

H.R. 2

The American Energy Solutions for Lower Costs and More American Jobs Act

Earlier this month the House of Representatives passed H.R.2, the “American Energy Solutions for Lower Costs and More American Jobs Act.” Introduced by Rep. Lee Terry (R-NE) on September 15, H.R. 2 is a compilation bill that includes 14 energy-related bills that had previously been passed by the House.

Summary of H.R. 2

The “American Energy Solutions for Lower Costs and More American Jobs Act” is comprised of 14 bills that can be grouped into several categories.

Modernizing Infrastructure

H.R.3 – The Northern Route Approval Act, which relates to the Keystone Pipeline and would help the project move forward by eliminating the requirement for a Presidential permit. It would also specify that the Environmental Impact Statement completed by the State Department in August 2011 has satisfied the requirements of the National Environmental Policy Act and the National Historic Preservation Act.

H.R.1900 – The Natural Gas Pipeline Permitting Reform Act, which would require the Federal Energy Regulatory Commission to approve or deny any completed certificate of public convenience and necessity for a pre-filed project within 12 months. Furthermore, once this certificate has been granted the respective agency that is responsible for issuing any federal license, permit or approval must do so within 90 days.

H.R.3301 – The North American Energy Infrastructure Act. This provision relates to the construction, maintenance or operation of an oil or natural gas pipeline or electric transmission facility that is used to import or export such products across the border to either Mexico or Canada. No projects may exist without a certificate of crossing, which would be created under this provision. It goes further to outline the requirements for obtaining a certificate and repeals some of the current requirements like needed approval from the Federal Energy Regulatory Commission (FERC) or a Presidential permit.

Maintaining Diverse Electricity Generation and Affordability

H.R.1582 – Energy Consumers Relief Act. This provision would require the Administrator of the Environmental Protection Agency (EPA) to complete a study on total costs, potential increases in energy prices and impacts on jobs for any proposed final rule regarding the production, supply, distribution or use of energy that is estimated by the Administrator or the Director of the Office of Management and Budget (OMB) to impose costs of more than \$1 billion. At the same time Department of Energy (DOE) is required to complete a similar study and if this study determines that the proposed rule will have significant costs it will prohibit the EPA from enacting it. Furthermore, the provision would limit the use of the social cost of carbon in these studies.

H.R.3826 – Electricity Security and Affordability Act. This provision would put restrictions on the EPA regarding the issuance, implementation or enforcement of any proposed or final rule under the Clean Air Act that establishes a performance standard for greenhouse gas emissions from any new electric utility generating unit that is fossil fuel-fired. Furthermore, new requirements must be met, showing that any new emission standards have been met for one continuous twelve month period, before any rule can be implemented.

H.R.4801 – Report on Energy and Water Savings Potential from Thermal Insulation, which would direct the DOE to complete a report on the impact and return on investment of thermal insulation on both energy and water use systems for both hot and chilled water. The report must include energy and water savings projections in the short and long term.

Unleashing Energy Diplomacy

H.R.6 – Domestic Prosperity and Global Freedom Act. This provision would direct DOE to issue a decision on the authorization to export natural gas within 30 days of either the conclusion of review required under the National Environmental Policy Act (NEPA) or the enactment of this Act, whichever happens last. It would also set specific time limits for the completion of any reviews under NEPA.

H.R.2231 – Offshore Energy and Jobs Act. This is a comprehensive provision that would open up areas of the Outer Continental Shelf (OCS) to leasing programs for the development of oil and natural gas and describes how the revenues garnered from this program would be distributed. It would also alter the Department of the Interior by eliminating some aspects and adding new advisory boards and creating new positions.

H.R.1965 – Federal Lands Jobs and Energy Security Act, which would establish a fee system for activities connected to oil and natural gas development on federal lands. The fees would be partially used by local Bureau of Land Management (BLM) offices to handle the development of oil and natural gas projects. Furthermore, the provision would require BLM to offer at least 25% of onshore federal lands for oil and natural gas leases. Lastly, it would create a commercial leasing program for shale resources on federal lands.

H.R.1963 – Bureau of Reclamation Conduit Hydropower Development Equity and Jobs Act, which would amend the Water Conservation and Utilization Act to allow the Secretary of the Interior to enter into leases of power privileges for electric power generation for any project constructed under that Act, including small conduit hydropower development.

H.R.2640 – Central Oregon Jobs and Water Security Act, which would amend the Wild and Scenic Rivers Act to modify the boundary of the Crooked River and requires that any hydropower development must analyze the impacts it would have on the river. The bill goes further to increase the minimum release from the Prineville Reservoir and designates how the water should be allocated.

H.R.2728 – Protecting States' Rights to Promote American Energy Security Act, which would prohibit the Department of the Interior from enforcing any federal regulation regarding hydraulic fracturing related to the production of oil, gas or geothermal on or under any land in any state that already has regulations or permit requirements for it.

H.R.2824 – Preventing Government Waste and Protecting Coal Mining Jobs in America Act, which would alter mining practices regarding the disposal of mining waste. The Office of Surface Mining

Reclamation and Enforcement (OSM) currently prohibits mines from disposing waste within 100 feet of streams. However, this bill would require the implementation of the OSM buffer rule that was established in 2008, which would allow for the disposal of mine waste near streams if it is determined that doing otherwise would be cost prohibitive.

H.R.2641 – Responsibly And Professionally Invigorating Development Act (RAPID Act), which is intended to streamline the federal permitting process for construction projects by improving the efficiency of inter-agency coordination for the regulatory review, environmental decision making, and permitting process for such projects that are undertaken, reviewed or funded by federal agencies.