

The American Clean Energy Leadership Act of 2009

Committee on Energy and Natural Resources
United States Senate

Highlights

On June 17, 2009, the Senate Committee on Energy and Natural Resources voted 15 to 8 to report a new original bill, the American Clean Energy Leadership Act of 2009. This balanced, comprehensive, and bipartisan energy legislation will—

- accelerate the introduction of new clean energy technologies in the United States, creating new jobs and helping businesses grow through clean energy project financing, a renewable electricity standard, and a robust and secure national electricity transmission highway;
- increase energy efficiency in buildings, major equipment, and appliances, saving consumers and businesses billions of dollars on their energy bills;
- enhance America's energy independence by increasing clean energy supplies and energy security, including new access to over 20 trillion cubic feet of clean natural gas resources;
- strengthen America as the world leader in energy innovation, by doubling our national investment in energy research and technology;
- build a new energy workforce for the future;
- protect consumers by making energy markets more transparent and fair, and by providing new tools to fight market manipulation; and
- tackle future energy and climate challenges with smarter, more integrated planning.

Key Provisions

Key provisions in the American Clean Energy Leadership Act:

Set up a new Clean Energy Deployment Administration to facilitate tens of billions of dollars in new financing to get breakthrough clean energy technologies introduced into U.S. markets and expanded as quickly as possible.

Require electric utilities nationwide to meet 15% of their electricity sales through renewable sources of energy (e.g., the sun, the wind, biomass, geothermal energy, hydropower) or energy efficiency by 2021.

Establish an “interstate highway system” for electricity by creating a new bottoms-up planning system for a national transmission grid -- based on regional, State, and local planning and input; allowing States to take the initial lead in deciding where to build high-priority national transmission projects; ensuring that if an impasse develops over high-priority projects that have been identified in the consensus planning process, that they can proceed with Federal authority as a backstop; and making sure that the costs of “interstate highway system” transmission projects are shared fairly.

Promote distributed generation by harmonizing and streamlining the current patchwork of interconnection standards and processes. It directs the Federal Energy Regulatory Commission to establish a national interconnection standard for small power production facilities (15 kW or less) which would cover nearly all residential-sized distributed generation.

Revitalize America's manufacturing industries by boosting their use of clean energy and energy efficiency, so that they remain competitive – and we prevent American jobs from being lost overseas -- as energy costs rise in the future.

Improve efficiency in buildings, homes, equipment, appliances, and the Federal government, to cut costs to consumers and stop energy waste.

Ensure that the U.S. electrical grid is protected from cyber vulnerabilities, threats, and attacks, by giving the Secretary of Energy and the Federal Energy Regulatory Commission the authority and responsibility to respond quickly to threats and attacks that might emerge.

Modernize the Strategic Petroleum Reserve through the creation of a 30-million barrel petroleum product reserve, so that U.S. supplies of gasoline and diesel fuel will not face sudden shortfalls and price spikes due to the shutdown of refineries by hurricanes and other natural disasters, as occurred in 2008.

Open the Eastern Gulf of Mexico to leasing and exploration for oil and gas, making over 3.8 billion barrels of new oil resources and 21.5 trillion cubic feet of new natural gas resources available.

Lay out a 4-year integrated plan to double the U.S. investment in energy innovation and technology, to a total of almost \$6.6 billion, with a complementary set of programs to enhance energy jobs training and workforce development. The bill also facilitates the large-scale demonstration and early deployment of carbon dioxide capture and storage technologies, by providing a legal and regulatory framework for the first 10 “early-mover” projects.

Protect U.S. energy consumers and businesses from energy price manipulation and volatility by increasing the transparency of what is happening in oil markets in the United States and around the world – including the role of financial markets in driving oil prices -- and by giving U.S. energy regulators the same strong enforcement authorities against market tampering and manipulation that are now available in financial markets.

Reform the Federal energy planning process by requiring a new comprehensive energy plan one year into each new Presidential term, and by providing a baseline of specific studies of resources and international climate and energy policies.

An Open and Bipartisan Process

The American Clean Energy Leadership Act is based on 6 major bills, all with bipartisan sponsorship, and 5 other bills with either Republican or Democratic sponsorship, that were introduced in the Senate in this Congress. Key provisions of the bill were developed through over 39 bipartisan staff briefings, 20 formal hearings, and 11 open business meetings of the Committee on Energy and Natural Resources. During the Committee's process of writing the bill, 100 amendments were considered and adopted, most on a bipartisan basis and many unanimously. The result is a significant bipartisan achievement that will serve as a foundation for advancing this key energy legislation through the full Senate.