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(Original Signature of Member)

111TH CONGRESS
1ST SESSION

H. R. _____

To greatly enhance America's path toward energy independence and economic and national security, to conserve energy use, to promote innovation, to achieve lower emissions, cleaner air, cleaner water, and cleaner land, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. TIM MURPHY of Pennsylvania (for himself and Mr. ABERCROMBIE) introduced the following bill; which was referred to the Committee on

A BILL

To greatly enhance America's path toward energy independence and economic and national security, to conserve energy use, to promote innovation, to achieve lower emissions, cleaner air, cleaner water, and cleaner land, 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,*

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 “American Conservation and Clean Energy Independence
4 Act”.

5 (b) TABLE OF CONTENTS.—The table of contents for
6 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—OFFSHORE LEASING AND OTHER ENERGY PROVISIONS

Subtitle A—Offshore Leasing

- Sec. 101. Leasing program considered approved.
- Sec. 102. Lease sales.
- Sec. 103. Seaward boundaries of States.
- Sec. 104. Military operations.
- Sec. 105. Coordination with Adjacent States.
- Sec. 106. Gulf of Mexico oil and gas.
- Sec. 107. Sharing of revenues.
- Sec. 108. Inventory of offshore energy resources.
- Sec. 109. Prohibitions on surface occupancy and other appropriate environmental safeguards.

Subtitle B—Expedited Judicial Review

- Sec. 121. Definitions.
- Sec. 122. Exclusive jurisdiction over causes and claims relating to covered oil and natural gas activities.
- Sec. 123. Time for filing petition; standing.
- Sec. 124. Timetable.
- Sec. 125. Limitation on scope of review and relief.
- Sec. 126. Presidential waiver.
- Sec. 127. Legal fees.
- Sec. 128. Exclusion.

Subtitle C—Other Energy Provisions

- Sec. 131. Elimination of restriction on energy alternatives and energy efficiency.
- Sec. 132. Policies regarding buying and building American.
- Sec. 133. Clean coal technology deployment grant and loan program.

TITLE II—MODIFYING THE STRATEGIC PETROLEUM RESERVE
AND FUNDING CONSERVATION AND ENERGY RESEARCH AND
DEVELOPMENT

- Sec. 201. Findings.
- Sec. 202. Definitions.
- Sec. 203. Objectives.
- Sec. 204. Modification of the Strategic Petroleum Reserve.

Sec. 205. Energy Independence and Security Fund.

TITLE III—CLEANER ENERGY PRODUCTION AND ENERGY
CONSERVATION INCENTIVES

- Sec. 301. Extension of renewable energy credit.
- Sec. 302. Extension of renewable energy credit.
- Sec. 303. Extension of credit for alternative fuel vehicles.
- Sec. 304. Extension of alternative fuel vehicle refueling property credit.
- Sec. 305. Extension of credit for energy efficient appliances.
- Sec. 306. Extension of credit for nonbusiness energy property.
- Sec. 307. Extension of credit for residential energy efficient property.
- Sec. 308. Extension of new energy efficient home credit.
- Sec. 309. Extension of energy efficient commercial buildings deduction.
- Sec. 310. Extension of energy credit.
- Sec. 311. Extension of credit for clean renewable energy bonds.
- Sec. 312. Extension of credits for biodiesel and renewable diesel.

TITLE IV—INCREASE DIVERSIFICATION AND EFFICIENCY OF
AMERICA'S TRANSPORTATION AND ELECTRIC SYSTEM

Subtitle A—Diversification of Fuel Source for America's Short-Haul
Transportation System

- Sec. 401. Minimum Federal fleet requirement.
- Sec. 402. Use of HOV facilities by light-duty plug-in electric drive vehicles.
- Sec. 403. Recharging infrastructure.
- Sec. 404. Loan guarantees for advanced battery purchases.
- Sec. 405. Study of end-of-useful life options for motor vehicle batteries.
- Sec. 406. Study and demonstration electrification of Postal fleet.
- Sec. 407. Maximum weight study for energy efficiency and safety.

Subtitle B—Incentives for Diversification of Transportation

- Sec. 420. Amendment of 1986 Code.
- Sec. 421. Extension of credit for medium and heavy-duty hybrid vehicles.
- Sec. 422. Extension of credit and extension of temporary increase in credit for alternative fuel vehicle refueling property.
- Sec. 423. Extension and expansion of credit for new qualified plug-in electric drive motor vehicles.
- Sec. 424. Extension of credit for certain plug-in electric vehicles.
- Sec. 425. Credit for new qualified plug-in electric drive motor vehicles.
- Sec. 426. Tax credit for most efficient vehicle in class.
- Sec. 427. Study of development of common standards for PHEVs and EVs between the United States, Europe and Asia.

Subtitle C—Low Carbon Diversification of Electric System

- Sec. 431. Innovative low-carbon loan guarantee program.

1 **TITLE I—OFFSHORE LEASING**
2 **AND OTHER ENERGY PROVI-**
3 **SIONS**

4 **Subtitle A—Offshore Leasing**

5 **SEC. 101. LEASING PROGRAM CONSIDERED APPROVED.**

6 (a) IN GENERAL.—The Draft Proposed Outer Conti-
7 nental Shelf Oil and Gas Leasing Program 2010–2015
8 issued by the Secretary of the Interior (referred to in this
9 section as the “Secretary”) under section 18 of the Outer
10 Continental Shelf Lands Act (43 U.S.C. 1344) is consid-
11 ered to have been approved by the Secretary as a final
12 oil and gas leasing program under that section, and is con-
13 sidered to be in full compliance with and in accordance
14 with all requirements of the Outer Continental Shelf
15 Lands Act.

16 (b) FINAL ENVIRONMENTAL IMPACT STATEMENT.—
17 The Secretary is considered to have issued a final environ-
18 mental impact statement for the program described in
19 subsection (a) in accordance with all requirements under
20 section 102(2)(C) of the National Environmental Policy
21 Act of 1969 (42 U.S.C. 4332(2)(C)).

22 **SEC. 102. LEASE SALES.**

23 (a) OUTER CONTINENTAL SHELF.—

24 (1) IN GENERAL.—Except as provided in para-
25 graph (2), not later than 30 days after the date of

1 enactment of this Act and every 270 days thereafter,
2 the Secretary of the Interior (referred to in this sec-
3 tion as the “Secretary”) shall conduct a lease sale
4 in each outer Continental Shelf planning area for
5 which the Secretary determines that there is a com-
6 mercial interest in purchasing Federal oil and gas
7 leases for production on the outer Continental Shelf.

8 (2) SUBSEQUENT DETERMINATIONS AND
9 SALES.—If the Secretary determines that there is
10 not a commercial interest in purchasing Federal oil
11 and gas leases for production on the outer Conti-
12 nental Shelf in a planning area under this sub-
13 section, not later than 2 years after the date of en-
14 actment of the determination and every 2 years
15 thereafter, the Secretary shall—

16 (A) determine whether there is a commer-
17 cial interest in purchasing Federal oil and gas
18 leases for production on the outer Continental
19 Shelf in the planning area; and

20 (B) if the Secretary determines that there
21 is a commercial interest described in subpara-
22 graph (A), conduct a lease sale in the planning
23 area.

1 (b) RENEWABLE ENERGY AND MARICULTURE.—The
2 Secretary may conduct commercial lease sales of resources
3 owned by United States—

4 (1) to produce renewable energy (as defined in
5 section 203(b) of the Energy Policy Act of 2005 (42
6 U.S.C. 15852(b))); or

7 (2) to cultivate marine organisms in the natural
8 habitat of the organisms.

9 **SEC. 103. SEAWARD BOUNDARIES OF STATES.**

10 (a) SEAWARD BOUNDARIES.—Section 4 of the Sub-
11 merged Lands Act (43 U.S.C. 1312) is amended by strik-
12 ing “three geographical miles” each place it appears and
13 inserting “12 nautical miles”.

14 (b) CONFORMING AMENDMENTS.—Section 2 of the
15 Submerged Lands Act (43 U.S.C. 1301) is amended—

16 (1) in subsection (a)(2), by striking “three geo-
17 graphical miles” and inserting “12 nautical miles”;
18 and

19 (2) in subsection (b)—

20 (A) by striking “three geographical miles”
21 and inserting “12 nautical miles”; and

22 (B) by striking “three marine leagues” and
23 inserting “12 nautical miles”.

24 (c) EFFECT OF AMENDMENTS.—

1 (1) IN GENERAL.—Subject to paragraphs (2)
2 through (4), the amendments made by this section
3 shall not effect Federal oil and gas mineral rights
4 and should not effect the States' current authority
5 within existing State boundaries.

6 (2) EXISTING LEASES.—The amendments made
7 by this section shall not affect any Federal oil and
8 gas lease in effect on the date of enactment of this
9 Act.

10 (3) TAXATION.—

11 (A) IN GENERAL.—A State may exercise
12 all of the sovereign powers of taxation of the
13 State within the entire extent of the seaward
14 boundaries of the State (as extended by the
15 amendments made by this section).

16 (B) LIMITATION.—Nothing in this para-
17 graph affects the authority of a State to tax
18 any Federal oil and gas lease in effect on the
19 date of enactment of this Act.

20 **SEC. 104. MILITARY OPERATIONS.**

21 The Secretary shall consult with the Secretary of De-
22 fense regarding military operations needs in the Outer
23 Continental Shelf. The Secretary shall work with the Sec-
24 retary of Defense to resolve any conflicts that might arise
25 between such operations and leasing under this section.

1 If the Secretaries are unable to resolve all such conflicts,
2 any unresolved issues shall be referred by the Secretaries
3 to the President in a timely fashion for immediate resolu-
4 tion.

5 **SEC. 105. COORDINATION WITH ADJACENT STATES.**

6 Section 19 of the Outer Continental Shelf Lands Act
7 (43 U.S.C. 1345) is amended—

8 (1) in subsection (a) in the first sentence by in-
9 serting “, for any tract located within the Adjacent
10 State’s Adjacent Zone,” after “government”; and

11 (2) by adding the following:

12 “(f)(1) Prior to issuing a permit or approval for the
13 construction of a pipeline to transport crude oil, natural
14 gas or associated liquids production withdrawn from oil
15 and gas leases on the outer Continental Shelf, a Federal
16 agency must seek the concurrence of the Adjacent State
17 if the pipeline is to transit the Adjacent State’s Adjacent
18 Zone between the outer Continental Shelf and landfall. No
19 State may prohibit construction of such a pipeline within
20 its Adjacent Zone or its State waters. However, an Adja-
21 cent State may require routing of such a pipeline to one
22 of two alternate landfall locations in the Adjacent State,
23 designated by the Adjacent State, located within 60 miles
24 on either side of a proposed landfall location.

25 “(2) In this subsection:

1 “(A) The term ‘Adjacent State’ means, with re-
2 spect to any program, plan, lease sale, leased tract
3 or other activity, proposed, conducted, or approved
4 pursuant to the provisions of this Act, any State the
5 laws of which are declared, pursuant to section
6 4(a)(2), to be the law of the United States for the
7 portion of the outer Continental Shelf on which such
8 program, plan, lease sale, leased tract or activity ap-
9 pertains or is, or is proposed to be, conducted. For
10 purposes of this subparagraph, the term ‘State’ in-
11 cludes the Commonwealth of Puerto Rico, the Com-
12 monwealth of the Northern Mariana Islands, the
13 Virgin Islands, American Samoa, Guam, and the
14 other Territories of the United States.

15 “(B) The term ‘Adjacent Zone’ means, with re-
16 spect to any program, plan, lease sale, leased tract,
17 or other activity, proposed, conducted, or approved
18 pursuant to the provisions of this Act, the portion
19 of the outer Continental Shelf for which the laws of
20 a particular Adjacent State are declared, pursuant
21 to section 4(a)(2), to be the law of the United
22 States.”.

1 **SEC. 106. GULF OF MEXICO OIL AND GAS.**

2 Section 104 of division C of the Tax Relief and
3 Health Care Act of 2006 (Public Law 109–432; 120 Stat.
4 3003) is repealed.

5 **SEC. 107. SHARING OF REVENUES.**

6 (a) IN GENERAL.—Section 8(g) of the Outer Conti-
7 nental Shelf Lands Act (43 U.S.C. 1337(g)) is amended—

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

11 (2) by redesignating paragraphs (6) and (7) as
12 paragraphs (8) and (9); and

13 (3) by inserting after paragraph (5) the fol-
14 lowing:

15 “(6) BONUS BIDS AND ROYALTIES UNDER
16 QUALIFIED LEASES.—

17 “(A) NEW LEASES.—Of amounts received
18 by the United States as bonus bids, royalties,
19 rentals, and other sums collected under any
20 qualified lease on submerged lands made avail-
21 able for leasing under this Act by the enact-
22 ment of the American Conservation and Clean
23 Energy Independence Act that are located with-
24 in the seaward boundaries of a State estab-
25 lished under section 4(a)(2)(A)—

1 “(i) 30 percent shall be paid to the
2 States that are producing States with re-
3 spect to those submerged lands;

4 “(ii) 10 percent shall be deposited in
5 the general fund of the Treasury;

6 “(iii) 20 percent shall be deposited in
7 the Renewable Energy and Energy Effi-
8 ciency Reserve established by paragraph
9 (7);

10 “(iv) 5 percent shall be deposited into
11 the Clean Water Reserve established by
12 paragraph (7);

13 “(v) 10 percent shall be deposited in
14 the Environment Restoration Reserve es-
15 tablished by paragraph (7);

16 “(vi) 8 percent shall be deposited in
17 the Conservation Reserve established by
18 paragraph (7);

19 “(vii) 10 percent shall be deposited in
20 the Clean Coal Technology Deployment
21 and Carbon Capture and Sequestration
22 Reserve established by paragraph (7);

23 “(viii) 5 percent shall be deposited in
24 the Carbon Free Technology and Nuclear

1 Energy Reserve established by paragraph
2 (7); and

3 “(ix) 2 percent shall be available to
4 the Secretary of Health and Human Serv-
5 ices for carrying out the Low-Income
6 Home Energy Assistance Act of 1981 (42
7 U.S.C. 8621, et seq.).

8 “(B) LEASED TRACT THAT LIES PAR-
9 Tially WITHIN THE SEAWARD BOUNDARIES OF
10 A STATE.—In the case of a leased tract that lies
11 partially within the seaward boundaries of a
12 State, the amounts of bonus bids and royalties
13 from such tract that are subject to subpara-
14 graph (A)(ii) with respect to such State shall be
15 a percentage of the total amounts of bonus bids
16 and royalties from such tract that is equivalent
17 to the total percentage of surface acreage of the
18 tract that lies within such seaward boundaries.

19 “(C) USE OF PAYMENTS TO STATES.—
20 Amounts paid to a State under subparagraph
21 (A)(ii) shall be used by the State for one or
22 more of the following:

23 “(i) Education.

24 “(ii) Transportation.

1 “(iii) Coastal restoration, environ-
2 mental restoration, and beach replenish-
3 ment.

4 “(iv) Energy infrastructure.

5 “(v) Renewable energy development.

6 “(vi) Energy efficiency and conserva-
7 tion.

8 “(vii) Any other purpose determined
9 by State law.

10 “(D) DEFINITIONS.—In this paragraph:

11 “(i) ADJACENT STATE.—The term
12 ‘Adjacent State’ means, with respect to
13 any program, plan, lease sale, leased tract
14 or other activity, proposed, conducted, or
15 approved pursuant to the provisions of this
16 Act, any State the laws of which are de-
17 clared, pursuant to section 4(a)(2), to be
18 the law of the United States for the por-
19 tion of the outer Continental Shelf on
20 which such program, plan, lease sale,
21 leased tract, or activity appertains or is, or
22 is proposed to be, conducted.

23 “(ii) ADJACENT ZONE.—The term
24 ‘adjacent zone’ means, with respect to any
25 program, plan, lease sale, leased tract, or

1 other activity, proposed, conducted, or ap-
2 proved pursuant to the provisions of this
3 Act, the portion of the outer Continental
4 Shelf for which the laws of a particular ad-
5 jacent State are declared, pursuant to sec-
6 tion 4(a)(2), to be the law of the United
7 States.

8 “(iii) PRODUCING STATE.—The term
9 ‘producing State’ means an Adjacent State
10 having an adjacent zone containing leased
11 tracts from which are derived bonus bids
12 and royalties under a lease under this Act.

13 “(iv) STATE.—The term ‘State’ in-
14 cludes Puerto Rico and the other terri-
15 tories of the United States.

16 “(v) QUALIFIED LEASE.—The term
17 ‘qualified lease’ means a natural gas or oil
18 lease made available under this Act grant-
19 ed after the date of the enactment of the
20 American Conservation and Clean Energy
21 Independence Act, for an area that is
22 available for leasing as a result of enact-
23 ment of section 101 of that Act.

24 “(E) APPLICATION.—This paragraph shall
25 apply to bonus bids and royalties received by

1 the United States under qualified leases after
2 September 30, 2008.

3 “(7) ESTABLISHMENT OF RESERVE AC-
4 COUNTS.—

5 “(A) IN GENERAL.—For budgetary pur-
6 poses, there is established as a separate account
7 to receive deposits under paragraph (6)(A)—

8 “(i) the Renewable Energy and En-
9 ergy Efficiency Reserve which shall be ap-
10 plied—

11 “(I) first, to offset the alternative
12 energy and conservation tax incentives
13 extended by title III of the American
14 Conservation and Clean Energy Inde-
15 pendence Act; and

16 “(II) to extent not applied under
17 subclause (I), to offset the cost of leg-
18 islation enacted after the date of the
19 enactment of the American Conserva-
20 tion and Clean Energy Independence
21 Act to accelerate the use of cleaner
22 domestic energy resources and alter-
23 native fuels; to promote the utilization
24 of energy-efficient products and prac-
25 tices; to promote the development and

1 deployment of smart transportation
2 systems, energy efficient vehicles, and
3 mass transportation systems that pre-
4 serve the environment and increase
5 energy efficiency of transportation;
6 and to increase research, development,
7 and deployment of clean renewable en-
8 ergy and efficiency technologies and
9 job training programs for those pur-
10 poses;

11 “(ii) the Clean Water Reserve, to off-
12 set the cost of legislation enacted after the
13 date of the enactment of the American
14 Conservation and Clean Energy Independ-
15 ence Act to provide assistance, which may
16 include grants, matching grants, and no-
17 and low-interest loans, to State, county,
18 and local governments to rebuild and mod-
19 ernize clean water and sewage infrastruc-
20 ture;

21 “(iii) the Environment Restoration
22 Reserve, to offset the cost of legislation en-
23 acted after the date of the enactment of
24 the American Conservation and Clean En-
25 ergy Independence Act to conduct restora-

1 tion activities to improve the overall health
2 of the ecosystems primarily or entirely
3 within wildlife refuges, national parks,
4 lakes, bays, rivers, and streams, including
5 the Great Lakes, the Chesapeake and
6 Delaware Bays, the San Francisco Bay/
7 Sacramento San Joaquin Bay Delta, the
8 Florida Everglades, New York Harbor, the
9 Colorado River Basin, the Mississippi
10 River basin and tributaries, and Intra-
11 coastal Waterways and inlets that serve
12 them;

13 “(iv) the Conservation Reserve, to off-
14 set the cost of legislation enacted after the
15 date of the enactment of the American
16 Conservation and Clean Energy Independ-
17 ence Act for conservation research, devel-
18 opment, and deployment programs to in-
19 crease residential home energy efficiency,
20 such as weatherization, and conservation
21 tax credits and deductions for energy effi-
22 ciency in the residential, commercial, in-
23 dustrial, and public sectors including Con-
24 servation Districts;

1 “(v) the Clean Coal Technology De-
2 ployment and Carbon Capture and Seques-
3 tration Reserve, to offset the cost of legis-
4 lation enacted after the date of the enact-
5 ment of the American Conservation and
6 Clean Energy Independence Act to pro-
7 mote, through grants, loans, and loan
8 guarantees, research, development, and
9 construction projects associated with car-
10 bon capture and storage in the production
11 of liquid transportation fuels, electricity,
12 synthetic natural gas, and chemical feed-
13 stock, giving priority to the construction
14 and modernization of plants that imple-
15 ment the most advanced pollution controls
16 to prevent the release of carbon, particu-
17 late matter, and other pollutants; and

18 “(vi) the Carbon Free Technology and
19 Nuclear Energy Reserve, to offset the cost
20 of legislation enacted after the date of the
21 enactment of the American Conservation
22 and Clean Energy Independence Act to
23 promote the deployment of carbon free
24 technologies, including through loan guar-
25 antees for commercial nuclear power

1 plants, the disposition and recycling or re-
2 processing of spent fuel from nuclear
3 power plants, and the financing of long-
4 term safe storage of spent fuel.

5 “(B) PROCEDURE FOR ADJUSTMENTS.—

6 “(i) BUDGET COMMITTEE CHAIR-
7 MAN.—After the reporting of a bill or joint
8 resolution, or the offering of an amend-
9 ment thereto or the submission of a con-
10 ference report thereon, providing funding
11 for the purposes set forth in clause (i), (ii),
12 (iii), or (iv) of subparagraph (A) in excess
13 of the amount of the deposits under para-
14 graph (6)(A) for those purposes for fiscal
15 year 2009, the chairman of the Committee
16 on the Budget of the applicable House of
17 Congress shall make the adjustments set
18 forth in clause (ii) for the amount of new
19 budget authority and outlays in that meas-
20 ure and the outlays flowing from that
21 budget authority.

22 “(ii) MATTERS TO BE ADJUSTED.—

23 The adjustments referred to in clause (i)
24 are to be made to—

1 “(I) the discretionary spending
2 limits, if any, set forth in the appro-
3 priate concurrent resolution on the
4 budget;

5 “(II) the allocations made pursu-
6 ant to the appropriate concurrent res-
7 olution on the budget pursuant to sec-
8 tion 302(a) of the Congressional
9 Budget Act of 1974; and

10 “(III) the budget aggregates con-
11 tained in the appropriate concurrent
12 resolution on the budget as required
13 by section 301(a) of the Congressional
14 Budget Act of 1974.

15 “(iii) AMOUNTS OF ADJUSTMENTS.—
16 The adjustments referred to in clauses (i)
17 and (ii) shall not exceed the receipts esti-
18 mated by the Congressional Budget Office
19 that are attributable to this Act for the fis-
20 cal year in which the adjustments are
21 made.

22 “(C) EXPENDITURES ONLY BY SECRETARY
23 OF THE INTERIOR IN CONSULTATION.—Legisla-
24 tion shall not be treated as legislation referred
25 to in subparagraph (A) unless any expenditure

1 under such legislation for a purpose referred to
2 in that subparagraph may be made only after
3 consultation with the Administrator of the En-
4 vironmental Protection Agency, the Adminis-
5 trator of the National Oceanic and Atmospheric
6 Administration, the Secretary of the Army act-
7 ing through the Corps of Engineers, and, as ap-
8 propriate, the Secretary of State.

9 “(8) MAINTENANCE OF EFFORT BY STATES.—
10 The Secretary of the Interior, the Secretary of
11 Health and Human Services, the Secretary of En-
12 ergy, and any other Federal official with authority
13 to implement legislation referred to in paragraph
14 (6)(A) shall ensure that financial assistance provided
15 to a State under that legislation for any purpose
16 with amounts made available under this subsection
17 or in any legislation with respect to which paragraph
18 (7) applies supplement, and do not replace, the
19 amounts expended by the State for that purpose be-
20 fore the date of the enactment of the American Con-
21 servation and Clean Energy Independence Act.”.

22 (b) ESTABLISHMENT OF STATE SEAWARD BOUND-
23 ARIES.—Section 4(a)(2)(A) of the Outer Continental Shelf
24 Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the
25 first sentence by striking “, and the President” and all

1 that follows through the end of the sentence and inserting
2 the following: “. Such extended lines are deemed to be as
3 indicated on the maps for each Outer Continental Shelf
4 region entitled ‘Alaska OCS Region State Adjacent Zone
5 and OCS Planning Areas’, ‘Pacific OCS Region State Ad-
6 jacent Zones and OCS Planning Areas’, ‘Gulf of Mexico
7 OCS Region State Adjacent Zones and OCS Planning
8 Areas’, and ‘Atlantic OCS Region State Adjacent Zones
9 and OCS Planning Areas’, all of which are dated Sep-
10 tember 2005 and on file in the Office of the Director, Min-
11 erals Management Service. The preceding sentence shall
12 not apply with respect to the treatment under section 105
13 of the Gulf of Mexico Energy Security Act of 2006 (title
14 I of division C of Public Law 109–432) of qualified outer
15 Continental Shelf revenues deposited and disbursed under
16 subsection (a)(2) of that section.”.

17 **SEC. 108. INVENTORY OF OFFSHORE ENERGY RESOURCES.**

18 (a) IN GENERAL.—The Secretary of the Interior (in
19 this section referred to as the “Secretary”) shall promptly
20 prepare an inventory of offshore energy resources of the
21 United States, including through conduct of geological and
22 geophysical explorations by private industry in all of the
23 United States outer Continental Shelf areas of the Atlan-
24 tic Ocean and the Pacific Ocean under part 251 of title

1 30, Code of Federal Regulations (or successor regula-
2 tions).

3 (b) ENVIRONMENTAL STUDIES.—Not later than 180
4 days after the date of enactment of this Act, the Secretary
5 shall complete any environmental studies necessary to
6 gather information essential to an accurate inventory, in-
7 cluding geological and geophysical explorations under part
8 251 of title 30, Code of Federal Regulations (or successor
9 regulations).

10 (c) EFFECT ON OIL AND GAS LEASING.—No inven-
11 tory that is conducted under this section or any other Fed-
12 eral law (including regulations) shall restrict, limit, delay,
13 or otherwise adversely affect—

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

17 (2) any leasing, exploration, development, or
18 production of any Federal offshore oil and gas
19 leases.

20 (d) FUNDING.—

21 (1) IN GENERAL.—The Secretary of the Treas-
22 ury shall make a 1-time transfer to the Secretary,
23 without further appropriation and from royalties col-
24 lected by the United States in conjunction with the

1 production of oil and gas, of such sums as are nec-
2 essary for the Secretary to carry out this section.

3 (2) LIMITATION.—The amount transferred
4 under paragraph shall not exceed \$50,000,000.

5 **SEC. 109. PROHIBITIONS ON SURFACE OCCUPANCY AND**
6 **OTHER APPROPRIATE ENVIRONMENTAL**
7 **SAFEGUARDS.**

8 (a) REGULATIONS.—

9 (1) IN GENERAL.—The Secretary of the Inte-
10 rior shall promulgate regulations that establish ap-
11 propriate environmental safeguards for the explo-
12 ration and production of oil and natural gas on the
13 outer Continental Shelf.

14 (2) REQUIREMENTS.—The regulations shall in-
15 clude provisions ensuring that—

16 (A) no surface facility shall be installed for
17 the purpose of production of oil or gas re-
18 sources in any area that is within 10 miles from
19 the shore of any coastal State, in any area of
20 the outer Continental Shelf that has not pre-
21 viously been made available for oil and gas leas-
22 ing;

23 (B) only temporary surface facilities are
24 installed for areas that are located—

1 (i) beyond 10 miles from the shore
2 from the shore of any coastal State, in any
3 area of the Outer Continental Shelf that
4 has not previously been made available for
5 oil and gas leasing; and

6 (ii) not more than 20 miles from the
7 shore;

8 (C) the impact of offshore production fa-
9 cilities on coastal vistas is otherwise mitigated;
10 and

11 (D) onshore facilities that are able to draw
12 upon the resources of the outer Continental
13 Shelf within 10 miles of shore are allowed.

14 (b) CONFORMING AMENDMENT.—Section 105 of the
15 Department of the Interior, Environment, and Related
16 Agencies Appropriations Act, 2006 (Public Law 109-54;
17 119 Stat. 521) (as amended by section 103(d) of the Gulf
18 of Mexico Energy Security Act of 2006 (43 U.S.C. 1331
19 note; Public Law 109-432)) is amended by inserting “and
20 any other area that the Secretary of the Interior may offer
21 for leasing, preleasing, or any related activity under sec-
22 tion 104 of that Act” after “2006”).

1 **Subtitle B—Expedited Judicial**
2 **Review**

3 **SEC. 121. DEFINITIONS.**

4 In this subtitle:

5 (1) **AUTHORIZING LEASING STATUTE.**—The
6 term “authorizing leasing statute” means the Outer
7 Continental Shelf Lands Act (43 U.S.C. 1331 et
8 seq.), the Mineral Leasing Act (30 U.S.C. 181 et
9 seq), the Mineral Leasing Act for Acquired Lands
10 (30 U.S.C. 351 et seq.), and any other law of the
11 United States directing or authorizing the leasing of
12 Federal lands for oil and gas production or trans-
13 mission.

14 (2) **COVERED OIL AND NATURAL GAS ACTIV-**
15 **ITY.**—The term “covered oil and natural gas activ-
16 ity” means—

17 (A) the leasing of any lands pursuant to
18 an authorizing leasing statute for the explo-
19 ration, development, production, processing, or
20 transmission of oil, natural gas, or associated
21 hydrocarbons, including actions or decisions re-
22 lating to the selection of which lands may or
23 shall be made available for such leasing; and

24 (B) any activity taken or proposed to be
25 taken pursuant or in relation to such leases, in-

1 including their suspension, and any environ-
2 mental analyses relating to such activity.

3 **SEC. 122. EXCLUSIVE JURISDICTION OVER CAUSES AND**
4 **CLAIMS RELATING TO COVERED OIL AND**
5 **NATURAL GAS ACTIVITIES.**

6 Notwithstanding any other provision of law, any Fed-
7 eral action approving any covered oil and natural gas ac-
8 tivity shall be subject to judicial review only—

9 (1) in the United States Court of Appeals for
10 the District of Columbia Circuit; and

11 (2) after the person filing a petition seeking
12 such judicial review has exhausted all available ad-
13 ministrative remedies with respect to such Federal
14 action.

15 **SEC. 123. TIME FOR FILING PETITION; STANDING.**

16 (a) IN GENERAL.—All petitions referred to in section
17 122 must be filed within 30 days after the latter of the
18 challenged Federal action or the exhaustion of all available
19 administrative remedies with respect to such Federal ac-
20 tion. A claim or challenge shall be barred unless it is filed
21 within the time specified.

22 (b) STANDING.—No person whose legal rights will
23 not be directly and adversely affected by the challenged
24 action, and who is not within the zone of interest protected
25 by each Act under which the challenge is brought, shall

1 have standing to file any petition referred to in section
2 122.

3 **SEC. 124. TIMETABLE.**

4 The United States Court of Appeals for the District
5 of Columbia Circuit shall complete all judicial review, in-
6 cluding rendering a judgment, before the end of the 120-
7 day period beginning on the date on which a petition re-
8 ferred to in section 122 is filed, unless all parties to such
9 proceeding agree to an extension of such period.

10 **SEC. 125. LIMITATION ON SCOPE OF REVIEW AND RELIEF.**

11 (a) ADMINISTRATIVE FINDINGS AND CONCLU-
12 SIONS.—In any judicial review referred to in section 122,
13 any administrative findings and conclusions relating to the
14 challenged Federal action shall be presumed to be correct
15 unless shown otherwise by clear and convincing evidence
16 contained in the administrative record.

17 (b) LIMITATION ON PROSPECTIVE RELIEF.—In any
18 judicial review referred to in section 122, the Court shall
19 not grant or approve any prospective relief unless the
20 court finds that such relief is narrowly drawn, extends no
21 further than necessary to correct the violation of a Federal
22 law requirement, and is the least intrusive means nec-
23 essary to correct the violation concerned.

1 **SEC. 126. PRESIDENTIAL WAIVER.**

2 Notwithstanding any other provision of law, the
3 President may waive any legal requirement relating to the
4 approval of any covered oil and natural gas activity if the
5 President determines in the President's sole discretion
6 that such activity is important to the national interest and
7 outweighs such legal requirement.

8 **SEC. 127. LEGAL FEES.**

9 Any person filing a petition referred to in section 122
10 who is not a prevailing party shall pay to the prevailing
11 parties (including intervening parties), other than the
12 United States, fees and other expenses incurred by that
13 party in connection with the judicial review, unless the
14 Court finds that the position of the person was substan-
15 tially justified or that special circumstances make an
16 award unjust.

17 **SEC. 128. EXCLUSION.**

18 Section 122 shall not apply to disputes between the
19 parties to a lease issued pursuant to an authorizing leas-
20 ing statute regarding the obligations of such lease or the
21 alleged breach thereof.

1 **Subtitle C—Other Energy**
2 **Provisions**

3 **SEC. 131. ELIMINATION OF RESTRICTION ON ENERGY AL-**
4 **TERNATIVES AND ENERGY EFFICIENCY.**

5 (a) ELIMINATION OF OTHER RESTRICTIONS ON USE
6 OF ENERGY ALTERNATIVES.—

7 (1) RENEWABLE BIOMASS.—Section
8 211(o)(1)(I) of the Clean Air Act (42 U.S.C.
9 7545(o)(1)(I)) is amended effective January 1,
10 2009—

11 (A) in clause (ii), by striking “on non-fed-
12 eral land”; and

13 (B) in clause (iv), by striking “that are
14 from non-federal forestlands, including
15 forestlands” and inserting “from forestlands,
16 including those on public lands and those”.

17 (2) ALTERNATIVE FUELS.—Section 526 of the
18 Energy Independence and Security Act of 2007 (42
19 U.S.C. 17142) is repealed.

20 (3) LIMITATION ON NUMBER OF NEW QUALI-
21 FIED HYBRID ADVANCED LEAN-BURN TECHNOLOGY
22 VEHICLES.—Section 30B of the Internal Revenue
23 Code of 1986 is amended by striking subsection (f).

24 (b) NEW SOURCE REVIEW UNDER THE CLEAN AIR
25 ACT.—Part A of title I of the Clean Air Act (42 U.S.C.

1 7401 and following) is amended by adding the following
2 new section at the end thereof:

3 **“SEC. 132 NEW SOURCE REVIEW.**

4 “In promulgating regulations respecting new source
5 review under this Act, the Administrator shall include in
6 such regulations provisions providing that routine mainte-
7 nance and repair shall not constitute a modification of an
8 existing source requiring compliance with new source re-
9 view requirements. Such provisions shall provide that
10 equipment replacement shall be considered routine mainte-
11 nance and repair if it meets each of the following require-
12 ments:

13 “(1) It does not increase actual emissions of
14 any air pollutant by more than 5 percent.

15 “(2) It does not increase actual emissions of
16 any air pollutant by more than 40 tons per year.

17 Notwithstanding any other provision of this Act, no State
18 may include in any State implementation plan any provi-
19 sions regarding new source review that are more stringent
20 than those contained in the regulations of the Adminis-
21 trator under this section.”.

22 **SEC. 132. POLICIES REGARDING BUYING AND BUILDING**
23 **AMERICAN.**

24 (a) INTENT OF CONGRESS.—It is the intent of the
25 Congress that this Act, among other things, result in a

1 healthy and growing American industrial, manufacturing,
2 transportation, and service sector employing the vast tal-
3 ents of America’s workforce to assist in the development
4 of energy from domestic sources. Moreover, the Congress
5 intends to monitor the deployment of personnel and mate-
6 rial onshore and offshore to encourage the development
7 of American technology and manufacturing to enable
8 United States workers to benefit from this Act by good
9 jobs and careers, as well as the establishment of important
10 industrial facilities to support expanded access to Amer-
11 ican resources.

12 (b) SAFEGUARD FOR EXTRAORDINARY ABILITY.—
13 Section 30(a) of the Outer Continental Shelf Lands Act
14 (43 U.S.C. 1356(a)) is amended in the matter preceding
15 paragraph (1) by striking “regulations which” and insert-
16 ing “regulations that shall be supplemental and com-
17 plimentary with and under no circumstances a substi-
18 tution for the provisions of the Constitution and laws of
19 the United States extended to the subsoil and seabed of
20 the outer Continental Shelf pursuant to section 4 of this
21 Act, except insofar as such laws would otherwise apply to
22 individuals who have extraordinary ability in the sciences,
23 arts, education, or business, which has been demonstrated
24 by sustained national or international acclaim, and that”.

1 **SEC. 133. CLEAN COAL TECHNOLOGY DEPLOYMENT GRANT**
2 **AND LOAN PROGRAM.**

3 (a) **PURPOSE.**—The purpose of this section is to en-
4 courage innovative, state of the art energy plants to reduce
5 and eliminate emissions of CO₂ and other greenhouse
6 gases.

7 (b) **DOE PROGRAM.**—The Secretary Energy shall
8 implement a competitive grant and loan program to award
9 funding to qualified projects for a 3-year period for the
10 construction or modernization of coal fired generation
11 units to enable the use at such units of the most viable
12 and cost effective technology to reduce emissions of carbon
13 dioxide and other greenhouse gases. In carrying out such
14 program, the Secretary shall give priority to the funding
15 of projects that will emit the least amount of carbon diox-
16 ide and other greenhouse gases.

17 (c) **QUALIFIED PROJECTS.**—(1) Projects for the con-
18 struction or modernization of units with carbon capture
19 and sequestration or storage systems shall be qualified for
20 assistance under this section in the form of grants of up
21 to \$2,000,000,000 per unit up to a maximum grant of
22 \$2,000,000 per Megawatt (MW) of capacity. Such
23 projects may be qualified for loan guarantees under this
24 section in the amount of up to \$3,000,000,000 per unit
25 up to a maximum of \$3,000,000 per Megawatt of capacity

1 (2) The maximum amount of funding assistance
2 under this section for construction and modernization
3 costs shall be as follows:

4 (A) A grant of 75 percent of such costs and a
5 loan guarantee of 25 percent of such costs for the
6 first year in which assistance is provided.

7 (B) A grant of 50 percent of such costs and a
8 loan guarantee of 50 percent of such costs for the
9 second year in which assistance is provided.

10 (C) A grant of 25 percent of such costs and a
11 loan guarantee of 75 percent of such costs for the
12 first year in which assistance is provided.

13 (d) MINIMUM SIZE.—No project shall be qualified for
14 assistance under this section for any unit that is less than
15 250 MW of capacity.

16 **TITLE II—MODIFYING THE STRA-**
17 **TEGIC PETROLEUM RESERVE**
18 **AND FUNDING CONSERVA-**
19 **TION AND ENERGY RE-**
20 **SEARCH AND DEVELOPMENT**

21 **SEC. 201. FINDINGS.**

22 Congress finds the following:

23 (1) The Strategic Petroleum Reserve (SPR)
24 was created by Congress in 1975, to protect the Na-
25 tion from any future oil supply disruptions. When

1 the program was established, United States refiners
2 were capable of handling light and medium crude
3 and the make up of the SPR matched this capacity.
4 This is not the case today.

5 (2) A GAO analysis found that nearly half of
6 the refineries considered vulnerable to supply disrup-
7 tions are not compatible with the types of oil cur-
8 rently stored in the SPR and would be unable to
9 maintain normal refining capacity if forced to rely
10 on SPR oil as currently constituted, thereby reduc-
11 ing the effectiveness of the SPR in the event of a
12 supply disruption. GAO concluded that the SPR
13 should be comprised of at least 10 percent heavy
14 crude.

15 (3) This Act implements the GAO recommenda-
16 tion and dedicates funds received from the trans-
17 actions to existing energy conservation, research,
18 and assistance programs.

19 **SEC. 202. DEFINITIONS.**

20 In this title—

21 (1) the term “light grade petroleum” means
22 crude oil with an API gravity of 35 degrees or high-
23 er;

1 (2) the term “heavy grade petroleum” means
2 crude oil with an API gravity of 26 degrees or lower;
3 and

4 (3) the term “Secretary” means the Secretary
5 of Energy.

6 **SEC. 203. OBJECTIVES.**

7 The objectives of this title are as follows:

8 (1) To modernize the composition of the Stra-
9 tegic Petroleum Reserve to reflect the current proc-
10 essing capabilities of refineries in the United States.

11 (2) To provide increased funding to accelerate
12 conservation, energy research and development, and
13 assistance through existing programs.

14 **SEC. 204. MODIFICATION OF THE STRATEGIC PETROLEUM**
15 **RESERVE.**

16 Notwithstanding section 161 of the Energy Policy
17 and Conservation Act (42 U.S.C. 6241), the Secretary
18 shall publish a plan not later than 30 days after the date
19 of enactment of this Act to—

20 (1) exchange as soon as possible light grade pe-
21 troleum from the Strategic Petroleum Reserve, in an
22 amount equal to 10 percent of the total number of
23 barrels of crude oil in the Reserve as of the date of
24 enactment of this Act, for an equivalent volume of
25 heavy grade petroleum plus any additional cash

1 bonus bids received that reflect the difference in the
2 market value between light grade petroleum and
3 heavy grade petroleum and the timing of deliveries
4 of the heavy grade petroleum;

5 (2) from the gross proceeds of the cash bonus
6 bids, deposit the amount necessary to pay for the di-
7 rect administrative and operational costs of the ex-
8 change into the SPR Petroleum Account established
9 under section 167 of the Energy Policy and Con-
10 servation Act (42 U.S.C. 6247); and

11 (3) deposit 90 percent of the remaining net pro-
12 ceeds from the exchange into the account established
13 under section 205(a).

14 **SEC. 205. ENERGY INDEPENDENCE AND SECURITY FUND.**

15 (a) ESTABLISHMENT.—There is hereby established in
16 the Treasury of the United States the “Energy Independ-
17 ence and Security Fund” (in this section referred to as
18 the “Fund”).

19 (b) ADMINISTRATION.—The Secretary shall be re-
20 sponsible for administering the Fund for the purpose of
21 carrying out this section.

22 (c) DEPOSITS.—The Secretary shall transfer the bal-
23 ance of funds in the SPR Petroleum Account on the date
24 of enactment of this Act in excess of \$10,000,000 into
25 the Fund.

1 (d) DISTRIBUTION OF FUNDS.—The Secretary shall
2 make amounts from the Fund available for obligation,
3 without further appropriation and without fiscal year limi-
4 tation, for the following purposes:

5 (1) ADVANCED RESEARCH PROJECTS AGENCY—
6 ENERGY.—The Secretary may transfer amounts to
7 the account “Energy Transformation Acceleration
8 Fund”, established under section 5012(m) of the
9 America COMPETES Act (42 U.S.C. 16538(m)),
10 including amounts—

11 (A) for university-based research projects;

12 and

13 (B) for program direction expenses.

14 (2) WIND ENERGY RESEARCH AND DEVELOP-
15 MENT.—The Secretary may transfer amounts to the
16 account “Energy Efficiency and Renewable Energy”
17 for necessary expenses for a program to support the
18 development of next-generation wind turbines, in-
19 cluding turbines capable of operating in areas with
20 low wind speeds, as authorized in section
21 931(a)(2)(B) of the Energy Policy Act of 2005 (42
22 U.S.C. 16231(a)(2)(B)).

23 (3) SOLAR ENERGY RESEARCH AND DEVELOP-
24 MENT.—The Secretary may transfer amounts to the
25 account “Energy Efficiency and Renewable Energy”

1 for necessary expenses for a program to accelerate
2 the research, development, demonstration, and de-
3 ployment of solar energy technologies, and public
4 education and outreach materials pursuant to such
5 program, as authorized by section 931(a)(2)(A) of
6 the Energy Policy Act of 2005 (42 U.S.C.
7 16231(a)(2)(A)).

8 (4) LOW INCOME WEATHERIZATION AND
9 LIHEAP.—The Secretary may transfer amounts to
10 the account “Weatherization Assistance Program”
11 for necessary expenses for a program to weatherize
12 low income housing, as authorized by section 411 of
13 the Energy Independence and Security Act of 2007
14 (Public Law 110–140). The Secretary may transfer
15 amounts to the Secretary of Health and Human
16 Services for distribution to States under section
17 2604(a) through (d) of the Low-Income Home En-
18 ergy Assistance Act of 1981 (42 U.S.C. 8623(a)–
19 (d)).

20 (5) MARINE AND HYDROKINETIC RENEWABLE
21 ELECTRIC ENERGY.—The Secretary may transfer
22 amounts to the account “Energy Efficiency and Re-
23 newable Energy” for necessary expenses for a pro-
24 gram to accelerate the research, development, dem-
25 onstration, and deployment of ocean and wave en-

1 energy, including hydrokinetic renewable energy, as au-
2 thorized by section 931 of the Energy Policy Act of
3 2005 (42 U.S.C. 16231) and section 636 of the En-
4 ergy Independence and Security Act of 2007 (42
5 U.S.C. 17215).

6 (6) ADVANCED VEHICLES RESEARCH, DEVELOP-
7 MENT, AND DEMONSTRATION.—The Secretary may
8 transfer amounts to the account “Energy Efficiency
9 and Renewable Energy” for necessary expenses for
10 research, development, and demonstration on ad-
11 vanced, cost-effective technologies to improve the en-
12 ergy efficiency and environmental performance of ve-
13 hicles, as authorized in section 911(a)(2)(A) of the
14 Energy Policy Act of 2005 (42 U.S.C.
15 16191(a)(2)(A)).

16 (7) INDUSTRIAL ENERGY EFFICIENCY RE-
17 SEARCH AND DEVELOPMENT.—The Secretary may
18 transfer amounts to the account “Energy Efficiency
19 and Renewable Energy” for necessary expenses for
20 a program to accelerate the research, development,
21 demonstration, and deployment of new technologies
22 to improve the energy efficiency and reduce green-
23 house gas emissions from industrial processes, as
24 authorized in section 911(a)(2)(C) of the Energy
25 Policy Act of 2005 (42 U.S.C. 16191(a)(2)(C)) and

1 in section 452 of the Energy Independence and Se-
2 curity Act of 2007 (42 U.S.C. 17111).

3 (8) BUILDING AND LIGHTING ENERGY EFFI-
4 CIENCY RESEARCH AND DEVELOPMENT.—The Sec-
5 retary may transfer amounts to the account “En-
6 ergy Efficiency and Renewable Energy” for nec-
7 essary expenses for a program to accelerate the re-
8 search, development, demonstration, and deployment
9 of new technologies to improve the energy efficiency
10 of and reduce greenhouse gas emissions from build-
11 ings, as authorized in section 321(g) of the Energy
12 Independence and Security Act of 2007 (42 U.S.C.
13 6295 note), section 422 of the Energy Independence
14 and Security Act of 2007 (42 U.S.C. 17082), and
15 section 912 of the Energy Policy Act of 2005 (42
16 U.S.C. 16192).

17 (9) GEOTHERMAL ENERGY DEVELOPMENT.—
18 The Secretary may transfer amounts to the account
19 “Energy Efficiency and Renewable Energy” for nec-
20 essary expenses for geothermal research and devel-
21 opment activities to be managed by the National Re-
22 newable Energy Laboratory, as authorized by sec-
23 tions 613, 614, 615, and 616 of the Energy Inde-
24 pendence and Security Act of 2007 (42 U.S.C.

1 17192–95) and section 931(a)(2)(C) of the Energy
2 Policy Act of 2005 (42 U.S.C. 16231(a)(2)(C)).

3 (10) SMART GRID TECHNOLOGY RESEARCH, DE-
4 VELOPMENT, AND DEMONSTRATION.—The Secretary
5 may transfer amounts to the account “Energy Effi-
6 ciency and Renewable Energy” for necessary ex-
7 penses for research, development, and demonstration
8 of smart grid technologies, as authorized by section
9 1304 of the Energy Independence and Security Act
10 of 2007 (42 U.S.C. 17384).

11 (11) CARBON CAPTURE AND STORAGE.—The
12 Secretary may transfer amounts to the account
13 “Fossil Energy Research and Development” for nec-
14 essary expenses for a program of demonstration
15 projects of carbon capture and storage, and for a re-
16 search program to address public health, safety, and
17 environmental impacts, as authorized by section 963
18 of the Energy Policy Act of 2005 (42 U.S.C. 16293)
19 and sections 703 and 707 of the Energy Independ-
20 ence and Security Act of 2007 (42 U.S.C. 17251,
21 17255).

22 (12) NONCONVENTIONAL DOMESTIC NATURAL
23 GAS PRODUCTION AND ENVIRONMENTAL RE-
24 SEARCH.—

1 (A) The Secretary may transfer amounts
2 to the account authorized by section 999H(e) of
3 the Energy Policy Act of 2005 (42 U.S.C.
4 16378(e)).

5 (B) The Secretary may transfer amounts
6 to the account “Fossil Energy Research and
7 Development” for necessary expenses for a pro-
8 gram of basin-oriented assessments and public
9 and private partnerships involving States and
10 industry to foster the development of regional
11 advanced technological, regulatory, and eco-
12 nomic development strategies for the efficient
13 and environmentally sustainable recovery and
14 market delivery of natural gas and domestic pe-
15 troleum resources within the United States, and
16 for support for the Stripper Well Consortium.

17 (13) HYDROGEN RESEARCH AND DEVELOP-
18 MENT.—The Secretary may transfer amounts to the
19 account “Energy Efficiency and Renewable Energy”
20 for necessary expenses for the Department of Ener-
21 gy’s H-Prize Program, as authorized by section
22 1008(f) of the Energy Policy Act of 2005 (42
23 U.S.C. 16396(f)).

24 (14) ENERGY STORAGE FOR TRANSPORTATION
25 AND ELECTRIC POWER.—

1 (A) The Secretary may transfer amounts
2 to the account “Basic Energy Sciences” for
3 necessary expenses for a program to accelerate
4 basic research on energy storage systems to
5 support electric drive vehicles, stationary appli-
6 cations, and electricity transmission and dis-
7 tribution, as authorized by section 641(p)(1) of
8 the Energy Independence and Security Act of
9 2007 (42 U.S.C. 17231(p)(1)).

10 (B) The Secretary may transfer amounts
11 to the account “Energy Efficiency and Renew-
12 able Energy” including—

13 (i) amounts for a program to accel-
14 erate applied research on energy storage
15 systems to support electric drive vehicles,
16 stationary applications, and electricity
17 transmission and distribution as authorized
18 by section 641(p)(2) of the Energy Inde-
19 pendence and Security Act of 2007 (42
20 U.S.C. 17231(p)(2));

21 (ii) amounts for energy storage sys-
22 tems demonstrations as authorized by sec-
23 tion 641(p)(4) of the Energy Independence
24 and Security Act of 2007 (42 U.S.C.
25 17231(p)(4)); and

1 (iii) amounts for vehicle energy stor-
2 age systems demonstrations as authorized
3 by section 641(p)(5) of the Energy Inde-
4 pendence and Security Act of 2007 (42
5 U.S.C. 17231(p)(5)).

6 (e) TRANSFER PROCEDURES.—The Secretary shall
7 make an initial transfer from the Fund no later than 30
8 days after the initial deposit of monies into the Fund. The
9 Secretary shall make additional transfers no later than 30
10 days after subsequent deposits.

11 (f) MANAGEMENT AND OVERSIGHT.—

12 (1) ADDITIONALITY OF FISCAL YEAR 2008
13 TRANSFERS.—All amounts transferred under sub-
14 section (d) shall be in addition to, and shall not be
15 substituted for, any funds appropriated for the same
16 or similar purposes in the Consolidated Appropria-
17 tions Act, 2008.

18 (2) EXCESS FUNDS.—The total of all amounts
19 transferred under subsection (d) and any funds ap-
20 propriated for the same or similar purposes in the
21 Consolidated Appropriations Act, 2008 may not ex-
22 ceed the amounts authorized in other Acts for such
23 purposes. In the event that amounts made available
24 under this title plus amounts under the Consolidated
25 Appropriations Act, 2008 exceed the cumulative

1 amounts authorized in other Acts for any program
2 funded by this Act, the excess amounts shall be dis-
3 tributed to the other programs funded by this title
4 on a pro rata basis.

5 (3) PROGRAM PLANS AND PERFORMANCE MEAS-
6 URES.—The Secretary shall prepare and publish in
7 the Federal Register a plan for the proposed use of
8 all funds authorized in subsection (d). The plan also
9 shall identify how the use of these funds will be ad-
10 ditive to, and not displace, annual appropriations.
11 The plans also shall identify performance measures
12 to assess the additional benefits that may be realized
13 from the application of the additional funding pro-
14 vided under this section. The initial plan shall be
15 published in the Federal Register not later than 45
16 days after the date of enactment of this Act.

17 (4) CONGRESSIONAL OVERSIGHT AND RE-
18 VIEW.—Nothing in this section shall limit or restrict
19 the review and oversight of program plans by the ap-
20 propriate committees of Congress. Nothing in this
21 section shall limit or restrict the authority of Con-
22 gress to set alternative spending limitations in an-
23 nual appropriations Acts.

24 (5) APPORTIONMENT.—All transactions of the
25 Fund shall be exempt from apportionment under the

1 provisions of subchapter II of chapter 15 of title 31,
2 United States Code.

3 **TITLE III—CLEANER ENERGY**
4 **PRODUCTION AND ENERGY**
5 **CONSERVATION INCENTIVES**

6 **SEC. 301. EXTENSION OF RENEWABLE ENERGY CREDIT.**

7 (a) IN GENERAL.—Each of the following provisions
8 of section 45(d) of the Internal Revenue Code of 1986
9 (relating to qualified facilities) is amended by striking
10 “January 1, 2014” and inserting “January 1, 2019”:

11 (1) Clauses (i) and (ii) of paragraph (2)(A) (re-
12 lating to closed-loop biomass facility).

13 (2) Clauses (i)(I) and (ii) of paragraph (3)(A)
14 (relating to (open-loop biomass facility).

15 (3) Paragraph (4) (relating to geothermal en-
16 ergy facility).

17 (4) Paragraph (6) (relating to landfill gas facili-
18 ties).

19 (5) Paragraph (7) (relating to trash combustion
20 facilities).

21 (6) Subparagraphs (A) and (B) of paragraph
22 (9) (relating to qualified hydropower facility).

23 (7) Paragraph (11) (relating to marine and
24 hydrokinetic renewable energy facilities).

1 (b) WIND FACILITIES.—Paragraph (1) of section
2 45(d) of such Code is amended by striking “January 1,
3 2013” and inserting “January 1, 2019”:

4 (1) Paragraph (1) (relating to wind facility).

5 **SEC. 302. EXTENSION OF RENEWABLE ENERGY CREDIT.**

6 Each of the following provisions of section 45(d) of
7 the Internal Revenue Code of 1986 (relating to qualified
8 facilities) is amended by striking “January 1, 2013” and
9 inserting “January 1, 2019”:

10 (1) Paragraph (1) (relating to wind facility).

11 (2) Clauses (i) and (ii) of paragraph (2)(A) (re-
12 lating to closed-loop biomass facility).

13 (3) Clauses (i)(I) and (ii) of paragraph (3)(A)
14 (relating to (open-loop biomass facility).

15 (4) Paragraph (4) (relating to geothermal en-
16 ergy facility).

17 (5) Paragraph (5) (relating to small irrigation
18 power facility).

19 (6) Paragraph (6) (relating to landfill gas facili-
20 ties).

21 (7) Paragraph (7) (relating to trash combustion
22 facilities).

23 (8) Paragraph (8) (relating to refined coal pro-
24 duction facility).

1 (9) Subparagraphs (A) and (B) of paragraph
2 (9) (relating to qualified hydropower facility).

3 **SEC. 303. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL**
4 **VEHICLES.**

5 (a) **QUALIFIED FUEL CELL MOTOR VEHICLES.**—
6 Paragraph (1) of section 30B(j) of the Internal Revenue
7 Code of 1986 is amended by striking “December 31,
8 2014” and inserting “December 31, 2018”.

9 (b) **NEW ADVANCED LEAN BURN TECHNOLOGY**
10 **MOTOR VEHICLE.**—Paragraph (2) of section 30B(j) of
11 such Code is amended by striking “December 31, 2010”
12 and inserting “December 31, 2018”.

13 (c) **NEW QUALIFIED HYBRID MOTOR VEHICLE.**—
14 Paragraph (3) of section 30B(j) of such Code is amended
15 by striking “December 31, 2009” and inserting “Decem-
16 ber 31, 2018”. the date therein and inserting “December
17 31, 2014”.

18 (d) **NEW QUALIFIED ALTERNATIVE FUEL VEHI-**
19 **CLE.**—Paragraph (4) of section 30B(j) of such Code is
20 amended by striking “December 31, 2010” and inserting
21 “December 31, 2018”.

1 **SEC. 304. EXTENSION OF ALTERNATIVE FUEL VEHICLE RE-**
2 **FUELING PROPERTY CREDIT.**

3 Subsection (g) of section 30C of the Internal Revenue
4 Code of 1986 (relating to termination is amended to read
5 as follows:

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

8 **SEC. 305. EXTENSION OF CREDIT FOR ENERGY EFFICIENT**
9 **APPLIANCES.**

10 (a) DISHWASHERS.—Paragraph (1) of section
11 45M(b) of the Internal Revenue Code of 1986 (relating
12 to applicable amount) is amended by striking “in calendar
13 year 2008, 2009, or 2010” in subparagraph (B) and in-
14 serting “after 2007 and before 2019”.

15 (b) CLOTHES WASHERS.—Subparagraphs (C) and
16 (D) of section 45M(b)(2) of such Code is amended by
17 striking “in calendar year 2008, 2009, or 2010” and in-
18 serting “after 2007 and before 2019”.

19 (c) REFRIGERATORS.—Subparagraphs (C) and (D)
20 of section 45M(b)(3) of such Code is amended by striking
21 “in calendar year 2008, 2009, or 2010” and inserting
22 “after 2007 and before 2019”

23 (d) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to appliances produced after De-
25 cember 31, 2010.

1 **SEC. 306. EXTENSION OF CREDIT FOR NONBUSINESS EN-**
2 **ERGY PROPERTY.**

3 Section 25C(g) of the Internal Revenue Code of 1986
4 (relating to termination) is amended by striking “Decem-
5 ber 31, 2010” and inserting “December 31, 2018”.

6 **SEC. 307. EXTENSION OF CREDIT FOR RESIDENTIAL EN-**
7 **ERGY EFFICIENT PROPERTY.**

8 Section 25D(g) of the Internal Revenue Code of 1986
9 (relating to termination) is amended by striking “Decem-
10 ber 31, 2016” and inserting “December 31, 2018”.

11 **SEC. 308. EXTENSION OF NEW ENERGY EFFICIENT HOME**
12 **CREDIT.**

13 Subsection (g) of section 45L of the Internal Revenue
14 Code of 1986 (relating to termination) is amended by
15 striking “December 31, 2009” and inserting “December
16 31, 2018”.

17 **SEC. 309. EXTENSION OF ENERGY EFFICIENT COMMERCIAL**
18 **BUILDINGS DEDUCTION.**

19 Section 179D(h) of the Internal Revenue Code of
20 1986 (relating to termination) is amended by striking
21 “December 31, 2013” and inserting “December 31,
22 2018”.

23 **SEC. 310. EXTENSION OF ENERGY CREDIT.**

24 (a) **SOLAR ENERGY PROPERTY.**—Paragraphs
25 (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) of the Internal
26 Revenue Code of 1986 (relating to energy credit) are each

1 amended by striking “January 1, 2017” and inserting
2 “January 1, 2019”.

3 (b) FUEL CELL PROPERTY.—Subparagraph (E) of
4 section 48(c)(1) of such Code (relating to qualified fuel
5 cell property) is amended by striking “December 31,
6 2016” and inserting “December 31, 2018”.

7 (c) MICROTURBINE PROPERTY.—Subparagraph (D)
8 of section 48(c)(2) of such Code (relating to qualified
9 microturbine property) is amended by striking “December
10 31, 2016” and inserting “December 31, 2018”.

11 (d) PROPERTY USING THERMAL ENERGY FROM
12 GROUND OR GROUND WATER.—Clause (vii) of section
13 48(a)(3)(A) of such Code is amended by striking “Decem-
14 ber 31, 2017” and inserting “December 31, 2018”.

15 (e) COMBINED HEAT AND POWER SYSTEM PROP-
16 erty.—Clause (iv) of section 48(c)(3)(A) of such Code
17 is amended by striking “December 31, 2017” and insert-
18 ing “December 31, 2018”.

19 (f) SMALL WIND ENERGY PROPERTY.—Subpara-
20 graph (C) of section 48(c)(4) of such Code is amended
21 by striking “December 31, 2016” and inserting “Decem-
22 ber 31, 2018”.

1 **SEC. 311. EXTENSION OF CREDIT FOR CLEAN RENEWABLE**
2 **ENERGY BONDS.**

3 (a) **EXTENSION.**—Section 54(m) of the Internal Rev-
4 enue Code of 1986 (relating to termination) is amended
5 by striking “December 31, 2009” and inserting “Decem-
6 ber 31, 2018”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 this section shall apply to obligations issued after Decem-
9 ber 31, 2009.

10 **SEC. 312. EXTENSION OF CREDITS FOR BIODIESEL AND RE-**
11 **NEWABLE DIESEL.**

12 (a) **IN GENERAL.**—Sections 40A(g), 6426(e)(6), and
13 6427(e)(6)(B) of the Internal Revenue Code of 1986 are
14 each amended by striking “December 31, 2009” and in-
15 serting “December 31, 2018”.

16 (b) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to fuel produced, and sold or used,
18 after December 31, 2009.

1 **TITLE IV—INCREASE DIVER-**
2 **SIFICATION AND EFFICIENCY**
3 **OF AMERICA’S TRANSPOR-**
4 **TATION AND ELECTRIC SYS-**
5 **TEM**

6 **Subtitle A—Diversification of Fuel**
7 **Source for America’s Short-Haul**
8 **Transportation System**

9 **SEC. 401. MINIMUM FEDERAL FLEET REQUIREMENT.**

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

12 (1) in subsection (b)—

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

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

17 “(2) PLUG-IN ELECTRIC DRIVE VEHICLES.—Of
18 the total number of vehicles acquired by a Federal
19 fleet under paragraph (1), at least the following per-
20 centage of the vehicles shall be plug-in electric drive
21 vehicles (as defined in section 131(a) of the Energy
22 Independence and Security Act of 2007 (42 U.S.C.
23 17011(a))):

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

1 “(B) The applicable percentage for the
2 preceding fiscal year increased by 5 percentage
3 points (but not to exceed a total of 50 percent)
4 for fiscal year 2013 and each subsequent fiscal
5 year.”; and

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

9 (2) by striking subsection (c) and inserting the
10 following:

11 “(c) ALLOCATION OF INCREMENTAL COSTS.—Sub-
12 ject to the availability of funds appropriated to carry out
13 this subsection (to remain available until expended), the
14 General Services Administration shall pay the incremental
15 cost of alternative fueled vehicles over the cost of com-
16 parable gasoline vehicles for vehicles that the Administra-
17 tion purchased for the use of the Administration or on
18 behalf of other agencies, in a total amount of not to exceed
19 \$300,000,000 for any of fiscal years 2012 through
20 2016.”;

21 (3) in subsection (f), by adding at the end the
22 following:

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

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

4 **SEC. 402. 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 an 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 an 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. 403. 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 nondiscriminatory
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; and

19 (C) such other issues as the Secretary con-
20 siders appropriate.

21 (3) REPORT.—Not later than 1 year after the
22 date of enactment of this Act, the Secretary shall
23 submit to the appropriate committees of Congress a
24 report on the results of the study conducted under
25 this subsection, including any recommendations.

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

3 (1) IN GENERAL.—Effective beginning October
4 1, 2010, the Secretary shall establish a program
5 under which the Secretary shall provide grants and
6 loans to local governments to assist in the installa-
7 tion of recharging facilities for electric drive vehicles
8 in areas under the jurisdiction of the local govern-
9 ments. The Secretary shall provide funding under
10 this section to State or local governments to pay not
11 more than fifty percent of the recharging infrastruc-
12 ture cost.

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

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

24 (B) agree not to charge a premium for use
25 of a parking space used to recharge an electric

1 drive vehicle other than a charge for electric en-
2 ergy.

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

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

13 **SEC. 404. LOAN GUARANTEES FOR ADVANCED BATTERY**
14 **PURCHASES.**

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

18 **“SEC. 137. LOAN GUARANTEES FOR ADVANCED BATTERY**
19 **PURCHASES.**

20 “(a) DEFINITIONS.—In this section:

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

24 “(2) RANGE EXTENSION INFRASTRUCTURE.—
25 The term ‘range extension infrastructure’ includes

1 equipment, products, or services for recharging plug-
2 in electric drive vehicles that—

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

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

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

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

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

18 “(1) an original equipment manufacturer;

19 “(2) a vehicle manufacturer;

20 “(3) an electric utility;

21 “(4) any provider of range extension infrastruc-
22 ture; or

23 “(5) any other qualified entity, as determined
24 by the Secretary.

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

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

7 **SEC. 405. STUDY OF END-OF-USEFUL LIFE OPTIONS FOR**
8 **MOTOR VEHICLE BATTERIES.**

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

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

22 **SEC. 406. STUDY AND DEMONSTRATION ELECTRIFICATION**
23 **OF POSTAL FLEET.**

24 (a) IN GENERAL.—The Postal Service shall conduct
25 a study of what portion of its mail delivery vehicles are

1 capable of being replaced with plug-in hybrid electric vehi-
2 cles.

3 (b) REPORT.—Not later than 1 year after the date
4 of enactment of this Act, the Postal Service shall submit
5 to the appropriate committees of Congress a report on the
6 results of the study conducted under subsection (a).

7 (c) PROTOTYPE PLUG-IN ELECTRIC HYBRID MAIL
8 DELIVERY VEHICLES.—Not later than 2 years after the
9 date of enactment of this Act, the Postal One service shall
10 contact for the development of a prototype plug-in electric
11 hybrid mail delivery vehicles.

12 **SEC. 407. MAXIMUM WEIGHT STUDY FOR ENERGY EFFI-**
13 **CIENCY AND SAFETY.**

14 (a) IN GENERAL.—The Secretary of Transportation,
15 in consultation with the Administrator of the National
16 Highway Traffic Safety Administration, shall conduct a
17 study to investigate whether oil savings goals can be
18 achieved in the trucking industry without adverse safety
19 consequences by determining the safety impacts and other
20 effects of increasing the maximum allowable gross weight
21 for vehicles using the Interstate System to allow for larger,
22 more fuel-efficient tractor-trailers.

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

1 (1) determine whether a vehicle with a supple-
2 mentary sixth axle and a gross weight of up to
3 97,000 pounds that is traveling at 60 miles per hour
4 is capable of stopping at a distance of 355 feet or
5 less;

6 (2) determine whether the use of the Interstate
7 System by vehicles described in paragraph (1) would
8 require a fundamental alteration of the vehicle archi-
9 tecture that is commonly used for the transportation
10 of goods as of the day before the date of the enact-
11 ment of this Act;

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

15 (4) consider the potential impact on highway
16 safety of applying lower speed limits on such vehicles
17 than the speed limits in effect on the day before the
18 date of the enactment of this Act.

19 (c) REPORT.—Not later than 1 year after the date
20 of the enactment of this Act, the Secretary shall submit
21 a report to Congress that contains the results of the study
22 conducted under this section, including a determination by
23 the Secretary as to whether permitting vehicles with a sup-
24 plementary sixth axle and a gross weight of not more than

1 97,000 pounds to use the Interstate System would have
2 an adverse impact on highway safety.

3 (d) DEFINITION.—In this section, the term “Inter-
4 state System” has the meaning given that term in section
5 101(a) of title 23, United States Code.

6 **Subtitle B—Incentives for** 7 **Diversification of Transportation**

8 **SEC. 420. AMENDMENT OF 1986 CODE.**

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

15 **SEC. 421. EXTENSION OF CREDIT FOR MEDIUM AND HEAVY-** 16 **DUTY HYBRID VEHICLES.**

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

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

1 **SEC. 422. EXTENSION OF CREDIT AND EXTENSION OF TEM-**
2 **PORARY INCREASE IN CREDIT FOR ALTER-**
3 **NATIVE FUEL VEHICLE REFUELING PROP-**
4 **ERTY.**

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

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

10 (1) by striking “January 1, 2011” and insert-
11 ing “January 1, 2019”, and

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

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

17 **SEC. 423. EXTENSION AND EXPANSION OF CREDIT FOR NEW**
18 **QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR**
19 **VEHICLES.**

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

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

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

1 (1) IN GENERAL.—The last sentence of section
2 30D(b)(3) is amended to read as follows: “The
3 amount determined under this paragraph shall not
4 exceed—

5 “(A) \$5,000, in the case of any new quali-
6 fied plug-in electric drive motor vehicle with a
7 gross vehicle weight rating of not more than
8 14,000 pounds,

9 “(B) \$10,000, in the case of any new
10 qualified plug-in electric drive motor vehicle
11 with a gross vehicle weight rating of more than
12 14,000 pounds but not more than 26,000
13 pounds, and

14 “(C) \$12,500, in the case of any new
15 qualified plug-in electric drive motor vehicle
16 with a gross vehicle weight rating of more than
17 26,000 pounds.”.

18 (2) CONFORMING AMENDMENTS.—Paragraph
19 (1) of section 30D(d) is amended by adding “and”
20 at the end of subparagraph (D), by striking sub-
21 paragraph (E), and by redesignating subparagraph
22 (F) as subparagraph (E).

23 (c) INCREASE IN PER MANUFACTURER CAP.—Para-
24 graph (2) of section 30D(e) is amended by striking
25 “200,000” and inserting “400,000”.

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

4 **SEC. 424. EXTENSION OF CREDIT FOR CERTAIN PLUG-IN**
5 **ELECTRIC VEHICLES.**

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

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

12 **SEC. 425. CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC**
13 **DRIVE MOTOR VEHICLES.**

14 (a) PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE
15 CREDIT.—Subpart B of part IV of subchapter A of chap-
16 ter 1 (relating to other credits) is amended as follows:

17 (1) Subsection (a) of section 30D is amended to
18 read as follows:

19 “(a) ALLOWANCE OF CREDIT.—

20 “(1) IN GENERAL.—There shall be allowed as a
21 credit against the tax imposed by this chapter for
22 the taxable year an amount equal to the applicable
23 amount with respect to—

1 “(A) each new qualified plug-in electric
2 drive motor vehicle placed in service by the tax-
3 payer during the taxable year, or

4 “(B) each automotive grade battery pur-
5 chased by the taxpayer during the taxable year
6 subject to a minimum purchase of 1,000 bat-
7 teries with a battery capacity no smaller than
8 5 kilowatt hours.

9 “(2) APPLICABLE AMOUNT.—

10 “(A) For purposes of paragraph (1)(A),
11 the applicable amount is the sum of—

12 “(i) \$2,500, plus

13 “(ii) \$417 for each kilowatt hour of
14 traction battery capacity in excess of kilo-
15 watt hours.

16 “(B) For purposes of paragraph (1)(B),
17 the applicable amount is the sum of—

18 “(i) \$1,000, plus

19 “(ii) \$200 for each kilowatt hour of
20 traction battery capacity in excess of 5 kil-
21 owatt hours.”.

22 (2) Subsection (c)(6) is amended by striking
23 the the period and inserting “, and” and inserting
24 after it:

1 “(7) is not powered by a battery for which any
2 taxpayer received a tax credit pursuant to subsection
3 (a)(1)(B) of this section.”.

4 (3) Subsections (d), (e), (f), and (g) are redesi-
5 gnated as subsections (e), (f), (g), and (h) and a
6 new subsection (d) is inserted:

7 “(d) QUALIFIED AUTOMOTIVE BATTERY.—For pur-
8 poses of this section, the term ‘qualified automotive bat-
9 tery’ means a battery with at least 5 kilowatt hours of
10 traction battery capacity that is designed for use in quali-
11 fied plug-in electric drive motor vehicles but is purchased
12 for non-automotive applications.”.

13 **SEC. 426. TAX CREDIT FOR MOST EFFICIENT VEHICLE IN**
14 **CLASS.**

15 Subpart B of part IV of subchapter A of chapter 1
16 (relating to other credits) is amended by adding at the
17 end the following new section:

18 **“SEC. 30E. MOST EFFICIENT VEHICLE IN CLASS CREDIT.**

19 “(a) ALLOWANCE OF CREDIT.—There shall be al-
20 lowed as a credit against the tax imposed by this chapter
21 for the taxable year an amount equal to \$2,000 for each
22 car that is determined to be the ‘most efficient vehicle in
23 class’ placed in service by the taxpayer during the taxable
24 year.

1 “(b) MOST EFFICIENT VEHICLE IN CLASS.—For
2 purposes of this section, the term ‘most efficient vehicle
3 in class’ means the motor vehicle identified as the most
4 efficient vehicle in each class of vehicle in the Annual Fuel
5 Economy Guide published by the Environmental Protec-
6 tion Agency.”.

7 **SEC. 427. STUDY OF DEVELOPMENT OF COMMON STAND-**
8 **ARDS FOR PHEVS AND EVS BETWEEN THE**
9 **UNITED STATES, EUROPE AND ASIA.**

10 (a) IN GENERAL.—The Secretary shall conduct a
11 study identifying the components of electric vehicles, hy-
12 brid-electric vehicles and plug-in hybrid-electric vehicles
13 for which it is important that there be common standards
14 within the United States and between the United States,
15 European and Asian automakers and examine the extent
16 to which such standards are (or are not) or have been (or
17 have not been) developed, and the status of any such ef-
18 forts to develop such standards.

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 C—Low Carbon**
2 **Diversification of Electric System**

3 **SEC. 431. INNOVATIVE LOW-CARBON LOAN GUARANTEE**
4 **PROGRAM.**

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

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

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

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

12 “(f) INNOVATIVE LOW-CARBON TECHNOLOGY
13 PROJECTS.—

14 “(1) IN GENERAL.—The Secretary may make
15 guarantees to carry out innovative low-carbon tech-
16 nologies projects.

17 “(2) FUNDING.—

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

24 “(B) ADDITIONAL AMOUNTS.—Amounts
25 made available to carry out this subsection shall

1 be in addition to any other authority provided
2 for fiscal year 2010 or any previous fiscal year.

3 “(C) SOURCE OF FUNDS.—

4 “(i) IN GENERAL.—Amounts made
5 available to carry out this subsection shall
6 be—

7 “(I) derived from amounts re-
8 ceived from borrowers pursuant to
9 section 1702(b)(2) for fiscal year
10 2010 or any previous fiscal year; and

11 “(II) collected in accordance with
12 the Federal Credit Reform Act of
13 1990 (2 U.S.C. 661 et seq.).

14 “(ii) TREATMENT.—The source of
15 payment received from borrowers described
16 in clause (i) shall be not considered a loan
17 or other debt obligation that is guaranteed
18 by the Federal Government.

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