Purpose: **To guarantee low- and fixed-income families are protected from significantly burdensome higher home heating or cooling prices as a result of this Act.**

Problem: Low- and fixed-income families are particularly vulnerable to higher home heating and cooling prices threatened by this Act. None of the programs contained in the Act guarantee low- and fixed-income families are protected from significantly burdensome higher home energy prices. The currently proposed Federal Reserve Board-type cost relief measures are triggered only by economy-wide and nationwide problems and are too general and indirect to address specific situations such as low- or fixed-income suffering in certain regions of the country. Auction and allocation programs make funds available to aid the poor and seniors, but there are no guarantees recipients such as States where given a choice will devote their funds to aid the poor and seniors versus other authorized activities such as efficiency or conservation programs. Energy Assistance funds are routed through programs such as LIHEAP favoring Northeastern States or winter heating costs as opposed to other States or summer cooling needs. Even with the maximum amount of funds going to aid low- and fixed-income families, there is no guarantee of protection from price increases that outstrip available aid funds.

Bond #1

- Adds to the duties of the Carbon Market Efficiency Board (Board) created by the Act the collection of data on residential retail electricity and natural gas prices and the extent to which they become significantly burdensome to low- or fixed-income persons or families.
- Allows the Board to employ at any time its currently proposed Federal Reserve-type cost relief measures to reverse adverse economic conditions caused by this Act.
- However, if the Act's currently proposed measures fail within 30 days to relieve the conditions created by this Act resulting in residential retail electricity or natural gas costs at levels significantly burdensome to low- or fixed-income persons or families, requires the Board to employ emergency cost relief measures.
- Emergency cost relief measures to be employed if the Act's currently proposed measures fail consist of a "safety-valve" developed in the bipartisan Bingaman-Specter climate bill to limit significant cost increases resulting from carbon caps.
- If invoked, the Board must set the safety-valve price of the program at a level and for the time necessary to reverse the conditions created by this Act resulting in residential retail electricity or natural gas costs at levels significantly burdensome to low- or fixed-income persons or families.
- Requires the Board to monitor and act upon emergency conditions either in the United States as a whole or in any region of the country such as the Northeast, South, Midwest, Mountain West or West Coast.

Kit Bond

BOND #1

AMENDMENT NO.____ Calendar No._____

Purpose: To guarantee low- and fixed-income families are protected from significantly burdensome higher home heating or cooling prices as a result of this Act.

IN THE SENATE OF THE UNITED STATES - 110TH Cong., 1st Sess.

S. 2191

To direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, 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. BOND

Viz:

On page 82, lines 23 to 24, strike "after the initial 2-year period described in subsection (d)(2)".

On page 83, after line 9 insert the following:

(H) on a weekly basis for the United States and each region of the country, in consultation with the Secretary of Energy and the Secretary of Health and Human Services, residential retail electricity prices,

residential retail natural gas prices, and assistance and cost mitigation proceeds under this Act reaching low- or fixed-income persons or families.

On page 83, strike lines 10 thru 18 and replace with the following:

(b) DUTY TO IMPLEMENT COST RELIEF MEASURES.- The Board shall at any time make the determinations and employ the cost relief measures described in section 2604(a) when the thresholds described in that section are met.

On page 84, line 9, before the word "if" insert "(A)".

On page 84, after line 15, insert the following:

(B) If the Board determines that the emission allowance market established under this Act, despite its cost mitigation and assistance programs, has for the preceding 30 days in the United States or any region of the country resulted in residential retail electricity or natural gas costs at levels significantly burdensome to low- or fixed-income persons or families, the Board shall carry out the emergency cost relief measures under section 2604(a)(4).

On page 86, lines 1 to 3, strike "Beginning on the day after the date of expiration of the 2-year period described in section 2603(b), the" and replace with the word "The".

On page 89, after line 24, insert the following:

(4) EMERGENCY COST RELIEF MEASURES.-

(A) RELIEF FROM SIGNIFICANTLY HIGHER PRICES.-Upon a determination by the Board under section 2603(d)(1)(B) and while the conditions causing the determination remain in effect, the owner or operator of a covered facility under section 4(7)(A) or 4(7)(B) may submit to the Administrator a payment equal to the amount of the applicable High Price Relief Payment price in lieu of submission of 1 or more allowances required under section 1202.

(B) DETERMINATION OF APPLICABLE HIGH PRICE RELIEF PAYMENT PRICE.- Upon a determination under paragraph (A), the Carbon Market Efficiency Board, in consultation with the Secretary of Energy and the Secretary of Health and Human Services, shall set the applicable High Price Relief Payment price per allowance at a level necessary for the emission allowance market established under this Act to avoid causing in the

United States or any region of the country residential retail electricity or natural gas costs at levels significantly burdensome to low- or fixed-income persons or families.

(C) DISPOSITION OF RECEIPTS.- The funds received under paragraph (A) shall be deposited into the respective Fund under title IV, subtitle C of this Act.

On page 18, after line 5, insert the following:

(23) REGION OF THE COUNTRY.- For purposes of this Act, the term "region of the country" means-

(A) Northeast Region comprised of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Delaware and the District of Columbia;

(B) Midwest Region comprised of the States of Ohio, Indiana, Michigan, Illinois, Wisconsin, Minnesota, Iowa, Missouri, Oklahoma, Kansas, Nebraska, South Dakota and North Dakota;

(C) South Region comprised of the States of Virginia, West Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana and Arkansas;

(D) Texas;

(E) Mountain West Region comprised of the States of Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, and Idaho; and

(F) West Coast Region comprised of the States of Washington, Oregon, California, Alaska and Hawaii.

In section 4, renumber the paragraphs as appropriate to reflect this amendment.