

[CHAIRMEN'S PROPOSED CONFERENCE REPORT]

NOVEMBER 17, 2003

1 **TITLE XVI—STUDIES**

2 **SEC. 1601. STUDY ON INVENTORY OF PETROLEUM AND**
3 **NATURAL GAS STORAGE.**

4 (a) DEFINITION.—For purposes of this section “pe-
5 troleum” means crude oil, motor gasoline, jet fuel, dis-
6 tillates, and propane.

7 (b) STUDY.—The Secretary of Energy shall conduct
8 a study on petroleum and natural gas storage capacity and
9 operational inventory levels, nationwide and by major geo-
10 graphical regions.

11 (c) CONTENTS.—The study shall address—

12 (1) historical normal ranges for petroleum and
13 natural gas inventory levels;

14 (2) historical and projected storage capacity
15 trends;

16 (3) estimated operation inventory levels below
17 which outages, delivery slowdown, rationing, inter-
18 ruptions in service, or other indicators of shortage
19 begin to appear;

20 (4) explanations for inventory levels dropping
21 below normal ranges; and

22 (5) the ability of industry to meet United
23 States demand for petroleum and natural gas with-

1 out shortages or price spikes, when inventory levels
2 are below normal ranges.

3 (d) REPORT TO CONGRESS.—Not later than 1 year
4 after the date of enactment of this Act, the Secretary of
5 Energy shall submit a report to Congress on the results
6 of the study, including findings and any recommendations
7 for preventing future supply shortages.

8 **SEC. 1602. NATURAL GAS SUPPLY SHORTAGE REPORT.**

9 (a) REPORT.—Not later than 6 months after the date
10 of enactment of this Act, the Secretary of Energy shall
11 submit to Congress a report on natural gas supplies and
12 demand. In preparing the report, the Secretary shall con-
13 sult with experts in natural gas supply and demand as
14 well as representatives of State and local units of govern-
15 ment, tribal organizations, and consumer and other orga-
16 nizations. As the Secretary deems advisable, the Secretary
17 may hold public hearings and provide other opportunities
18 for public comment. The report shall contain recommenda-
19 tions for Federal actions that, if implemented, will result
20 in a balance between natural gas supply and demand at
21 a level that will ensure, to the maximum extent prac-
22 ticable, achievement of the objectives established in sub-
23 section (b).

24 (b) OBJECTIVES OF REPORT.—In preparing the re-
25 port, the Secretary shall seek to develop a series of rec-

1 ommendations that will result in a balance between nat-
2 ural gas supply and demand adequate to—

3 (1) provide residential consumers with natural
4 gas at reasonable and stable prices;

5 (2) accommodate long-term maintenance and
6 growth of domestic natural gas-dependent industrial,
7 manufacturing, and commercial enterprises;

8 (3) facilitate the attainment of national ambient
9 air quality standards under the Clean Air Act;

10 (4) permit continued progress in reducing emis-
11 sions associated with electric power generation; and

12 (5) support development of the preliminary
13 phases of hydrogen-based energy technologies.

14 (c) CONTENTS OF REPORT.—The report shall provide
15 a comprehensive analysis of natural gas supply and de-
16 mand in the United States for the period from 2004 to
17 2015. The analysis shall include, at a minimum—

18 (1) estimates of annual domestic demand for
19 natural gas that take into account the effect of Fed-
20 eral policies and actions that are likely to increase
21 and decrease demand for natural gas;

22 (2) projections of annual natural gas supplies,
23 from domestic and foreign sources, under existing
24 Federal policies;

1 (3) an identification of estimated natural gas
2 supplies that are not available under existing Fed-
3 eral policies;

4 (4) scenarios for decreasing natural gas demand
5 and increasing natural gas supplies comparing rel-
6 ative economic and environmental impacts of Fed-
7 eral policies that—

8 (A) encourage or require the use of natural
9 gas to meet air quality, carbon dioxide emission
10 reduction, or energy security goals;

11 (B) encourage or require the use of energy
12 sources other than natural gas, including coal,
13 nuclear, and renewable sources;

14 (C) support technologies to develop alter-
15 native sources of natural gas and synthetic gas,
16 including coal gasification technologies;

17 (D) encourage or require the use of energy
18 conservation and demand side management
19 practices; and

20 (E) affect access to domestic natural gas
21 supplies; and

22 (5) recommendations for Federal actions to
23 achieve the objectives of the report, including rec-
24 ommendations that—

1 (A) encourage or require the use of energy
2 sources other than natural gas, including coal,
3 nuclear, and renewable sources;

4 (B) encourage or require the use of energy
5 conservation or demand side management prac-
6 tices;

7 (C) support technologies for the develop-
8 ment of alternative sources of natural gas and
9 synthetic gas, including coal gasification tech-
10 nologies; and

11 (D) will improve access to domestic natural
12 gas supplies.

13 **SEC. 1603. SPLIT-ESTATE FEDERAL OIL AND GAS LEASING**
14 **AND DEVELOPMENT PRACTICES.**

15 (a) REVIEW.—In consultation with affected private
16 surface owners, oil and gas industry, and other interested
17 parties, the Secretary of the Interior shall undertake a re-
18 view of the current policies and practices with respect to
19 management of Federal subsurface oil and gas develop-
20 ment activities and their effects on the privately owned
21 surface. This review shall include—

22 (1) a comparison of the rights and responsibil-
23 ities under existing mineral and land law for the
24 owner of a Federal mineral lease, the private surface
25 owners and the Department;

1 (2) not later than 6 months after the date of
2 enactment of this Act, report to Congress on alter-
3 natives to resolve these conflicts and identification of
4 a preferred alternative with specific legislative lan-
5 guage, if any, required to implement the preferred
6 alternative.

7 **SEC. 1605. STUDY OF ENERGY EFFICIENCY STANDARDS.**

8 The Secretary of Energy shall contract with the Na-
9 tional Academy of Sciences for a study, to be completed
10 within 1 year after the date of enactment of this Act, to
11 examine whether the goals of energy efficiency standards
12 are best served by measurement of energy consumed, and
13 efficiency improvements, at the actual site of energy con-
14 sumption, or through the full fuel cycle, beginning at the
15 source of energy production. The Secretary shall submit
16 the report to Congress.

17 **SEC. 1606. TELECOMMUTING STUDY.**

18 (a) STUDY REQUIRED.—The Secretary, in consulta-
19 tion with the Commission, the Director of the Office of
20 Personnel Management, the Administrator of General
21 Services, and the Administrator of NTIA, shall conduct
22 a study of the energy conservation implications of the
23 widespread adoption of telecommuting by Federal employ-
24 ees in the United States.

1 (b) REQUIRED SUBJECTS OF STUDY.—The study re-
2 quired by subsection (a) shall analyze the following sub-
3 jects in relation to the energy saving potential of telecom-
4 muting by Federal employees:

5 (1) Reductions of energy use and energy costs
6 in commuting and regular office heating, cooling,
7 and other operations.

8 (2) Other energy reductions accomplished by
9 telecommuting.

10 (3) Existing regulatory barriers that hamper
11 telecommuting, including barriers to broadband tele-
12 communications services deployment.

13 (4) Collateral benefits to the environment, fam-
14 ily life, and other values.

15 (c) REPORT REQUIRED.—The Secretary shall submit
16 to the President and Congress a report on the study re-
17 quired by this section not later than 6 months after the
18 date of enactment of this Act. Such report shall include
19 a description of the results of the analysis of each of the
20 subject described in subsection (b).

21 (d) DEFINITIONS.—As used in this section:

22 (1) SECRETARY.—The term “Secretary” means
23 the Secretary of Energy.

24 (2) COMMISSION.—The term “Commission”
25 means the Federal Communications Commission.

1 (3) NTIA.—The term “NTIA” means the Na-
2 tional Telecommunications and Information Admin-
3 istration of the Department of Commerce.

4 (4) TELECOMMUTING.—The term “telecom-
5 muting” means the performance of work functions
6 using communications technologies, thereby elimi-
7 nating or substantially reducing the need to com-
8 mute to and from traditional worksites.

9 (5) FEDERAL EMPLOYEE.—The term “Federal
10 employee” has the meaning provided the term “em-
11 ployee” by section 2105 of title 5, United States
12 Code.

13 **SEC. 1607. LIHEAP REPORT.**

14 Not later than 1 year after the date of enactment
15 of this Act, the Secretary of Health and Human Services
16 shall transmit to Congress a report on how the Low-In-
17 come Home Energy Assistance Program could be used
18 more effectively to prevent loss of life from extreme tem-
19 peratures. In preparing such report, the Secretary shall
20 consult with appropriate officials in all 50 States and the
21 District of Columbia.

22 **SEC. 1608. OIL BYPASS FILTRATION TECHNOLOGY.**

23 The Secretary of Energy and the Administrator of
24 the Environmental Protection Agency shall—

1 (1) conduct a joint study of the benefits of oil
2 bypass filtration technology in reducing demand for
3 oil and protecting the environment;

4 (2) examine the feasibility of using oil bypass
5 filtration technology in Federal motor vehicle fleets;
6 and

7 (3) include in such study, prior to any deter-
8 mination of the feasibility of using oil bypass filtra-
9 tion technology, the evaluation of products and var-
10 ious manufacturers.

11 **SEC. 1609. TOTAL INTEGRATED THERMAL SYSTEMS.**

12 The Secretary of Energy shall—

13 (1) conduct a study of the benefits of total inte-
14 grated thermal systems in reducing demand for oil
15 and protecting the environment; and

16 (2) examine the feasibility of using total inte-
17 grated thermal systems in Department of Defense
18 and other Federal motor vehicle fleets.

19 **SEC. 1610. UNIVERSITY COLLABORATION.**

20 Not later than 2 years after the date of enactment
21 of this Act, the Secretary of Energy shall transmit to Con-
22 gress a report that examines the feasibility of promoting
23 collaborations between large institutions of higher edu-
24 cation and small institutions of higher education through
25 grants, contracts, and cooperative agreements made by the

1 Secretary for energy projects. The Secretary shall also
2 consider providing incentives for the inclusion of small in-
3 stitutions of higher education, including minority-serving
4 institutions, in energy research grants, contracts, and co-
5 operative agreements.

6 **SEC. 1611. RELIABILITY AND CONSUMER PROTECTION AS-**
7 **SESSMENT.**

8 Not later than 5 years after the date of enactment
9 of this Act, and each 5 years thereafter, the Federal En-
10 ergy Regulatory Commission shall assess the effects of the
11 exemption of electric cooperatives and government-owned
12 utilities from Commission regulation under section 201(f)
13 of the Federal Power Act. The assessment shall include
14 any effects on—

15 (1) reliability of interstate electric transmission
16 networks;

17 (2) benefit to consumers, and efficiency, of
18 competitive wholesale electricity markets;

19 (3) just and reasonable rates for electricity con-
20 sumers; and

21 (4) the ability of the Commission to protect
22 electricity consumers.

23 If the Commission finds that the 201(f) exemption results
24 in adverse effects on consumers or electric reliability, the
25 Commission shall make appropriate recommendations to

1 Congress pursuant to section 311 of the Federal Power
2 Act.