis-  
24          sion shall provide notice to the public, af-  
25          fected States, Federal land agencies, and

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

3 “(vi) PREFILING SCHEDULE.—The  
4 Commission shall establish a prefiling  
5 schedule for the applicant, agencies, and  
6 Indian tribes.

7 “(vii) STATE SITING CONSTRAINTS.—  
8 The applicant shall consider the State  
9 siting constraints identified under para-  
10 graph (3).

11 “(viii) CONSULTATION.—The appli-  
12 cant shall consult with affected States,  
13 Federal land agencies, and Indian tribes in  
14 carrying out this subsection

15 “(ix) EARLY SCOPING PROCESS.—The  
16 Commission shall conduct an early scoping  
17 process that is consistent with the terms  
18 and conditions of section 5.8 of title 18,  
19 Code of Federal Regulations (or a suc-  
20 cessor section), as determined by the Com-  
21 mission.

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

1 a Federal, State, Indian tribe administra-  
2 tive agency, or officer under this sub-  
3 section.

4 “(xi) SITING DISPUTE RESOLUTION  
5 BOARD.—The Commission shall establish a  
6 siting dispute resolution board that is con-  
7 sistent with the terms and conditions of  
8 section 5.14 of title 18, Code of Federal  
9 Regulations and paragraph (3)(B), as de-  
10 termined by the Commission.

11 “(C) CERTIFICATE OF PUBLIC CONVEN-  
12 IENCE AND NECESSITY.—An applicant shall  
13 comply with the prefiling process established  
14 under this paragraph before filing an applica-  
15 tion for a certificate of public convenience and  
16 necessity with the Commission.

17 “(3) STATE SITING CONSTRAINTS.—

18 “(A) STATE AGENCY.—

19 “(i) IN GENERAL.—The Governor of a  
20 State in which a Clean Energy Super-  
21 highway facility is proposed pursuant to  
22 paragraph (2) shall designate the appro-  
23 priate State agency to coordinate with the  
24 Commission on siting.

1                   “(ii) SITING CONSTRAINTS AND MITI-  
2                   GATION MEASURES.—

3                   “(I) IN GENERAL.—Applicants  
4                   shall work with affected States in the  
5                   prefiling process described in para-  
6                   graph (2).

7                   “(II) DESIGNATED STATE AGEN-  
8                   CY.—At the conclusion of the prefiling  
9                   process, the designated State agency  
10                  may identify and communicate to the  
11                  applicant and the Commission infor-  
12                  mation on siting constraints and miti-  
13                  gation measures (including habitat  
14                  protection, environmental consider-  
15                  ations, cultural site protection, or  
16                  other factors) for a Clean Energy Su-  
17                  perhighway facility within the State.

18                  “(B) SITING DISPUTE RESOLUTION  
19                  BOARD.—

20                  “(i) IN GENERAL.—During the pre-  
21                  filing process for each Clean Energy Su-  
22                  perhighway facility application, the Com-  
23                  mission shall establish a siting dispute res-  
24                  olution board to ensure appropriate siting  
25                  within and across the borders of the State.

1           “(ii) COMPOSITION.—The board for a  
2 Clean Energy Superhighway facility shall  
3 be composed of—

4           “(I) 1 representative of the Com-  
5 mission, who is not otherwise involved  
6 in the applicable proceeding;

7           “(II) 1 representative of each af-  
8 fected State, as designated by the  
9 Governor, and who is not otherwise  
10 involved in the proceeding; and

11           “(III) 1 independent person with  
12 expertise in the area, selected by the  
13 other 2 panelists from a  
14 preestablished list of individuals who  
15 have that expertise (as established by  
16 the Commission).

17           “(iii) APPEALS.—If the applicant does  
18 not agree with the siting constraints and  
19 mitigation measures proposed by a State,  
20 the applicant may appeal the constraints  
21 and measures to the appropriate siting dis-  
22 pute resolution board.

23           “(iv) DECISION.—The board shall—

24           “(I) make a decision on any ap-  
25 peal made under clause (iii); and

1                   “(II) submit to the Commission a  
2                   recommendation for final dispute res-  
3                   olution.

4                   “(C) FEDERAL ACTION.—

5                   “(i) IN GENERAL.—The Commission  
6                   shall incorporate State siting constraints  
7                   and mitigation measures in the certificate  
8                   issued under paragraph (9), unless the  
9                   Commission finds that any recommenda-  
10                  tion referred to in subparagraph (A)  
11                  (based on the recommendation of the ap-  
12                  plicable sitting dispute resolution board) is  
13                  inconsistent with the purposes and require-  
14                  ments of this section or other applicable  
15                  Federal law.

16                  “(ii) FINDINGS.—If (after any pro-  
17                  ceedings of a siting dispute resolution  
18                  board) the Commission does not adopt in  
19                  whole or in part a recommendation of the  
20                  State agency, the Commission shall publish  
21                  (together with a description of the basis  
22                  for each finding)—

23                  “(I) a finding that adoption of  
24                  the recommendation of the siting dis-  
25                  pute resolution board is inconsistent

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

4 “(II) a finding that adopts the  
5 recommendations of the siting dispute  
6 resolution board conditions selected by  
7 the Commission comply with the State  
8 siting constraints and mitigation  
9 measures described in subparagraph  
10 (A).

11 “(4) FEDERAL AUTHORITY.—

12 “(A) IN GENERAL.—Except as otherwise  
13 provided in this subsection, the Commission  
14 shall have exclusive jurisdiction over the grant-  
15 ing of a certificate for the siting of a Clean En-  
16 ergy Superhighway facility.

17 “(B) RIGHTS OF WAY.—

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

23 “(ii) INDIAN LAND.—In carrying out  
24 this subparagraph, the Secretary of the In-  
25 terior shall use the process established

1 under the terms and conditions of section  
2 2604 of the Energy Policy Act of 1992 (25  
3 U.S.C. 3504) and the Act of February 5,  
4 1948 (25 U.S.C. 323 et seq.) (including  
5 applicable regulations) to establish a right-  
6 of-way for a Clean Energy Superhighway  
7 on Indian land, as determined by the Sec-  
8 retary of the Interior.

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

15 “(5) SCHEDULE.—

16 “(A) IN GENERAL.—The Commission shall  
17 establish a schedule for all Federal authoriza-  
18 tions under this subsection.

19 “(B) ADMINISTRATION.—In establishing  
20 the schedule, the Commission shall—

21 “(i) ensure expeditious completion of  
22 all such proceedings; and

23 “(ii) comply with applicable schedules  
24 established by Federal law.

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

5           “(7) ENVIRONMENTAL PROTECTION.—

6           “(A) IN GENERAL.—Except as otherwise  
7 specifically provided in this section, nothing in  
8 this section affects any requirements of an envi-  
9 ronmental law of the United States, including  
10 the National Environmental Policy Act of 1969  
11 (42 U.S.C. 4321 et seq.).

12           “(B) ENVIRONMENTAL REVIEW OF INDI-  
13 VIDUAL LINES.—In the case of a Clean Energy  
14 Superhighway facility, the Commission shall—

15           “(i) serve as lead agency for the pur-  
16 poses of coordinating the environmental re-  
17 view that is required by law between all  
18 relevant Federal agencies;

19           “(ii) in consultation with the affected  
20 Federal and State agencies and Indian  
21 tribes, prepare a single environmental re-  
22 view document as required under the Na-  
23 tional Environmental Policy Act of 1969  
24 (42 U.S.C. 4321 et seq.); and

1           “(iii) in the case of a line that tra-  
2           verses Federal land, take any action that is  
3           required under the terms and conditions of  
4           applicable land use plans.

5           “(C) DEADLINE.—The environmental re-  
6           views described in subparagraph (B) shall be  
7           completed not later than 1 year after date of  
8           application for a certificate.

9           “(D) MEMORANDUM OF UNDER-  
10          STANDING.—Not later than 1 year after the  
11          date of enactment of the National Energy Secu-  
12          rity Act of 2009, the Commission shall enter  
13          into a memorandum of understanding with all  
14          applicable Federal land agencies to create a  
15          streamlined and consolidated environmental re-  
16          view process to carry out this section.

17          “(8) CERTIFICATE OF PUBLIC CONVENIENCE  
18          AND NECESSITY.—

19                 “(A) IN GENERAL.—No individual or enti-  
20                 ty (including States and entities described in  
21                 subsection (f)) shall construct, acquire, or oper-  
22                 ate any Clean Energy Superhighway facility, or  
23                 modify a Clean Energy Superhighway facility  
24                 for which a certificate was previously issued  
25                 under this subsection, unless there is in force

1 with respect to the individual or entity a certifi-  
2 cate of public convenience and necessity issued  
3 by the Commission authorizing such acts or op-  
4 eration.

5 “(B) APPLICATION FOR CERTIFICATE.—

6 Any individual or entity that seeks to operate,  
7 construct, acquire, or modify any Clean Energy  
8 Superhighway facility shall—

9 “(i) complete the prefiling process  
10 under paragraph (2);

11 “(ii) submit to the Commission a writ-  
12 ten application in such form and con-  
13 taining such information as the Commis-  
14 sion may by regulation require; and

15 “(iii) provide notice of and oppor-  
16 tunity for hearing on the application to in-  
17 terested parties in such manner as the  
18 Commission shall by regulation require.

19 “(C) HEARING.—On receipt of an applica-  
20 tion under this paragraph, the Commission—

21 “(i) shall—

22 “(I) provide notice and oppor-  
23 tunity to interested persons; and

24 “(II) include any applicable con-  
25 ditions; and

1                   “(ii) may approve or disapprove the  
2                   application, in accordance with paragraph  
3                   (9).

4                   “(9) GRANT OF CERTIFICATE.—

5                   “(A) IN GENERAL.—A certificate shall be  
6                   issued to a qualified applicant for the certificate  
7                   authorizing the whole or partial operation, con-  
8                   struction, acquisition, or modification covered  
9                   by the application, only if the Commission de-  
10                  termines that—

11                  “(i) the facility is included in the  
12                  Clean Energy Superhighway plan certified  
13                  by the Commission;

14                  “(ii) 1 or more applicants are able  
15                  and willing—

16                  “(I) to carry out the acts and  
17                  perform the service proposed; and

18                  “(II) to comply with this Act (in-  
19                  cluding regulations); and

20                  “(iii) the proposed operation, con-  
21                  struction, acquisition, or modification, to  
22                  the extent authorized by the certificate, is  
23                  or will be required by the present or future  
24                  public convenience and necessity.

1           “(B) TERMS AND CONDITIONS.—The Com-  
2 mission shall have the power to attach to the  
3 issuance of a certificate under this paragraph  
4 and to the exercise of the rights granted under  
5 the certificate such reasonable terms and condi-  
6 tions as the public convenience and necessity  
7 may require, including (as may be required by  
8 applicable law) land use plans or applicable  
9 rights-of-way.

10           “(C) EVALUATION OF ABILITIES OF APPLI-  
11 CANT.—

12           “(i) IN GENERAL.—In evaluating the  
13 ability of 1 or more applicants described in  
14 subparagraph (A)(ii), the Commission shall  
15 consider whether the financial and tech-  
16 nical capabilities of the applicant are ade-  
17 quate to support construction and oper-  
18 ation of the project proposed in the appli-  
19 cation.

20           “(ii) JOINT OWNERSHIP PROJECTS.—  
21 In evaluating applications that feature  
22 joint ownership projects by multiple load-  
23 serving or wholesale entities, the Commis-  
24 sion shall consider benefits from the great-

1           er diversification of financial risk inherent  
2           in the applications.

3           “(D) PUBLIC CONVENIENCE AND NECES-  
4           SITY.—In making a determination with respect  
5           to public convenience and necessity described in  
6           subparagraph (A)(iii), the Commission shall  
7           presume that there is a public need for a pro-  
8           posed project that is included in the Clean En-  
9           ergy Superhighway plan developed pursuant to  
10          this section or that constitutes all of or a por-  
11          tion of a renewable feeder line.

12          “(10) RIGHT OF EMINENT DOMAIN.—

13                 “(A) IN GENERAL.—If any holder of a cer-  
14                 tificate issued under paragraph (9) cannot ac-  
15                 quire by contract, or is unable to agree with the  
16                 owner of property on the compensation to be  
17                 paid for, the right-of-way to construct, operate,  
18                 and maintain the project to which the certifi-  
19                 cate relates, and the necessary land or other  
20                 property necessary to the proper operation of  
21                 the project, the holder may acquire the right-of-  
22                 way by the exercise of the right of eminent do-  
23                 main through a proceeding in—

1           “(i) the United States district court  
2           for the district in which the property is lo-  
3           cated; or

4           “(ii) a State court, to the extent per-  
5           mitted under State law.

6           “(B) PRACTICE AND PROCEDURE.—The  
7           practice and procedure for any action or pro-  
8           ceeding described in subparagraph (A) in a  
9           United States district court shall conform, to  
10          the maximum extent practicable, to the practice  
11          and procedure for similar actions or pro-  
12          ceedings in the courts of the State in which the  
13          property is located.”;

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

15          (3) by redesignating subsection (h) as sub-  
16          section (e);

17          (4) in subsection (e) (as redesignated by para-  
18          graph (3))—

19                  (A) in paragraph (2), by striking “Depart-  
20                  ment of Energy” and inserting “Federal En-  
21                  ergy Regulatory Commission (referred to in this  
22                  subsection as the ‘Commission’)”; and

23                  (B) in paragraph (3), by striking “Sec-  
24                  retary” and inserting “Commission”; and

25          (5) by adding at the end the following:

1       “(f) APPLICABILITY.—This section does not apply to  
2 the State of Alaska or Hawaii or to the Electric Reliability  
3 Council of Texas, unless the State or the Council volun-  
4 tarily elects to be covered by this section.

5       “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
6 are authorized to be appropriated such sums are necessary  
7 to carry out this section.”.

8 **SEC. 102. RECOVERY OF COSTS FOR SMART GRID TECH-**  
9 **NOLOGY AND ADVANCED MATERIALS.**

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

12           (1) in subparagraph (A), by striking “and”  
13 after the semicolon at the end;

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

16           (3) by adding at the end the following:

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

23                   “(D) all prudently incurred costs relating  
24 to the use of advanced materials for the con-  
25 struction of technology transmission facilities if

1 the advanced materials are at least 25 percent  
 2 more efficient than standard transmission ma-  
 3 terials.”.

4 **TITLE II—TRANSPORTATION**  
 5 **SECTOR**

6 **Subtitle A—Electrification of**  
 7 **Transportation Sector**

8 **SEC. 201. MINIMUM FEDERAL FLEET REQUIREMENT.**

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

11 (1) in subsection (b)—

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

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

16 “(2) PLUG-IN ELECTRIC DRIVE VEHICLES.—Of  
 17 the total number of vehicles acquired by a Federal  
 18 fleet under paragraph (1), at least the following per-  
 19 centage of the vehicles shall be plug-in electric drive  
 20 vehicles (as defined in section 131(a) of the Energy  
 21 Independence and Security Act of 2007 (42 U.S.C.  
 22 17011(a))):

23 “(A) 10 percent for fiscal year 2012.

24 “(B) The applicable percentage for the  
 25 preceding fiscal year increased by 5 percentage

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

4 (C) in paragraph (3) (as redesignated by  
5 subparagraph (A)), by inserting “or (2)” after  
6 “paragraph (1)”;

7 (2) by striking subsection (e) and inserting the  
8 following:

9 “(e) ALLOCATION OF INCREMENTAL COSTS.—Sub-  
10 ject to the availability of funds appropriated to carry out  
11 this subsection (to remain available until expended), the  
12 General Services Administration shall pay the incremental  
13 cost of alternative fueled vehicles over the cost of com-  
14 parable gasoline vehicles for vehicles that the Administra-  
15 tion purchased for the use of the Administration or on  
16 behalf of other agencies, in a total amount of not to exceed  
17 \$300,000,000 for any of fiscal years 2012 through  
18 2016.”;

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

21 “(4) COMPLIANCE.—Compliance with this sub-  
22 section shall not relieve the Federal agency of the  
23 obligations of the agency under subsection (b).”;

1           (4) in subsection (g), by striking “fiscal years  
2           1993 through 1998” and inserting “each fiscal  
3           year”.

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

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

8           (1) in subparagraph (A), by striking “Before”  
9           and inserting “Except as provided in subparagraph  
10          (D), before”;

11          (2) in subparagraph (B), by striking “Before”  
12          and inserting “Except as provided in subparagraph  
13          (D), before”; and

14          (3) by adding at the end the following:

15                 “(D) USE BY PLUG-IN ELECTRIC DRIVE  
16                 VEHICLES.—

17                         “(i) DEFINITION OF PLUG-IN ELEC-  
18                         TRIC DRIVE VEHICLE.—In this subpara-  
19                         graph, the term ‘plug-in electric drive vehi-  
20                         cle’ has the meaning given the term in sec-  
21                         tion 131(a) of the Energy Independence  
22                         and Security Act of 2007 (42 U.S.C.  
23                         17011(a)).

24                         “(ii) USE OF HOV FACILITIES.—A  
25                         State agency—

1           “(I) shall permit vehicles that are  
2 certified as low emission and energy-  
3 efficient vehicles in accordance with  
4 subsection (e) that are light-duty  
5 plug-in electric drive vehicles, and  
6 that are purchased on or before De-  
7 cember 31 of the calendar year de-  
8 scribed in clause (iii), as determined  
9 by the Secretary, to use HOV facili-  
10 ties in the State; and

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

14           “(iii) CALENDAR YEAR.—The cal-  
15 endar year referred to in clause (ii)(I) is  
16 the calendar year during which, as deter-  
17 mined by the Secretary, the aggregate  
18 number of plug-in electric drive vehicles  
19 sold in the United States during all cal-  
20 endar years exceeds 2,000,000.

21           “(iv) PETITION.—A State may peti-  
22 tion the Secretary to limit or discontinue  
23 the use of a HOV facility by plug-in elec-  
24 tric drive vehicles if the State dem-  
25 onstrates to the Secretary that the pres-

1                   ence of the plug-in electric drive vehicles  
2                   has degraded the operation of the HOV fa-  
3                   cility.”.

4 **SEC. 203. RECHARGING INFRASTRUCTURE.**

5           (a) DEFINITIONS.—In this section:

6               (1) LOCAL GOVERNMENT.—The term “local  
7               government” has the meaning given the term in sec-  
8               tion 3371 of title 5, United States Code.

9               (2) PLUG-IN ELECTRIC DRIVE VEHICLE.—The  
10              term “plug-in electric drive vehicle” has the meaning  
11              given the term in section 131(a) of the Energy Inde-  
12              pendence and Security Act of 2007 (42 U.S.C.  
13              17011(a)).

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

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

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

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

1 (b) STUDY.—

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

4 (A) the number and distribution of re-  
5 charging facilities, including range extension in-  
6 frastructure, that will be required for drivers of  
7 plug-in electric drive vehicles to reliably re-  
8 charge the electric drive vehicles;

9 (B) minimum technical standards for pub-  
10 lic recharging facilities in coordination with the  
11 National Institute of Standards and Tech-  
12 nology; and

13 (C) the concurrent technical and infra-  
14 structure investments that electric utilities and  
15 electricity providers will be required to make to  
16 support widespread deployment of recharging  
17 infrastructure and the estimated costs of the in-  
18 vestments.

19 (2) COMPONENTS.—In conducting the study re-  
20 quired under this subsection, the Secretary shall  
21 analyze—

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

1 (i) the ratio of residential, commer-  
2 cial, and public recharging infrastructure  
3 options necessary to support 10 percent,  
4 20 percent, and 50 percent penetration of  
5 plug-in electric vehicles on a city fleet  
6 basis;

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

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

16 (B) whether use of parking spots with ac-  
17 cess to recharging facilities should be limited to  
18 plug-in electric drive vehicles;

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

21 (D) such other issues as the Secretary con-  
22 siders appropriate.

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

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

3 (c) GRANTS AND LOANS TO STATE AND LOCAL GOV-  
4 ERNMENTS FOR RECHARGING INFRASTRUCTURE.—

5 (1) IN GENERAL.—Effective beginning October  
6 1, 2010, the Secretary shall establish a program  
7 under which the Secretary shall provide grants and  
8 loans to local governments to assist in the installa-  
9 tion of recharging facilities for electric drive vehicles  
10 in areas under the jurisdiction of the local govern-  
11 ments. The Secretary shall provide funding under  
12 this section to State or local governments to pay not  
13 more than fifty percent of the recharging infrastruc-  
14 ture cost.

15 (2) ELIGIBILITY.—To be eligible to obtain a  
16 grant or loan under this subsection, a local govern-  
17 ment shall—

18 (A) demonstrate to the Secretary that the  
19 applicant has taken into consideration the find-  
20 ings of the report submitted under subsection  
21 (b)(3), unless the local government dem-  
22 onstrates to the Secretary that an alternative  
23 variety and density of recharging infrastructure  
24 options would better meet the purposes of this  
25 section; and

1 (B) agree not to charge a premium for use  
2 of a parking space used to recharge an electric  
3 drive vehicle other than a charge for electric en-  
4 ergy.

5 (3) GUIDELINES.—The Secretary shall establish  
6 guidelines for carrying out this subsection that are  
7 consistent with the report submitted under sub-  
8 section (b)(3).

9 (4) AUTHORIZATION OF APPROPRIATIONS.—  
10 There is authorized to be appropriated to the Sec-  
11 retary to carry out this subsection a total of  
12 \$250,000,000 for grants and a total of  
13 \$250,000,000 for loans, to remain available until ex-  
14 pended.

15 **SEC. 204. LOAN GUARANTEES FOR ADVANCED BATTERY**  
16 **PURCHASES.**

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

20 **“SEC. 137. LOAN GUARANTEES FOR ADVANCED BATTERY**  
21 **PURCHASES.**

22 “(a) DEFINITIONS.—In this section:

23 “(1) PLUG-IN ELECTRIC DRIVE VEHICLE.—The  
24 term ‘plug-in electric drive vehicle’ has the meaning  
25 given the term in section 131(a).

1           “(2) RANGE EXTENSION INFRASTRUCTURE.—

2           The term ‘range extension infrastructure’ includes  
3           equipment, products, or services for recharging plug-  
4           in electric drive vehicles that—

5                   “(A) are available to retail consumers of  
6           electric drive vehicles on a nondiscriminatory  
7           basis;

8                   “(B) provide for extended driving range  
9           through battery exchange or rapid recharging;  
10          and

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

13          “(b) LOAN GUARANTEES.—The Secretary shall guar-  
14          antee loans made to eligible entities for the aggregate pur-  
15          chase by an eligible entity of not less than 5,000 batteries  
16          that use advanced battery technology within a calendar  
17          year.

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

20                   “(1) an original equipment manufacturer;

21                   “(2) a vehicle manufacturer;

22                   “(3) an electric utility;

23                   “(4) any provider of range extension infrastruc-  
24          ture; or

1           “(5) any other qualified entity, as determined  
2           by the Secretary.

3           “(d) REGULATIONS.—The Secretary shall promul-  
4           gate such regulations as are necessary to carry out this  
5           section.

6           “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
7           are authorized to be appropriated such sums as are nec-  
8           essary to carry out this section.”.

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

11           (a) IN GENERAL.—In combination with the research,  
12           demonstration, and deployment activities conducted under  
13           section 641(k) of the Energy and Independence and Secu-  
14           rity Act of 2007 (42 U.S.C. 17231(k)), the Secretary shall  
15           conduct a study on the end-of-useful life options for motor  
16           vehicle batteries, including recommendations for sta-  
17           tionary storage applications and recyclability design speci-  
18           fications.

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

1     **Subtitle B—Medium- and Heavy-**  
2                   **Duty Vehicles**

3     **SEC. 211. MAXIMUM WEIGHT STUDY.**

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

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

15               (1) determine whether a vehicle with a supple-  
16               mentary sixth axle and a gross weight of up to  
17               97,000 pounds that is traveling at 60 miles per hour  
18               is capable of stopping at a distance of 355 feet or  
19               less;

20               (2) determine whether the use of the Interstate  
21               System by vehicles described in paragraph (1) would  
22               require a fundamental alteration of the vehicle archi-  
23               tecture that is commonly used for the transportation  
24               of goods as of the day before the date of the enact-  
25               ment of this Act;

1           (3) analyze the safety impacts of allowing vehi-  
2           cles described in paragraph (1) to use the Interstate  
3           System; and

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

8           (c) REPORT.—Not later than 1 year after the date  
9           of the enactment of this Act, the Secretary shall submit  
10          a report to Congress that contains the results of the study  
11          conducted under this section, including a determination by  
12          the Secretary as to whether permitting vehicles with a sup-  
13          plementary sixth axle and a gross weight of not more than  
14          97,000 pounds to use the Interstate System would have  
15          an adverse impact on highway safety.

16          (d) DEFINITION.—In this section, the term “Inter-  
17          state System” has the meaning given that term in section  
18          101(a) of title 23, United States Code.

19          **SEC. 212. FUEL ECONOMY.**

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

1                   **Subtitle C—Alternative**  
2                   **Transportation Technologies**

3 **SEC. 221. FLEXIBLE FUEL AUTOMOBILES.**

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

6                   (1) in section 32901(a)—

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

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

12                           “(10) ‘flexible fuel automobile’ means an auto-  
13                           mobile that has been warranted by the manufacturer  
14                           of the automobile to operate on gasoline and fuel  
15                           mixtures containing 15 percent gasoline and 85 per-  
16                           cent ethanol or methanol.”; and

17                   (2) by inserting after section 32902 the fol-  
18                   lowing:

19 **“§ 32902A. Requirement to manufacture flexible fuel**  
20                   **automobiles**

21                   “(a) IN GENERAL.—For each model year listed in the  
22                   following table, each manufacturer shall ensure that the  
23                   percentage of automobiles manufactured by the manufac-  
24                   turer for sale in the United States that are flexible fuel

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

<b>“Model Year</b>	<b>Percentage</b>
Model year 2012 .....	50 percent
Model year 2013 .....	60 percent
Model year 2014 .....	70 percent
Model year 2015 .....	80 percent
Model year 2016 .....	90 percent
Model year 2017 .....	100 percent.

3 “(b) **AUTOMOBILES EXCLUDED.**—The requirement  
 4 under subsection (a) shall not apply to any automobile  
 5 that operates on diesel, natural gas, hydrogen, or elec-  
 6 tricity.”.

7 (b) **CLERICAL AMENDMENT.**—The table of sections  
 8 for chapter 329 of title 49, United States Code, is amend-  
 9 ed by inserting after the item relating to section 32902  
 10 the following:

“32902A. Requirement to manufacture flexible fuel automobiles.”.

11 (c) **RULEMAKING.**—Not later than 1 year after the  
 12 date of the enactment of this Act, the Secretary of Trans-  
 13 portation shall prescribe regulations to carry out section  
 14 32902A of title 49, United States Code, as added by sub-  
 15 section (a).

16 **SEC. 222. TRANSPORTATION ROADMAP STUDY.**

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

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

1           (2) use the analysis to conduct an integrated  
2           assessment of the technological options that could  
3           lead to reduced petroleum consumption and green-  
4           house gas emissions.

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

7           (1) assess the status of technology options, in-  
8           cluding—

9                   (A) prospects of future fuels and path-  
10                  ways;

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

13                   (C) potential timing of market adoption;

14                   (D) potential reductions of petroleum con-  
15                  sumption and greenhouse gas emissions; and

16                   (E) improvements in and priorities for  
17                  Federal research and development program ac-  
18                  tivities;

19           (2) consider issues relating to duty cycles, re-  
20           gional distinctions, and technological development  
21           timelines;

22           (3) build on and integrate applicable research  
23           conducted in recent years, including by the Acad-  
24           emy;

1           (4) evaluate technical options and assess the ex-  
2           tent to which the United States can employ the op-  
3           tions to reduce oil intensity by 80 percent by cal-  
4           endar year 2050 and reduce carbon dioxide emis-  
5           sions at a rate that is consistent with national goals;  
6           and

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

9           (c) REPORT.—Not later than 21 months after funds  
10          are first made available to carry out this section, the Sec-  
11          retary shall submit to the appropriate committees of Con-  
12          gress a report on the results of the study conducted under  
13          subsection (a), including any recommendations.

14          (d) UPDATES.—

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

21               (2) REPORT.—Not later than 21 months after  
22               the date an arrangement is entered into under para-  
23               graph (1), the Secretary shall submit to the appro-  
24               priate committees of Congress a report on the re-

1 sults of the updated study conducted under para-  
 2 graph (1), including any recommendations.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—There is  
 4 authorized to be appropriated to carry out this section  
 5 \$2,200,000.

6 **DIVISION B—DOMESTIC PRO-**  
 7 **DUCTION AND WORKFORCE**  
 8 **DEVELOPMENT**  
 9 **TITLE I—INCREASING SUPPLY**  
 10 **Subtitle A—Increasing Production**  
 11 **From Domestic Resources**

12 **SEC. 300. AMENDMENT OF 1986 CODE.**

13 Except as otherwise expressly provided, whenever in  
 14 this subtitle an amendment or repeal is expressed in terms  
 15 of an amendment to, or repeal of, a section or other provi-  
 16 sion, the reference shall be considered to be made to a  
 17 section or other provision of the Internal Revenue Code  
 18 of 1986.

19 **PART I—INVESTMENT IN RENEWABLE ENERGY**

20 **SEC. 301. EXTENSION OF RENEWABLE ELECTRICITY PRO-**  
 21 **DUCTION CREDIT.**

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

24 (1) by striking “January 1, 2013” in paragraph  
 25 (1) and inserting “January 1, 2015”, and



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

4 (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to bonds issued after December  
6 31, 2010.

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

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

13 (b) FUEL CELL PROPERTY.—Subparagraph (E) of  
14 section 48(c)(1) is amended by striking “December 31,  
15 2016” and inserting “December 31, 2018”.

16 (c) QUALIFIED SMALL WIND ENERGY PROPERTY.—  
17 Subparagraph (D) of section 48(c)(4) is amended by strik-  
18 ing “December 31, 2016” and inserting “December 31,  
19 2018”.

20 (d) GEOTHERMAL HEAT PUMP SYSTEMS.—Clause  
21 (vii) of section 48(a)(3)(A) is amended by striking “Janu-  
22 ary 1, 2017” and inserting “January 1, 2019”.

23 (e) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to property placed in service after  
25 the date of the enactment of this Act.

1 **SEC. 304. INCREASE IN CREDIT FOR INVESTMENT IN AD-**  
2 **VANCED ENERGY FACILITIES.**

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

6 (b) EFFECTIVE DATE.—The amendment made by  
7 this section shall take effect as if included in the amend-  
8 ments made by section 1302 of the American Recovery  
9 and Reinvestment Tax Act of 2009.

10 **PART II—INVESTMENT IN ALTERNATIVE FUEL**  
11 **PROPERTY**

12 **SEC. 311. EXTENSION OF CREDITS FOR ALCOHOL FUELS.**

13 (a) IN GENERAL.—Sections 40, 6426(b)(6), and  
14 6427(e)(6)(A) are amended by striking “2010” each place  
15 it appears and inserting “2011”.

16 (b) CONFORMING AMENDMENT.—Section  
17 40(e)(1)(B) is amended by striking “2011” and inserting  
18 “2012”.

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

22 **SEC. 312. EXTENSION OF CREDITS FOR BIODIESEL AND RE-**  
23 **NEWABLE DIESEL.**

24 (a) IN GENERAL.—Sections 40A(g), 6426(e)(6), and  
25 6427(e)(6)(B) are each amended by striking “December  
26 31, 2009” and inserting “December 31, 2011”.

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

4 **PART III—INVESTMENT IN ELECTRIC DRIVE AND**  
 5 **ADVANCED VEHICLES**

6 **SEC. 321. EXTENSION OF CREDIT AND EXTENSION OF TEM-**  
 7 **PORARY INCREASE IN CREDIT FOR ALTER-**  
 8 **NATIVE FUEL VEHICLE REFUELING PROP-**  
 9 **ERTY.**

10 (a) EXTENSION OF CREDIT.—Subsection (g) of sec-  
 11 tion 30C is amended by striking “service—” and all that  
 12 follows and inserting “service after December 31, 2018.”.

13 (b) EXTENSION OF TEMPORARY INCREASE.—Para-  
 14 graph (6) of section 30C(e) is amended—

15 (1) by striking “January 1, 2011” and insert-  
 16 ing “January 1, 2019”, and

17 (2) by striking “AND 2010” in the heading and  
 18 inserting “THROUGH 2018”.

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

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

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

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

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

11 (1) IN GENERAL.—The last sentence of section  
12 30D(b)(3) is amended to read as follows: “The  
13 amount determined under this paragraph shall not  
14 exceed—

15 “(A) \$5,000, in the case of any new quali-  
16 fied plug-in electric drive motor vehicle with a  
17 gross vehicle weight rating of not more than  
18 14,000 pounds,

19 “(B) \$10,000, in the case of any new  
20 qualified plug-in electric drive motor vehicle  
21 with a gross vehicle weight rating of more than  
22 14,000 pounds but not more than 26,000  
23 pounds, and

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

1 with a gross vehicle weight rating of more than  
2 26,000 pounds.”.

3 (2) CONFORMING AMENDMENTS.—Paragraph  
4 (1) of section 30D(d) is amended by adding “and”  
5 at the end of subparagraph (D), by striking sub-  
6 paragraph (E), and by redesignating subparagraph  
7 (F) as subparagraph (E).

8 (c) INCREASE IN PER MANUFACTURER CAP.—Para-  
9 graph (2) of section 30D(e) is amended by striking  
10 “200,000” and inserting “400,000”.

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

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

16 (a) IN GENERAL.—Subsection (f) of section 30 is  
17 amended by striking “December 31, 2011” and inserting  
18 “December 31, 2018”.

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

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

3 (a) IN GENERAL.—Paragraph (3) of section 30B(k)  
 4 is amended by striking “December 31, 2009” and insert-  
 5 ing “December 31, 2014”.

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

9 **SEC. 325. CREDIT FOR HEAVY DUTY NATURAL GAS VEHI-**  
 10 **CLES.**

11 (a) IN GENERAL.—Paragraph (4) of section 30B(k)  
 12 is amended by inserting “(December 31, 2018, in the case  
 13 of such a vehicle which has a gross vehicle weight rating  
 14 of more than 26,000 pounds and which operates on com-  
 15 pressed natural gas or liquified natural gas)” after “De-  
 16 cember 31, 2010”.

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

20 **PART IV—LOW CARBON LOAN GUARANTEE**  
 21 **PROGRAM**

22 **SEC. 331. INNOVATIVE LOW-CARBON LOAN GUARANTEE**  
 23 **PROGRAM.**

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

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

3           “(11) Innovative low-carbon technology projects  
4 in accordance with subsection (f).”; and

5           (2) by adding at the end the following:

6           “(f) INNOVATIVE LOW-CARBON TECHNOLOGY  
7 PROJECTS.—

8           “(1) IN GENERAL.—The Secretary may make  
9 guarantees to carry out innovative low-carbon tech-  
10 nologies projects.

11           “(2) FUNDING.—

12           “(A) IN GENERAL.—Subject to the Federal  
13 Credit Reform Act of 1990 (2 U.S.C. 661 et  
14 seq.), the total principal amount of loans guar-  
15 anteed to carry out projects under this sub-  
16 section shall not exceed \$50,000,000,000, to re-  
17 main available until committed.

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

22           “(C) SOURCE OF FUNDS.—

23           “(i) IN GENERAL.—Amounts made  
24 available to carry out this subsection shall  
25 be—

1                   “(I) derived from amounts re-  
2                   ceived from borrowers pursuant to  
3                   section 1702(b)(2) for fiscal year  
4                   2010 or any previous fiscal year; and

5                   “(II) collected in accordance with  
6                   the Federal Credit Reform Act of  
7                   1990 (2 U.S.C. 661 et seq.).

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

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

17                  **PART V—INVESTMENT IN ETHANOL**

18                  **SEC. 341. RESEARCH AND DEVELOPMENT OF FUNGIBLE**

19                  **BIOFUELS.**

20                  There is authorized to be appropriated for advanced  
21                  biofuels research, development, and demonstration that  
22                  will create fuels that are fungible in existing infrastructure  
23                  \$100,000,000.

1     **PART VI—STUDIES ON MARKET PENETRATION**  
2                     **OF RENEWABLE RESOURCES**  
3     **SEC. 351. STUDIES ON MARKET PENETRATION OF RENEW-**  
4                     **ABLE RESOURCES.**

5             (a) IN GENERAL.—Not later than 1 year after the  
6 date of enactment of this Act, the Secretary shall con-  
7 duct—

8                     (1) a study on the quantity of solar energy (in-  
9 cluding photovoltaic and solar thermal energy) that  
10 can reasonably be expected to be deployed in the  
11 United States by calendar year 2030 and the re-  
12 quirements and costs associated with that deploy-  
13 ment;

14                     (2) a study on the quantity of geothermal en-  
15 ergy (including regular and advanced geothermal en-  
16 ergy) that can reasonably be expected to be deployed  
17 in the United States by calendar year 2030 and the  
18 requirements and costs associated with that deploy-  
19 ment;

20                     (3) a study on the quantity of hydrokinetic en-  
21 ergy that can reasonably be expected to be deployed  
22 in the United States by calendar year 2030 and the  
23 requirements and costs associated with that deploy-  
24 ment; and

25                     (4) in consultation with the Secretary of Agri-  
26 culture, a study on the quantity of renewable bio-

1 mass energy that can reasonably be expected to be  
2 deployed in the United States by calendar year  
3 2030, including consideration of—

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

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

8 (C) the requirements and costs associated  
9 with deployment.

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

16 (1) the best areas and rates for deployment of  
17 solar, geothermal, wind, biomass, and hydrokinetic  
18 energy by calendar year 2030 (based on multiple al-  
19 ternative scenarios); and

20 (2) the levels of market penetration that can be  
21 accomplished by calendar year 2030 (based on mul-  
22 tiple alternative scenarios).

1 **Subtitle B—Increasing Production**  
2 **From Fossil Resources**

3 **PART I—OUTER CONTINENTAL SHELF**

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

6 (a) IN GENERAL.—Not later than 2 years after the  
7 date of enactment of this Act and subject to subsection  
8 (b), the Secretary of the Interior (referred to in this sub-  
9 title as the “Secretary”) shall complete an inventory of  
10 oil and natural gas resources in areas of the Outer Conti-  
11 nental Shelf (as defined in section 2 of the Outer Conti-  
12 nental Shelf Lands Act (43 U.S.C. 1331)) with the great-  
13 est potential for containing oil or gas reserves.

14 (b) REQUIREMENTS.—

15 (1) IN GENERAL.—The Secretary shall carry  
16 out the inventory under subsection (a) in stages, fo-  
17 cusing first on areas that the Secretary identifies as  
18 having the greatest potential for oil and gas re-  
19 serves.

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

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

3           (3) INITIATION OF CERTAIN INVENTORIES.—

4       Not later than 90 days after the date of enactment  
5       of this Act, the Secretary shall begin conducting any  
6       inventories in the Atlantic and Pacific areas of the  
7       Outer Continental Shelf.

8           (4) BEST AVAILABLE TECHNOLOGY.—In con-  
9       ducting the inventory under subsection (a), the Sec-  
10      retary shall—

11           (A) use the best technology available to ob-  
12      tain accurate resource estimates; and

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

15           (i) under existing or expired leases; or

16           (ii) under part 251 of title 30, Code  
17      of Federal Regulations (or successor regu-  
18      lations).

19           (5) REPORTS.—On completion of any inde-  
20      pendent reports prepared as part of an inventory  
21      under this section, the Secretary shall make the  
22      independent reports immediately available to the  
23      public.

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

1 shall complete any environmental studies necessary to  
2 gather information essential to an accurate inventory, in-  
3 cluding geological and geophysical explorations under part  
4 251 of title 30, Code of Federal Regulations (or successor  
5 regulations).

6 (d) REPORTS.—

7 (1) IN GENERAL.—On completion of an inven-  
8 tory under this section, the Secretary shall submit to  
9 Congress and the Governors of any affected coastal  
10 States a report that describes the results of the in-  
11 ventory.

12 (2) ASSESSMENT.—A report submitted under  
13 paragraph (1) shall include an assessment of the  
14 economic, energy, environmental, and national secu-  
15 rity impacts on the United States, any affected  
16 coastal States, and any affected local units of gov-  
17 ernment if the oil and natural gas resources identi-  
18 fied by the inventory were developed and produced,  
19 including estimates of any direct and indirect reve-  
20 nues that would be available to the Federal Govern-  
21 ment, the affected coastal State governments, and  
22 units of local government.

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

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

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

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

9 (f) FUNDING.—

10 (1) IN GENERAL.—The Secretary of the Treas-  
11 ury shall make a 1-time transfer to the Secretary,  
12 from royalties collected in conjunction with the pro-  
13 duction of oil and gas, such sums as are necessary  
14 to carry out this section, including the completion of  
15 environmental studies necessary to conduct geologi-  
16 cal and geophysical explorations in all of the Outer  
17 Continental Shelf areas of the Atlantic and the Pa-  
18 cific under part 251 of title 30, Code of Federal  
19 Regulations (or successor regulations).

20 (2) RECEIPT AND ACCEPTANCE.—The Sec-  
21 retary shall be entitled to receive, shall accept, and  
22 shall use to carry out this section the funds trans-  
23 ferred under paragraph (1), without further appro-  
24 priation.

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

3 **SEC. 362. LEASING OF OFFSHORE AREAS ESTIMATED TO**  
4                           **CONTAIN COMMERCIALY RECOVERABLE**  
5                           **OIL OR GAS RESOURCES.**

6           (a) DEFINITION OF POTENTIAL PRODUCING AREA.—

7 In this section, the term “potential producing area” means  
8 any area in an Outer Continental Shelf planning area, as  
9 defined by the Minerals Management Service, that a seis-  
10 mic survey or other geologic study identifies as exhibiting  
11 geologic characteristics similar to the characteristics found  
12 in other commercial oil and gas producing regions in the  
13 Outer Continental Shelf or other oil and gas producing  
14 areas.

15           (b) LEASING OF POTENTIAL PRODUCING AREAS.—

16 Not later than 1 year after the date of the release of an  
17 inventory or report under section 361 that identifies a po-  
18 tential producing area, the Secretary may make the poten-  
19 tial producing area available for oil and gas leasing under  
20 the Outer Continental Shelf Lands Act (43 U.S.C. 1331  
21 et seq.).

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

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

3 **SEC. 363. ENVIRONMENTAL STEWARDSHIP AND ALLOW-**  
4 **ABLE ACTIVITIES.**

5 (a) IN GENERAL.—The Secretary shall promulgate  
6 regulations that establish appropriate environmental safe-  
7 guards for the exploration and production of oil and nat-  
8 ural gas on the Outer Continental Shelf.

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

11 (1) provisions requiring surety bonds of suffi-  
12 cient value to ensure the mitigation of any reason-  
13 ably foreseeable incident that could be directly  
14 caused by persons engaged in oil and natural gas de-  
15 velopment, in accordance with subpart A of part 256  
16 of title 30, Code of Federal Regulations (or suc-  
17 cessor regulations);

18 (2) provisions assigning liability to responsible  
19 parties of environmental damage to the Outer Conti-  
20 nental Shelf to the extent that the damage is not  
21 otherwise implicitly or explicitly authorized or per-  
22 mitted by Federal law (including regulations);

23 (3) provisions no less stringent than the regula-  
24 tions promulgated under the Oil Pollution Act of  
25 1990 (33 U.S.C. 2701 et seq.); and

1 (4) provisions ensuring that—

2 (A) no surface facility is installed for the  
3 purpose of production of oil or gas resources in  
4 any area visible to the unassisted eye from any  
5 shore of any coastal State in any areas in the  
6 Outer Continental Shelf that have not pre-  
7 viously been made available for oil and gas leas-  
8 ing;

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

11 (i) beyond the area described in sub-  
12 paragraph (A); and

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

18 (C) the impact of offshore production fa-  
19 cilities on coastal vistas is otherwise mitigated.

20 (e) EXCLUSIONS.—No regulations promulgated  
21 under this section shall apply to the development, con-  
22 struction, or operation of renewable energy facilities on the  
23 Outer Continental Shelf.

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

1 Agencies Appropriations Act, 2006 (Public Law 109–54;  
2 119 Stat. 521) (as amended by section 103(d) of the Gulf  
3 of Mexico Energy Security Act of 2006 (43 U.S.C. 1331  
4 note; Public Law 109–432)) is amended by inserting “and  
5 any other area that the Secretary of the Interior may offer  
6 for leasing, preleasing, or any related activity under sec-  
7 tion 104 of that Act” after “2006”).

8 **SEC. 364. MORATORIUM OF OIL AND GAS LEASING IN CER-**  
9 **TAIN AREAS OF THE GULF OF MEXICO.**

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

14 “(a) IN GENERAL.—Effective during the period be-  
15 ginning on the date of enactment of this Act and ending  
16 on June 30, 2022, the Secretary shall not offer for leasing,  
17 preleasing, or any related activity any area east of 85 de-  
18 grees, 50 minutes West Longitude in the Eastern Plan-  
19 ning Area that is within 45 miles of the coastline of the  
20 State of Florida.”.

21 (b) NATIONAL DEFENSE AREA.—Section 12(d) of  
22 the Outer Continental Shelf Lands Act (43 U.S.C.  
23 1341(d)) is amended—

24 (1) by striking “The United States” and insert-  
25 ing the following:

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

2 (2) by adding at the end the following:

3 “(2) REVIEW.—Annually, the Secretary of De-  
4 fense shall review the areas of the outer Continental  
5 Shelf that have been designated as restricted from  
6 exploration and operation to determine whether the  
7 areas should remain under restriction.”.

8 (c) LEASING OF MORATORIUM AREAS.—

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

15 (2) ADMINISTRATION.—Any areas made avail-  
16 able for leasing under paragraph (1) shall be offered  
17 for lease under this section—

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

23 (B) in a manner consistent with section  
24 363.

1 **SEC. 365. TREATMENT OF REVENUES.**

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

4 (1) in paragraph (2), by striking “Notwith-  
5 standing” and inserting “Except as provided in  
6 paragraph (6), and notwithstanding”;

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

9 (3) by inserting after paragraph (5) the fol-  
10 lowing:

11 “(6) RENEWABLE ENERGY RESERVE FUND.—

12 “(A) DEFINITIONS.—In this paragraph:

13 “(i) FUND.—The term ‘fund’ means  
14 the Renewable Energy Reserve Fund es-  
15 tablished by subparagraph (B).

16 “(ii) QUALIFIED LEASE.—The term  
17 ‘qualified lease’ means a natural gas or oil  
18 lease granted under this Act after the date  
19 of enactment of the National Energy Secu-  
20 rity Act of 2009 for an area that is made  
21 available for leasing under part I of sub-  
22 title B of title I of division B of that Act.

23 “(B) ESTABLISHMENT.—There is estab-  
24 lished in the Treasury of the United States a  
25 reserve account, to be known as the ‘Renewable  
26 Energy Reserve Account’, consisting of such

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

3 “(C) TRANSFERS TO FUND.—There are  
4 appropriated to the Fund, out of funds of the  
5 Treasury not otherwise appropriated, amounts  
6 equivalent to amounts received by the United  
7 States after September 30, 2009, as bonus bids,  
8 royalties, or rentals from, or otherwise collected  
9 under, any qualified lease on submerged land  
10 made available for leasing under this Act by the  
11 National Energy Security Act of 2009 (includ-  
12 ing any amendment made by that Act).

13 “(D) USE OF FUND.—Subject to subpara-  
14 graph (E), amounts in the Fund shall be used  
15 to offset the costs of carrying out the National  
16 Energy Security Act of 2009.

17 “(E) TERMINATION OF FUND.—

18 “(i) IN GENERAL.—The Fund shall  
19 terminate on the date on which the Sec-  
20 retary determines that the costs of car-  
21 rying out the National Energy Security  
22 Act of 2009 have been repaid.

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

1 balance in the Fund shall be transferred to  
2 the appropriate fund of the Treasury.”.

3 **PART II—OTHER FOSSIL RESOURCES**

4 **SEC. 371. AUTHORIZATION OF ACTIVITIES AND EXPORTS**  
5 **INVOLVING HYDROCARBON RESOURCES.**

6 (a) DEFINITION.—In this section, the term “United  
7 States person” means—

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

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

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

19 (1) engage in any transaction necessary for the  
20 exploration for and extraction of hydrocarbon re-  
21 sources from any portion of any foreign exclusive  
22 economic zone that is contiguous to the exclusive  
23 economic zone of the United States; and

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

4 **SEC. 372. TRAVEL IN CONNECTION WITH AUTHORIZED HY-**  
5                   **DROCARBON EXPLORATION AND EXTRAC-**  
6                   **TION ACTIVITIES.**

7           Section 910 of the Trade Sanctions Reform and Ex-  
8           port Enhancement Act of 2000 (22 U.S.C. 7209) is  
9           amended by adding at the end the following:

10           “(c) GENERAL LICENSE AUTHORITY FOR TRAVEL-  
11           RELATED EXPENDITURES BY PERSONS ENGAGING IN  
12           HYDROCARBON EXPLORATION AND EXTRACTION ACTIVI-  
13           TIES.—

14           “(1) IN GENERAL.—The Secretary of the  
15           Treasury shall authorize under a general license the  
16           travel-related transactions listed in section  
17           515.560(e) of title 31, Code of Federal Regulations,  
18           for travel to, from, or within Cuba in connection  
19           with exploration for and the extraction of hydro-  
20           carbon resources in any part of a foreign maritime  
21           Exclusive Economic Zone that is contiguous to the  
22           United States’ Exclusive Economic Zone.

23           “(2) PERSONS AUTHORIZED.—Persons author-  
24           ized to travel to Cuba under this section include full-  
25           time employees, executives, agents, and consultants

1 of oil and gas producers, distributors, and ship-  
2 pers.”.

3 **SEC. 373. ALASKA OCS JOINT LEASE AND PERMITTING**  
4 **PROCESSING OFFICE.**

5 (a) ESTABLISHMENT.—The Secretary of the Interior  
6 (referred to in this section as the “Secretary”) shall estab-  
7 lish a regional joint outer Continental Shelf lease and per-  
8 mit processing office for the Alaska Outer Continental  
9 Shelf region.

10 (b) MEMORANDUM OF UNDERSTANDING.—Not later  
11 than 90 days after the date of enactment of this Act, the  
12 Secretary shall enter into a memorandum of under-  
13 standing for the purposes of carrying out this section  
14 with—

15 (1) the Secretary of Commerce;

16 (2) the Chief of Engineers;

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

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

21 (c) DESIGNATION OF QUALIFIED STAFF.—

22 (1) IN GENERAL.—Not later than 30 days after  
23 the date of the signing of the memorandum of un-  
24 derstanding under subsection (b), each Federal sig-  
25 natory party shall, if appropriate, assign to the of-

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

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

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

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

14            (C) participate as part of the team of per-  
15        sonnel working on proposed oil and gas leasing  
16        and permitting, including planning and environ-  
17        mental analyses.

18 **SEC. 374. ALASKA NATURAL GAS PIPELINE.**

19        Section 116(c)(2) of the Alaska Natural Gas Pipeline  
20        Act (15 U.S.C. 720n(c)(2)) is amended by striking  
21        “\$18,000,000,000” and inserting “\$30,000,000,000”.

1 **TITLE II—CLEAN ENERGY TECH-**  
2 **NOLOGY WORKFORCE DEVEL-**  
3 **OPMENT**

4 **SEC. 401. CLEAN ENERGY TECHNOLOGY WORKFORCE.**

5 (a) GRANTS.—

6 (1) IN GENERAL.—The Secretary shall award  
7 competitive, merit-based grants to institutions of  
8 higher education (as defined in section 101(a) of the  
9 Higher Education Act of 1965 (20 U.S.C. 1001(a)))  
10 for the establishment of programs providing training  
11 and education for vocational workforce development  
12 through centers of excellence for a broad range of  
13 clean energy sector needs in the clean energy tech-  
14 nology workforce of the United States, as deter-  
15 mined by the Secretary.

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

21 (b) NATIONAL MERIT SCHOLARSHIP PROGRAM.—

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

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

3 (2) ELIGIBILITY.—To be eligible to obtain a  
4 scholarship under this subsection, a student shall be  
5 enrolled in a program offered by an institution of  
6 higher education that provides training and edu-  
7 cation for a clean energy workforce described in sub-  
8 section (a)(1).

9 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated such sums as are nec-  
11 essary to carry out this section.

## 12 **DIVISION C—GLOBAL RISK** 13 **MANAGEMENT**

### 14 **SEC. 501. SENSE OF CONGRESS ON GEOPOLITICAL CON-** 15 **SEQUENCES OF OIL DEPENDENCE.**

16 (a) FINDINGS.—Congress finds that—

17 (1) it is imperative to the national security, eco-  
18 nomic prosperity, and environmental integrity of the  
19 United States to have reliable, diverse, and afford-  
20 able energy supplies;

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

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

1 energy supplies of the companies as leverage to pro-  
2 mote foreign policies of states; and

3 (C) politically motivated domestic groups, pi-  
4 rates, and terrorists further present an increasing  
5 risk to critical energy infrastructure and key cor-  
6 ridors of international energy supplies;

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

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

13 (A) protect key energy infrastructure;

14 (B) secure critical geographic transit  
15 routes; and

16 (C) mitigate political instability from en-  
17 ergy suppliers;

18 (5) over the long-term, the United States  
19 should focus national security organizations on ob-  
20 taining better information on world reserves of en-  
21 ergy and strengthening relationships with certain  
22 key nations;

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

1 the military, diplomatic, and intelligence services;  
2 and

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

7 (b) SENSE OF CONGRESS.—It is the sense of Con-  
8 gress that—

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

13 (2) the President should work with Congress—

14 (A) to coordinate efforts between the De-  
15 partment of State and the Department of Jus-  
16 tice to bolster programs to train national police  
17 and domestic security forces tasked with de-  
18 fending energy infrastructure in key countries;

19 (B) to promote initiatives by the Depart-  
20 ment of State and the Department of De-  
21 fense—

22 (i) to provide allied nations with the  
23 technical expertise to minimize the con-  
24 sequences of an infrastructure accident or  
25 attack;

1                   (ii) to engage the North Atlantic  
2                   Treaty Organization (NATO) and other al-  
3                   lies in negotiations on creating a security  
4                   architecture to protect the strategic ter-  
5                   rain; and

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

9                   (C) to mobilize the Department of Defense  
10                  and the Department of Energy, in conjunction  
11                  with the intelligence community, to conduct de-  
12                  tailed scenario planning exercises on the reper-  
13                  cussions of attacks on critical energy infrastruc-  
14                  ture; and

15                  (D)(i) to authorize the Department of  
16                  State to provide the President with diplomatic  
17                  options, including the imposition of sanctions,  
18                  for addressing states that use energy as a polit-  
19                  ical weapon; and

20                  (ii) to improve the capacity of the Depart-  
21                  ment of State to provide diplomatic support to  
22                  resolve conflicts that impact the energy security  
23                  of the United States; and

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

4                   (A) completing a comprehensive national  
5                   intelligence estimate on energy security that as-  
6                   sesses the most vulnerable aspects of critical en-  
7                   ergy infrastructure and the future stability of  
8                   major energy suppliers;

9                   (B) improving warning time to prevent at-  
10                  tacks on key energy infrastructure;

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

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

17 **SEC. 502. STUDY OF FOREIGN FUEL SUBSIDIES.**

18           (a) IN GENERAL.—The Secretary of Energy, in con-  
19           sultation with the Secretary of State and the Secretary  
20           of Commerce, shall conduct a study of foreign fuel sub-  
21           sidies, including—

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

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

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

○