

House Amendment to S. 2012 — Energy Policy Modernization Act of 2015 (Sen. Murkowski, R-AK)

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FLOOR SCHEDULE:

Scheduled for consideration on May 25, 2016 subject to a closed <u>rule</u>

TOPLINE SUMMARY:

The <u>House amendment to S. 2012</u> would authorize a series of Department of Energy initiatives and reforms related to energy efficiency, infrastructure security, and energy reliability. The bill would authorize a series of provisions on energy exports, and make reforms to previously passed legislation, including the Energy Policy and Conservation Act.

COST:

The Congressional Budget Office (CBO) <u>estimate</u> for the Senate-passed version of S. 2012 can be found <u>here</u>. No CBO estimate is available for the House version of the bill.

CONSERVATIVE CONCERNS:

- Expand the Size and Scope of the Federal Government? No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

The House amendment to S. 2012 contains several provisions and titles similar or identical to several House-passed pieces of legislation:

Division A contains language similar to the House-passed <u>H.R. 8</u>, on North American Energy Security and Infrastructure. The RSC's legislative bulletin for H.R. 8 can be found <u>here</u>. Additionally, division A contains a requirement for an ethane storage study, a statement of policy on grid modernization, and a grid resilience report.

Title II of the bill contains provisions on LNG exports and includes a requirement for an environmental review for energy export facilities. The title would stipulate that no person would be able to construct, of a pipeline or electric transmission facility for the import or export of liquid products or natural gas, or the transmission of electricity, to or from Canada or Mexico without obtaining a certificate of crossing for such construction, connection, operation, or maintenance. The title did not contain a provision on the Strategic Petroleum Reserve mission readiness plan. Title III contains provisions related to energy savings from lubricating oil, and the external power supply definitions, but does not contain a provision on the use of

energy and water efficiency measures in federal buildings. Sections 3111 and 3112 contain language similar to the House-passed <u>H.R. 1268</u>. The RSC's legislative bulletin on H.R. 1268 can be found <u>here</u>. Section 3128 contains similar language to the House-passed <u>H.R. 4444</u>. The RSC's legislative bulletin for H.R. 4444 can be found <u>here</u>.

Section 2005 contains similar language to the House-passed H.R. 351, regarding LNG permitting. The RSC's legislative bulletin for H.R. 351 can be found here. Section 2006 would clarify that no permit would be denied until each applicable federal agency has completed all reviews required for the facility under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), which applies to the issuance of a permit for the construction, operation, or maintenance of a facility for the export of bulk commodities. The House amendment to S. 2012 does not contain provisions on Energy Security and Infrastructure Modernization Fund and on hydroelectric production incentives.

Title IV contains similar language to the House-passed <u>H.R. 702</u>, but excluded provisions on national defense sealift enhancement. The RSC's legislative bulletin for H.R. 702 can be found <u>here</u>. Section 4009 contains a provision to prohibit the exports of crude oil, refined petroleum products, and petrochemical products to the Islamic Republic of Iran.

Title V would direct the Administrator of the Environmental Protection Agency (EPA) to ensure that the requirements related to regulatory planning stipulated in section 12866 and in Executive Order No. 13563 related to improving regulation and regulatory review are satisfied. Section 5003 would clarify that the venue for any covered civil action would lie in the United States district court in which the covered energy project or lease exists or is proposed. Section 5008 would require the Secretary of Energy and the Secretary of Commerce to jointly transmit to Congress the results of a study to identify legal and regulatory barriers that delay, prohibit, or impede the export of natural energy resources, including government and technical (physical or market) barriers that hinder coal, natural gas, oil, and other energy exports; and estimate the economic impacts of such barriers. Section 5009 would require the Secretary of Energy to transmit to Congress the results of a study to determine the maximum level of volatility that is consistent with the safest practicable shipment of crude oil by rail. Section 5010 pertaining to smart meter privacy rights, would prohibit an electrical corporation or gas corporation from sharing, disclosing, or otherwise making accessible to any third party a customer's electrical or gas consumption data, except under specified circumstances, or upon the consent of the customer.

Title VI contains language similar to <u>S. 1723</u> introduced in the Senate on July 9, 2015. Title VI would amend the <u>Public Utility Regulatory Policies Act of 1978</u> (PURPA) to require an electric utility to make available upon request, interconnection services and net billing services for a solar photovoltaic systems generating electricity to multiple electric consumers.

Title VII contains language similar to <u>H.R. 2220</u> introduced on May 1, 2015, which would direct the Secretary of Energy, in consultation with the Secretary of the Interior, the Secretary of Commerce, and the Federal Energy Regulatory Commission (FERC), to carry out a program for research, development, demonstration, and commercial application to accelerate the introduction of marine and hydrokinetic renewable energy production into the United States energy supply.

Title VIII contains language similar to H.R. 2080, H.R. 2081, H.R. 4416, H.R. 4434, H.R. 4411, and H.R. 4412 related to authorizing extensions for various FERC projects. The RSC's legislative bulletin on these bills can be found here.

Title IX contains language similar to the House-passed <u>H.R. 4583</u>. The RSC's legislative bulletin for H.R. 4583 can be found <u>here</u>.

Division B contains language similar to the House-passed <u>H.R. 2647</u>, on Resilient Federal Forests. The RSC's legislative bulletin for H.R. 2647 can be found here. Section 405 of Division B would clarify that none

of the funds made available to a beneficiary county or other political subdivision of a state would be used in lieu of or to offset state funding sources for local schools, facilities, or educational purposes. Section 505 would include a provision on fire liability. Section 703 would authorize the Secretary of the Interior and the Secretary of Agriculture to carry out a demonstration projects by which federally recognized Indian tribes or tribal organizations may contract to perform administrative, and management functions. Section 807 would clarify that the Northwest Forest Plan Survey and Manage Mitigation Measure Standard and Guidelines would not apply to any National Forest System lands or public lands.

Division C contains similar language to the House-passed <u>H.R. 2898</u>, Western Water and American Food Security Act of 2015. The RSC's legislative bulletin for H.R. 2898 can be found <u>here</u>. Section 1081 would require the Secretary of the Interior, in consultation with the Secretary of Commerce and the Secretary of Natural Resources of the State of California, to publish an annual report detailing instream flow releases from the Central Valley Project and California State Water Project, their explicit purpose and authority, and all measured environmental benefit as a result of the releases. Section 1082 would stipulate that if the Bureau of Reclamation initiates or reinitiates consultation with the U.S. Fish and Wildlife Service or the National Marine Fisheries Service with respect to construction or operation of the <u>Klamath Project</u>, the project's contractors would be accorded all the rights and responsibilities extended to applicants in the consultation process.

Title II of Division C contains language similar to the House-passed <u>H.R. 2406</u>, the Sportsmen's Heritage and Recreational Enhancement Act of 2015. The RSC's legislative bulletin for H.R. 2406 can be found <u>here</u>. The bill does not contain a provision on requiring certification for the purposes of the Fishermen's Protective Act of 1967. Section 2142 would prohibit the Secretary of Agriculture or Chief of the Forest Service from establishing policies, directives, or regulations that restrict the type, season, or method of hunting or recreational fishing on lands within the National Forest System that are otherwise open to those activities and are consistent with the applicable forest plan.

Title III of Division C contains language similar to the House-passed <u>H.R. 1937</u>, the National Strategic and Critical Minerals Production Act of 2015. The RSC's legislative bulletin for H.R. 1937 can be found <u>here</u>.

Title IV of Division C contains language similar to the House-passed <u>H.R. 538</u>, the Native American Energy Act. The RSC's legislative bulletin for H.R. 538 can be found <u>here</u>.

Title V of Division C contains language similar to the House-passed <u>H.R. 404</u>, which authorized early repayment of obligations to the Bureau of Reclamation within the Northport Irrigation District in the State of Nebraska. The RSC's legislative bulletin for H.R. 404 can be found <u>here</u>.

Title VI of Division C contains language similar to the House-passed <u>H.R. 482</u>, the Ocmulgee Mounds National Historical Park Boundary Revision Act of 2016. The RSC's legislative bulletin for H.R. 482 can be found here.

Title VII of Division C contains language similar to the House-passed <u>H.R. 959</u>, the Medgar Evers House Study Act. The RSC legislative bulletin for H.R. 959 can be found <u>here</u>.

Title VIII of Division C contains language similar to the House-passed <u>H.R. 979</u>, designating a mountain in the John Muir Wilderness of the Sierra National Forest as "Sky Point". The RSC legislative bulletin for H.R. 979 can be found <u>here</u>.

Title IX would reflect language in <u>S. 479</u> directing the Secretary of the Interior to conduct a study on the feasibility of designating the Chief Standing Bear National Historic Trail.

Title X would reflect language in <u>H.R. 1289</u>, the <u>John Muir National Historic Site Expansion Act</u>. The RSC's legislative bulletin for H.R. 1289 can be found <u>here</u>.

Title XXV would reflect language in <u>H.R. 1214</u>, the <u>National Forests Small Tracts Act Amendments Act of 2015</u>. The RSC's legislative bulletin on H.R. 1214 can be found <u>here</u>.

Title XXVI would reflect language in <u>H.R. 2791</u>, the <u>Western Oregon Tribal Fairness Act</u>. The RSC's legislative bulletin for H.R. 2791 can be found <u>here</u>.

Division D reflects language in Titles V, VI, and VII of the House-passed H.R. 1806 – America COMPETES Reauthorization Act of 2015. The RSC's legislative bulletin for H.R. 1806 can be found here.

The Senate report (S. Rept. 114-138) accompanying S. 2012 can be found <u>here</u>. A press release from the House Energy and Commerce Committee can be found <u>here</u>.

COMMITTEE ACTION:

S. 2012 was introduced on September 9, 2015 and was referred to the Senate Committee on Energy and Natural Resources. On April 20, 2016, the bill passed the Senate with an amendment by yea-nay vote: <u>85 – 12</u>.

ADMINISTRATION POSITION:

A Statement of Administration Policy is not available.

CONSTITUTIONAL AUTHORITY:

Bills that originate in the Senate do not require a constitutional authority statement.

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.

