AMENDMENT NO._____ Calendar No._____

Purpose: To improve domestic fuels security.

IN THE SENATE OF THE UNITED STATES—110th Cong., 1st Sess.

H. R. 6

To reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. INHOFE (for himself and Mr. THUNE) to the amendment (No. ____) proposed by Mr. REID (for himself, _____)

Viz:

At the end, add the following:

TITLE VIII—GAS PRICE ACT

SEC. 801. SHORT TITLE.

This title may be cited as the ''Gas Petroleum Refiner Improvement and Community Empowerment Act'' or ''Gas PRICE Act''.

SEC. 802. DEFINITIONS.

In this title:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) COAL-TO-LIQUID.—The term ''coal-to-liquid'' means—

(A) with respect to a process or technology, the use of a feedstock, the majority of which is derived from the coal resources of the United States, using the class of reactions known as Fischer-Tropsch, to produce synthetic fuel suitable for transportation; and

(B) with respect to a facility, the portion of a facility related to producing the inputs for the Fischer-Tropsch process, or the finished fuel from the Fischer-Tropsch process, using a feedstock that is primarily domestic coal at the Fischer-Tropsch facility.

(3) DOMESTIC FUELS FACILITY.—

(A) IN GENERAL.—The term ''domestic fuels facility'' means—

(i) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other transportation fuel;

(ii) a facility that produces a renewable fuel (as defined in section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1))); and

(iii) a facility at which crude oil is refined into transportation fuel or other petroleum products.

(B) INCLUSION.—The term ''domestic fuels facility'' includes a domestic fuels facility expansion.

(4) DOMESTIC FUELS FACILITY EXPANSION.—The term ''domestic fuels facility expansion'' means a physical change in a domestic fuels facility that results in an increase in the capacity of the domestic fuels facility.

(5) DOMESTIC FUELS FACILITY PERMITTING AGREEMENT.—The term ''domestic fuels facility permitting agreement'' means an agreement entered into between the Administrator and a State or Indian tribe under subsection (b).

(6) DOMESTIC FUELS PRODUCER.—The term ''domestic fuels producer'' means an individual or entity that—

(A) owns or operates a domestic fuels facility; or

(B) seeks to become an owner or operator of a domestic fuels facility.

(7) INDIAN LAND.—The term ''Indian land'' has the meaning given the term ''Indian lands'' in section 3 of the Native American Business Development, Trade Promotion, and Tourism Act of 2000 (25 U.S.C. 4302).

(8) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(9) PERMIT.—The term ''permit'' means any permit, license, approval, variance, or other form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or Indian tribal government agency delegated with authority by the Federal Government, or authorized under Federal law to issue permits.

(10) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(11) STATE.—The term ''State'' means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

Subtitle A—Collaborative Permitting Process for Domestic Fuels Facilities

SEC. 811. COLLABORATIVE PERMITTING PROCESS FOR DOMESTIC FUELS FACILITIES.

(a) IN GENERAL.—At the request of the Governor of a State or the governing body of an Indian tribe, the Administrator shall enter into a domestic fuels facility permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a domestic fuels facility shall be improved using a systematic interdisciplinary multimedia approach as provided in this section.

(b) AUTHORITY OF ADMINISTRATOR.—Under a domestic fuels facility permitting agreement—

(1) the Administrator shall have authority, as applicable and necessary, to—

(A) accept from a refiner a consolidated application for all permits that the domestic fuels producer is required to obtain to construct and operate a domestic fuels facility;

(B) establish a schedule under which each Federal, State, or Indian tribal government agency that is required to make any determination to authorize the issuance of a permit shall—

(i) concurrently consider, to the maximum extent practicable, each determination to be made; and

(ii) complete each step in the permitting process; and

(C) issue a consolidated permit that combines all permits that the domestic fuels producer is required to obtain; and

(2) the Administrator shall provide to State and Indian tribal government agencies—

(A) financial assistance in such amounts as the agencies reasonably require to hire such additional personnel as are necessary to enable the government agencies to comply with the applicable schedule established under paragraph (1)(B); and

(B) technical, legal, and other assistance in complying with the domestic fuels facility permitting agreement.

(c) AGREEMENT BY THE STATE.—Under a domestic fuels facility permitting agreement, a State or governing body of an Indian tribe shall agree that—

(1) the Administrator shall have each of the authorities described in subsection (b); and

(2) each State or Indian tribal government agency shall—

(A) make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(B) comply, to the maximum extent practicable, with the applicable schedule established under subsection (b)(1)(B).

(d) INTERDISCIPLINARY APPROACH.—

(1) IN GENERAL.—The Administrator and a State or governing body of an Indian tribe shall incorporate an interdisciplinary approach, to the maximum extent practicable, in the development, review, and approval of domestic fuels facility permits subject to this section.

(2) OPTIONS.—Among other options, the interdisciplinary approach may include use of—

(A) environmental management practices; and

(B) third party contractors.

(e) DEADLINES.—

(1) NEW DOMESTIC FUELS FACILITIES.—In the case of a consolidated permit for the construction of a new domestic fuels facility, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 360 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline established under subparagraph (A).

(2) EXPANSION OF EXISTING DOMESTIC FUELS FACILITIES.—In the case of a consolidated permit for the expansion of an existing domestic fuels facility, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 120 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline established under subparagraph (A).

(f) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under subsection (b)(1)(B).

(g) JUDICIAL REVIEW.—Any civil action for review of any determination of any Federal, State, or Indian tribal government agency in a permitting process conducted under a domestic fuels facility permitting agreement brought by any individual or entity shall be brought exclusively in the United States district court for the district in which the domestic fuels facility is located or proposed to be located.

(h) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this section.

(i) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a domestic fuels facility are not approved on or before any deadline established under subsection (e), the Administrator may issue a consolidated permit that combines all other permits that the domestic fuels producer is required to obtain other than any permits that are not approved.

(j) SAVINGS.—Nothing in this section affects the operation or implementation of otherwise applicable law regarding permits necessary for the construction and operation of a domestic fuels facility.

(k) CONSULTATION WITH LOCAL GOVERNMENTS.—Congress encourages the Administrator, States, and tribal governments to consult, to the maximum extent practicable, with local governments in carrying out this section.

(l) EFFECT ON LOCAL AUTHORITY.—Nothing in this section affects—

(1) the authority of a local government with respect to the issuance of permits; or

(2) any requirement or ordinance of a local government (such as zoning regulations).

Subtitle B—Environmental Analysis of Fischer-Tropsch Fuels

SEC. 821. EVALUATION OF FISCHER-TROPSCH DIESEL AND JET FUEL AS AN EMISSION CONTROL STRATEGY.

(a) IN GENERAL.—In cooperation with the Secretary of Energy, the Secretary of Defense, the Administrator of the Federal Aviation Administration, Secretary of Health and Human Services, and Fischer-Tropsch industry representatives, the Administrator shall—

(1) conduct a research and demonstration program to evaluate the air quality benefits of ultra-clean Fischer-Tropsch transportation fuel, including diesel and jet fuel;

(2) evaluate the use of ultra-clean Fischer-Tropsch transportation fuel as a mechanism for reducing engine exhaust emissions; and

(3) submit recommendations to Congress on the most effective use and associated benefits of these ultra-clean fuels for reducing public exposure to exhaust emissions.

(b) GUIDANCE AND TECHNICAL SUPPORT.—The Administrator shall, to the extent necessary, issue any guidance or technical support documents that would facilitate

the effective use and associated benefit of Fischer-Tropsch fuel and blends.

(c) REQUIREMENTS.—The program described in subsection (a) shall consider—

(1) the use of neat (100 percent) Fischer-Tropsch fuel and blends with conventional crude oil-derived fuel for heavy-duty and light-duty diesel engines and the aviation sector; and

(2) the production costs associated with domestic production of those ultra clean fuel and prices for consumers.

(d) REPORTS.—The Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives—

(1) not later than 180 days after the date of enactment of this Act, an interim report on actions taken to carry out this section; and

(2) not later than 1 year after the date of enactment of this Act, a final report on actions taken to carry out this section.

Subtitle C—Domestic Coal-to-Liquid Fuel and Cellulosic Biomass Ethanol

SEC. 831. ECONOMIC DEVELOPMENT ASSISTANCE TO SUPPORT COMMERCIAL-SCALE CELLULOSIC BIOMASS ETHANOL PROJECTS AND COAL-TO-LIQUIDS FACILITIES ON BRAC PROPERTY AND INDIAN LAND.

(a) PRIORITY.—Notwithstanding section 206 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3146), in awarding funds made available to carry out section 209(c)(1) of that Act (42 U.S.C. 3149(c)(1)) pursuant to section 702 of that Act (42 U.S.C. 3232), the Secretary and the Economic Development Administration shall give priority to projects to support commercial-scale cellulosic biomass ethanol projects and coal-to-liquids facilities.

(b) FEDERAL SHARE.—Except as provided in subsection (c)(3)(B) and notwithstanding the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.), the Federal share of a project to support a commercial-scale biomass ethanol facility or coal-to-liquid facility shall be—

(1) 80 percent of the project cost; or

(2) for a project carried out on Indian land, 100 percent of the project cost.

(c) ADDITIONAL AWARD.—

(1) IN GENERAL.—The Secretary shall make an additional award in connection with a grant made to a recipient (including any Indian tribe for use on Indian land) for a project to support a commercial-scale biomass ethanol facility or coal-to-liquid facility.

(2) AMOUNT.—The amount of an additional award shall be 10 percent of the amount of the grant for the project.

(3) USE.—An additional award under this subsection shall be used—

(A) to carry out any eligible purpose under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.);

(B) notwithstanding section 204 of that Act (42 U.S.C. 3144), to pay up to 100 percent of the cost of an eligible project or activity under that Act; or

(C) to meet the non-Federal share requirements of that Act or any other Act.

(4) NON-FEDERAL SOURCE.—For the purpose of paragraph (3)(C), an additional award shall be treated as funds from a non-Federal source.

(5) FUNDING.—The Secretary shall use to carry out this subsection any amounts made available—

(A) for economic development assistance programs; or

(B) under section 702 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3232).

Subtitle D—Alternative Hydrocarbon and Renewable Reserves Disclosures Classification System

SEC. 841. ALTERNATIVE HYDROCARBON AND RENEWABLE RESERVES DISCLOSURES CLASSIFICATION SYSTEM.

(a) IN GENERAL.—The Securities and Exchange Commission shall appoint a task force composed of government and private sector representatives, including experts in the field of dedicated energy crop feedstocks for cellulosic biofuels production, to analyze, and submit to Congress a report (including recommendations) on—

(1) modernization of the hydrocarbon reserves disclosures classification system of the Commission to reflect advances in reserves recovery from non-traditional sources (such as deep water, oil shale, tar sands, and renewable reserves for cellulosic biofuels feedstocks); and

(2) the creation of a renewable reserves classification system for cellulosic biofuels feedstocks.

(b) DEADLINE FOR REPORT.—The Commission shall submit the report required under subsection (a) not later than 180 days after the date of enactment of this Act.

Subtitle E—Authorization of Appropriations

SEC. 851. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title and the amendments made by this title.