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Part 2

ENERGY ADVANCEMENT AND CONSERVATION ACT OF 2001

AUGUST 1, 2001.—Ordered to be printed

Mr. TAUZIN, from the Committee on Energy and Commerce, submitted the following

SUPPLEMENTAL REPORT

[To accompany H.R. 2587]

This supplemental report shows the cost estimate of the Congressional Budget Office with respect to the bill (H.R. 2587), as reported, which was not included in part 1 of the report submitted by the Committee on Energy and Commerce on July 25, 2001 (H. Rept. 107–162, pt. 1).

This supplemental report is submitted in accordance with clause 3(a)(2) of rule XIII of the Rules of the House of Representatives.

CONTENTS

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

H.R. 2587—Energy Advancement and Conservation Act of 2001

Summary: H.R. 2587 would authorize funding for several programs aimed at energy production, conservation, and research and development. It also would authorize new tax credits for certain

electric power plant operators, and would result in additional direct spending for assistance to rural electric cooperatives, work at uranium enrichment facilities, and new authority under energy savings performance contracts. CBO estimates that enacting H.R. 2587 would increase direct spending by $3.5 billion over the 2002–2011 period. The Joint Committee on Taxation (JCT) estimates that enacting the bill would reduce revenues by $31.1 billion over the 2002–2011 period. Because the bill would affect direct spending and receipts, pay-as-you-go procedures would apply. CBO also estimates that implementing H.R. 2587 would cost $15.8 billion over the 2002–2006 period, assuming appropriation of the necessary amounts.

The bill would require that the receipts and disbursements of the Nuclear Waste Fund not be counted as new budget authority, outlays, or receipts in the President's budget request, the Congressional budget, or for purposes of estimates made under the Balanced Budget and Emergency Deficit Control Act. By moving the receipts and expenditures of the Nuclear Waste Fund off-budget, the bill would not directly change the federal budgetary impact of the program, but that treatment could result in increased spending on the nuclear waste program by exempting such spending from budgetary controls. Under the bill, future spending for this program would remain subject to appropriation.

H.R. 2587 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). State, local and tribal governments would benefit from enactment of this legislation and any costs they incur would result from complying with conditions of aid.

H.R. 2587 would impose private-sector mandates as defined by the Unfunded Mandates Reform Act by requiring certain manufacturers and importers to comply with new energy efficiency standards. Because those new requirements would depend on specific standards that would be established by the Secretary of Energy, CBO cannot determine whether the direct cost to the private sector would exceed the annual threshold established in UMRA ($13 million in 2001, adjusted annually for inflation) in any of the first five years that the mandates are in effect.

Major provisions: Title I would authorize funds to be appropriated for several energy conservation programs, including the low-income home energy assistance program (LIHEAP), and weatherization and state energy grants program. It also would require federal agencies to meet certain energy efficiency standards and would expand the federal government's use of energy savings performance contracts (ESPCs). Further, the title would establish new energy efficiency standards for small household appliances and encourage the use of energy efficient vehicles.

Title II would require the Department of Transportation to amend its regulations on mileage standards to reduce the amount of gasoline used in motor vehicles. It also would extend the requirement for the Environmental Protection Agency (EPA) to calculate the fuel economy of motor vehicles through 2008. In addition, it would require fleets of vehicles operated by federal agencies to meet certain fuel efficiency standards.

Title III would change the budgetary status of the Nuclear Waste Fund, moving it from the on-budget category to the off-budget cat-

egory. It also would authorize the Nuclear Regulatory Commission to charge federal agencies for licensing and certificate fees. In addition, title III would authorize the Department of Energy (DOE) to spend an estimated $595 million over the 2002–2006 period, without further appropriation, for activities related to uranium enrichment facilities and enrichment technology. The bill also would repeal a requirement in current law for DOE to sell certain quantities of uranium by 2003 and would prohibit DOE from selling this material before 2009.

Title V would establish four new tax credits for firms that use certain clean coal technologies to generate electricity. This title also would allow the Tennessee Valley Authority (TVA) and rural electric cooperatives to use amounts equivalent to these credits, to reduce other payments owed to the Treasury. If the credit-equivalent amounts exceed the amounts payable to the Treasury in a given year, TVA could apply the balance to offset payments due in future years.

Title VI would authorize appropriations from the Leaking Underground Storage Trust Fund (LUST) for clean-up activities associated with methyl tertiary butyl ether (MTBE) contamination.

Title VII would reauthorize the Renewable Energy Production Incentive program for an additional 10 years, and make Indian tribes eligible for payments under the program. Title VIII would require several agencies to act to improve pipeline safety. Last, title IX would require studies on the energy dependence of the United States, and on aircraft emissions.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2587 is shown in the following table. The costs of this legislation fall within budget function 270 (energy), 300 (natural resources and environment, 400 (transportation), 600 (income security), and 800 (general government).

	By fiscal year, in millions of dollars—					
	2001	2002	2003	2004	2005	2006
CHANGES IN DIRECT SPENDING						
Estimated budget authority	0	1,270	219	206	289	237
Estimated outlays	0	1,043	246	194	264	275
CHANGES IN REVENUES						
Title V tax credits: Estimated revenues [1]	0	−222	−1,396	−3,079	−3,838	−4,076
SPENDING SUBJECT TO APPROPRIATION						
Spending under current law:						
Estimated authorization level [2]	3,040	2,650	2,650	2,650	0	0
Estimated outlays	3,166	3,008	2,636	2,501	731	76
Proposed changes:						
Specified authorization level	0	2,892	3,046	3,171	5,901	1,276
Estimated outlays	0	1,419	2,555	2,938	4,817	2,666
Estimated authorization level	0	453	413	424	127	129
Estimated outlays	0	165	349	403	358	173
Spending under H.R. 2587:						
Estimated authorization level	3,040	5,995	6,109	6,245	6,028	1,405
Estimated outlays	3,166	4,592	5,540	5,842	5,906	2,915

[1] Estimate provided by JCT.

[2] The 2001 level is the amount appropriated for that year affected energy programs. The amounts authorized under current law over the 2002–2004 period are for LIHEAP.

Basis of estimate

For the purposes of this estimate, CBO assumes that H.R. 2587 will be enacted near the beginning of fiscal year 2002. Significant components of the estimated costs are described below.

Direct spending

H.R. 2587 has several provisions that would affect direct spending. CBO estimates that enacting these provisions would result in an increase in direct spending of $2 billion over the 2002–2006 period, and an increase of $3.5 billion over the 2002–2011 period.

Nuclear Energy.—Subtitle B of title III would allow DOE to spend funds without further appropriation on activities related to uranium enrichment technology and would repeal existing requirements to sell certain uranium products. CBO estimates that these provisions would increase direct spending by a total of $696 million over the 2002–2011 period. This estimate reflects the amount specified in the bill for each of the fiscal years 2002 through 2006 for developing advanced centrifuge technologies (a total of $254 million over the five years) and for putting the gaseous diffusion plant in Portsmouth, Ohio, in cold-standby status (a total of $169 million over that period). For this estimate, CBO assumes that the additional $169 million specified for activities at the gaseous diffusion plant in Paducah, Kentucky, would be available in 2002 and would be spent over several years. The bill also would provide direct spending authority for studies related to these projects, which CBO estimates would cost about $3 million. Finally, we estimate that provisions repealing the existing requirement to sell uranium products would reduce offsetting receipts by $101 million in 2003.

Expanded Use of Energy Savings Performance Contracts.—Currently, federal agencies can enter into a specific type of long-term contract, called an ESPC, for the purchase of energy efficiency equipment, such as new windows and lighting. The use of such equipment can reduce the cost of a facility's energy use. When using an ESPC, the savings from reduced energy bills are used to pay for the purchase of the new equipment over several years. Currently, agencies can use ESPCs to purchase new equipment over a 25-year period, without an appropriation for the full amount of the purchase price. H.R. 2587 would expand the use of such contracts to cover the purchase of a new building, if the cost of the new building is less than the present value of estimated savings from lower costs of operations, maintenance, and energy consumption.

A November 2000 report from the General Services Administration's Office of the Inspector General estimates that it would take several billion dollars to bring the federal building inventory up to appropriate operations, maintenance, and energy efficiency standards. Thus, we assume that the opportunity for cost savings that could be generated from reduced operations, maintenance, and energy expenses at new buildings would be significant. We expect that the new authority provided by the bill would be used only in a few cases in the first few years, but that as buildings continue to deteriorate and requirements for energy efficiency continue to increase, the authority would be used at an increasing rate.

DOE has plans to use the new authority under this provision to build a new facility in New Mexico, at an estimated cost of $35 million. While the precise number of new facilities planned for con-

struction that could qualify for funding under the authority that would be provided by the bill cannot be determined at this time, CBO estimates that this new authority would be used at least 15 times over the next five years at an estimated cost of about $400 million over the 2002–2006 period. We expect that the use of this funding mechanism would grow after 2006 and that total spending over the 2002–2011 period would be $1.6 billion.

Use of Tax Credits by TVA and Rural Electric Cooperatives.—Title V would establish four tax credits for electric power facilities that use certain clean coal technologies (see revenues section below). This bill would allow power generators that are exempt from federal taxation to receive similar financial benefits through various mechanisms. These special rules would apply to two federally financed power producers—rural electric cooperatives and TVA.

Rural electric cooperatives would have two options under this bill. They could assign, sell, or transfer the tax credit to a taxable entity or they could use the credit to prepay loans made by the Federal government without paying the prepayment penalties required under current law. For this estimate, CBO assumes that most cooperatives would elect to use the credit-equivalent amounts to prepay outstanding federal loans.

The budgetary impact of the provisions regarding loans to rural electric cooperatives are governed by the Federal Credit Reform Act. Under that act, the subsidy cost of loans or loan guarantees is measured over the life of the loan on a present value basis. Legislation that changes the terms or conditions for payments is considered a loan modification; any cost or savings resulting from such modifications are measured on a present value basis and recorded in the year in which the legislation making the change is enacted. Title V would modify the terms of outstanding loans to the cooperatives by allowing them to use a noncash transaction to prepay loans and to prepay such loans without paying the penalties that would be due under current law.

Based on information from industry analysts, CBO expects that rural cooperatives that own coal-fired power plants will make significant investments in pollution control technologies and advanced clean coal technologies in the next 10 years, making them eligible for credits equivalent to the investment and production tax credits that would be available for taxable entities. Assuming these investments generally follow industry trends, CBO estimates that this provision would cost about $1 billion on a present value basis. CBO expects that this would be recorded in 2002, when the credits would first become available.

Title V also would allow TVA to reduce its payments to the Treasury for past appropriations by amounts equivalent to the tax credits. If the credit-equivalent amounts exceed the amounts payable to the Treasury in a given year, TVA could apply the balance to offset payments due in future years. Based on published reports, CBO expects that TVA also will make significant investments in pollution control and clean coal technologies over the next 10 years and would be eligible for the payment offsets provided by this bill. For this estimate, CBO assumes that TVA would pass such savings on to its customers by lowering the price it charges for electricity. We estimate that this price adjustment would reduce TVA's power

revenues by an average of $35 million a year beginning in 2007, which is the year we expect the agency to revise its rates. Hence, CBO estimates that this provision would cost a total of about $175 million over the 2007–2011 period.

Revenues

H.R. 2587 would create four new tax credits as incentives for emissions reduction and efficiency improvements in existing coal-based electricity generation facilities, as well as credits for new or advanced technologies used in coal-based electricity generation. The Joint Committee on Taxation estimates that these provisions would reduce revenues by $222 million in 2002, by $12.6 billion over the 2002–2006 period, and by $31.1 billion over the 2002–2011 period.

Spending subject to appropriation

H.R. 2587 contains several provisions that specify amounts authorized to be appropriated for energy conservation programs, LIHEAP, and weatherization and state energy grants. In addition, the bill would authorize unspecified amounts to be appropriated to achieve energy efficiency in publicly owned buildings and provide incentives for the use of renewable energy. Assuming the appropriation of the necessary amounts, CBO estimates that it would cost $15.8 billion over the 2002–2006 period to implement these provisions. Estimates of outlays are based on historical spending patterns for ongoing and similar activities.

Provisions with specified authorizations

CBO estimates that implementing programs with specified authorizations in the bill would cost about $14.4 billion over the 2002–2006 period. That estimate assumes that all amounts authorized to be appropriated for those programs—about $16.3 billion over the next five years—would be provided each year.

The largest program authorized in the legislation would raise the current law authorization for the Low-Income Home Energy Assistance Program and extend the program through fiscal year 2005. Assuming appropriation of the authorized amounts, CBO estimates that implementing this provision would cost about $1 billion in 2002, and $7.8 billion over the 2002–2006 period.

Under current law, a total of $2.65 billion is authorized to be appropriated for each of fiscal years 2002 through 2004. These funds include $2 billion for the basic formula grant for states to provide energy assistance for low-income households, $50 million for grants to states to develop nonfederal energy resources and for Residential Energy Assistance Challenge (REACH) grants, and $600 million for additional energy assistance for emergency needs. The emergency funds are made available only after a formal request by the President that includes a designation of the amount requested as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act. The bill would authorize $3.4 billion in basic grants for each of fiscal years 2002 through 2005, and extend the authorization of $600 million for emergency funds through 2005. It would make no changes to the authorization for incentive and REACH grants.

For this estimate, CBO assumes that the full authorized level would be appropriated, and that spending would follow the historical rates. Other amounts specifically authorized to be appropriated over the 2002–2006 period by the bill include:

$5.25 billion for energy-efficiency and conservation programs administered by DOE;

$1.475 billion for the Weatherization Assistance Program to help low-income households enhance energy efficiency;

$500 million to encourage the use of new coal technology in the electricity, chemical, and transportation industries;

$400 million over the 2002–2006 period for grants to states to promote energy-efficient technologies through the State Energy Program;

$200 million from the Leaking Underground Storage Trust Fund for cleanup activities associated with MTBE contamination;

$90 million for a new program to research, develop, and demonstrate technology that would increase the fuel efficiency of trains;

$80 million for DOE to encourage the production and marketing of energy-efficient and renewable energy products and services;

$30 million for research and development programs related to uranium technology;

$18 million for DOE to establish a new program for developing, testing, and demonstrating advanced building technologies;

$10 million for public education on realizing energy savings through regular maintenance of air conditioning and ventilation systems; and

$33 million for DOE, EPA, and certain other federal agencies to complete various studies, reports, and activities that would be required under the bill.

Provisions with estimated authorizations

H.R. 2587 would reauthorize the Energy Conservation Program for Schools and Hospitals, and the Renewable Energy Production Incentive Program (REPI). It also would establish new programs to promote energy conservation, and require several studies and reports. Based on information from DOE, EPA, and other affected agencies, in addition to industry sources, CBO estimates that H.R. 2587 would authorize the appropriation of $1.45 billion over the 2002–2006 period.

Energy Conservation at Federal Agencies.—H.R 2587 would establish several energy conservation goals and requirements for the federal government. Some of these goals, such as reducing energy use by certain percentages relative to 1985 use, are being done under current executive orders. Others, such as the requirement to meter electricity use and to use this information to reduce energy consumption, are not. Based on information from DOE and the Alliance to Save Energy, we expect that it would only be economical to require federal buildings at least 50,000 square feet or larger to install and manage metering systems. Based on information from DOE, we assume that about 80 percent of the more than 400,000 buildings in federal inventory would be economical to meter.

While metering can be done in several ways and using several technologies, we assume that generally, an agency would not spend more than 7 percent of its annual electricity bill to establish a metering system. Based on information from DOE on federal electricity bills, CBO estimates that the requirement to install metering in federal buildings by the start of fiscal year 2005 would cost about $250 million over the 2002–2004 period. Based on experience in the private sector, in many cases, metering can lead to reduced energy consumption and reduce costs enough to recoup the investment cost of metering within two to four years. It is possible that this requirement could lead to a future reduction in appropriations for federal building energy use, but any such savings would depend on how metering information is used by federal agencies.

Federal Energy Bank.—Section 125 of the bill would establish a Federal Energy Bank that would provide funding to federal agencies for energy efficiency projects. Under the bill, 5 percent of total federal utility payments would be authorized to be appropriated for energy efficiency projects in years 2002, 2003, and 2004. Based on information from DOE, we estimate that eligible utility costs total about $4 billion in recent years. We estimate that implementing this provision would cost about $650 million over the 2002–2006 period. Assuming these funds are invested in cost effective projects, the net cost of this provision could be significantly lower because greater energy efficiency could reduce future spending on federal energy consumption, but CBO cannot estimate the potential savings at this time.

Grants for High-Performance Public Buildings.—The bill would authorize the appropriation of such sums as may be necessary for each of fiscal years 2002 through 2010 for grants to states for the construction and renovation of energy-efficient, environmentally friendly public buildings. Based on information from DOE, CBO estimates that the program would cost $170 million over the 2002–2006 period. This amount would allow DOE to provide grants to all 50 states over the next five years.

Energy Star Program.—The bill would authorize such sums as may be necessary to carry out the Energy Star program at DOE and EPA over the 2002–2006 period. This program evaluates and certifies various consumer products as energy efficient, and promotes the use of such products through the use of the Energy Star label. The bill would require DOE and EPA to study several additional products to determine if the label would apply. Based on information from these agencies, CBO estimates that it would cost $30 million over the 2002–2006 period to study several new products, and to support the marketing and partnerships required under the program.

Energy Conservation for Schools and Hospitals.—H.R. 2587 would reauthorize DOE's Energy Conservation for Schools and Hospitals program through 2010 and authorize the appropriation of such sums as may be necessary through that time. The program provides grants for public schools and hospitals to enhance energy efficiency. In the past it has been funded at amounts ranging from $20 million a year to $100 million a year. Based on information from DOE, CBO estimates that implementing this provision would cost $127 million over the 2002–2006 period.

Renewable Energy Production Incentive.—The REPI program currently provides cash payments to public utilities that generate energy using renewable sources. The payment is based on the annual kilowatt-hours of electricity generated using qualified renewable energy sources. Section 702 of the bill would reauthorize the REPI program for an additional 10 years, and make Indian tribes eligible for the program. Annual appropriations have not kept up with applications for payment from eligible utilities. Specifically, eligible utilities have generated electricity from renewable resources since 1994 in an amount that qualifies for almost $60 million in payments from the REPI program. However, only about $25 million has been appropriated thus far. Based on information from DOE, CBO estimates that fully funding this program would cost $168 million over the 2002–2006 period.

Inspector General Energy Audits.—Current law encourages certain Inspectors General to perform audits of the use of ESPCs and other energy-efficiency programs by federal agencies. H.R. 2587 would require that the 28 Inspectors General do such audits periodically. Based on information from the DOE Office of the Inspector General we assume that such audits would occur every three years, beginning in 2002. We estimate that these audits would be more expensive the first year that they occur, and that future audits would be less time-consuming and labor-intensive to conduct. CBO estimates that audits would cost $11 million over the 2002–2006 period.

Nuclear Regulatory Fees from Government Agencies.—Under current law, there are about 400 licenses provided by the Nuclear Regulatory Commission (NRC) to federal agencies for the use of nuclear material. H.R. 2587 would allow NRC to charge government agencies fees for the cost of providing such licensing. Currently, the NRC charges private licensees fees for the costs of issuing licenses to other government agencies. Based on information from NRC, CBO estimates that such fees would total about $20 million over the 2002–2006 period. Because those fees would come from appropriated funds instead of from the private sector, the government would incur a net cost relative to current law.

Other Provisions.—Finally, H.R. 2587 includes several provisions that would authorize several new studies, reports, and activities. Those provisions would require certain federal agencies to:

Undertake a review to determine practical ways to reduce energy and water consumption and implement such methods;

Review the use of ESPCs and determine methods to allow agencies to more easily use them;

Perform a study on the manner in which providing money through LIHEAP reduces energy conservation and energy efficiency;

Review regulations to eliminate barriers to emerging energy technology;

Study the use of gas flares at petrochemical facilities to reduce electricity costs;

Study the energy conservation implications of telecommuting;

Review the use of credits for air pollution emissions;

Review the mobile source air emissions models used under the Clean Air Act;

Study the benefits and feasibility of oil by-pass filtration technology; and

Report on the energy dependence of the United States.

Based on information from the agencies that would be responsible for implementing these provisions, CBO estimates that they would cost $17 million over the 2002–2006 period.

Change in budget status

Section 301, by itself, moving the Nuclear Waste Fund off-budget would not change total spending of the federal government. Under scorekeeping rule 13 in the conference report on the Balanced Budget Act this provision would not be scored as affecting spending or receipts for congressional scorekeeping purposes.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By fiscal year, in millions of dollars—										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Changes in outlays	0	1,043	246	194	264	275	278	286	301	343	256
Changes in receipts	0	−222	−1,396	−3,079	−3,838	−4,076	−3,957	−3,751	−3,631	−3,572	−3,575

Estimated impact on State, local, and tribal governments: H.R. 2587 contains no intergovernmental mandates as defined in UMRA. The bill would benefit state, local, and tribal governments by authorizing more than $5 billion over the 2002–2006 period for energy conservation plans, weatherization programs and the LIHEAP program. These authorizations represent a significant increase (over 50 percent) in funding for these programs. In addition, the bill authorizes such sums as may be necessary to establish a pilot program, targeting units of local government, which encourages the development of high-performance public buildings. Any costs incurred by state, local, or tribal governments as a result of this legislation would result from complying with conditions of aid.

Estimated impact on the private sector: H.R. 2587 would impose several private-sector mandates as defined by the Unfunded Mandates Reform Act. By requiring that their products meet certain energy efficiency standards, the bill would impose mandates on manufacturers of cold-drink vending machines, and manufacturers and importers of certain household appliances. Because the new requirements on manufacturers would depend on specific standards that would be established by the Secretary of Energy, CBO cannot determine whether the direct cost to the private sector would exceed the annual threshold established in UMRA ($113 million in 2001, adjusted annually for inflation).

H.R. 2587 would require that household appliances manufactured, or imported for sale, in the United States consume less than one watt of electricity when in standby mode. The bill would direct DOE to establish such an efficiency standard to take effect two years after enactment. According to industry sources and DOE, up to nine thousand types of household appliances could be affected by

this provision and further, many such products would require significant modification in order to meet a one-watt standard. The bill would however, allow the Secretary of Energy to exempt products from the requirement under certain circumstances related to technical infeasibility, compatibility with existing energy conservation standards, and expected cost savings to consumers. DOE could not, however, indicate which products would qualify for an exemption. Accordingly, CBO cannot determine the products that would be affected, and hence, cannot estimate the cost to the industry of meeting such a requirement. If DOE determines that only a small portion of products are exempt, the costs to industry of compliance with such a standard could be well over the threshold established in UMRA.

H.R. 2587 also would require that the affected manufacturers of vending machines meet energy consumption testing, labeling, and conservation requirements to be prescribed by the Secretary of Energy. Currently, there are no standards for cold-drink vending machines. According to the Department of Energy, the testing and labeling requirements would be based upon current practice and would not be costly for the industry to implement. Further, industry sources indicate that manufacturers are already engaged in energy conservation efforts which are likely to render the machines compliant with the standards at the time they are issued. Consequently, CBO expects that the cost of compliance with the new requirements would be minimal.

The bill would direct the Department of Transportation (DOT) to increase the fuel-economy standard for light trucks in order to save an aggregate of at least 5 billion gallons of gasoline in model years 2004 through 2010 relative to the standard in place for model year 2002. Light trucks include sport utility vehicles, minivans, and pickup trucks with a gross vehicle weight rating of less than 8,500 pounds. Current statute requires DOT through the National Highway Traffic Safety Administration (NHTSA) to prescribe by regulation, at least 18 months before the beginning of each model year, "the maximum feasible average fuel economy level" that DOT decides manufacturers can achieve in the next model year. Such adjustments have been prohibited by appropriations acts through fiscal year 2001, and the fuel economy standard for light trucks has remained constant at the model year 1996 level of 20.7 miles per gallon. Currently, there is no prohibition on DOT action after fiscal year 2001. Based on information from DOT, CBO expects that NHTSA would issue standards resulting in fuel savings that would exceed those required by this bill. Thus, the fuel savings requirements in H.R. 2587 would not constitute a mandate as defined by UMRA.

Estimate prepared by: Federal costs: Lisa Cash Driskill (energy conservation programs, Nuclear Waste Fund, NRC, clean coal, renewable energy); Rachel Milberg (energy efficient vehicles, automobile fuel economy, and pipelines); Susanne Mehlman (LUST); Kathleen Gramp (domestic uranium and TVA); Mark Hadley and Melissa Zimmerman (Rural Utilities Service)—(all at 226–2860); Valerie A. Baxter (LIHEAP); and Erin Whitaker (revenues). Impact on State, local, and tribal governments: Elyse Goldman. Impact on the private sector: Lauren Marks.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis; G. Thomas Woodward, Assistant Director for Tax Analysis Division.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

EXCHANGE OF COMMITTEE CORRESPONDENCE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, July 25, 2001.

Hon. JAMES V. HANSEN,
Chairman, Committee on Resources, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN HANSEN: Thank you for your letter regarding H.R. 2587, the Energy Advancement and Conservation Act of 2001.

I appreciate your willingness not to seek a referral of H.R. 2587. I agree that your decision to forgo action on the bill will not prejudice the Committee on Resources with respect to its jurisdictional prerogatives on this or similar legislation. Further, I recognize your right to request conferees on those provisions within the Committee on Resource's jurisdiction should they be the subject of a House-Senate conference.

I will include your letter and this response in the Committee's report on H.R. 2587, and I look forward to working with you as we bring comprehensive energy legislation to the Floor.

Sincerely,

W.J. "BILLY" TAUZIN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RESOURCES,
Washington, DC, July 20, 2001.

Hon. W.J. "BILLY" TAUZIN,
Chairman, Committee on Energy and Commerce,
Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for sharing a copy of the recently adopted Committee on Energy and Commerce Committee print which encompasses your Committee's contribution to the President's national energy plan.

There are several provisions in this bill which affect matters within the Committee on Resources jurisdiction, including the National Historic Preservation Act, fish and waivers of several laws implicated in the construction of a natural gas pipeline in the State of Alaska.

I support these provisions and thank you for addressing them in your bill. In the interest of assisting our Leadership in moving a energy legislative package before the August district work period begins, I will not insist on a referral of the bill to the Committee on Resources. I ask that you include this letter in any report you

may file on the bill or in the Congressional Record during debate on its provisions if no report is filed.

Thank you again for your efforts in helping guide America to a more secure energy future.

Sincerely,

JAMES V. HANSEN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, July 25, 2001.

Hon. SHERWOOD L. BOEHLERT,
Chairman, Committee on Science, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BOEHLERT: Thank you for your letter regarding H.R. 2587, the Energy Advancement and Conservation Act of 2001.

I appreciate your willingness not to exercise your referral of H.R. 2587. I agree that your decision to forgo action on the bill will not prejudice the Committee on Science with respect to its jurisdictional prerogatives on this or similar legislation. Further, I recognize your right to request conferees on those provisions within the Committee on Science's jurisdiction should they be the subject of a House-Senate conference.

I will include your letter and this response in the Committee's report on H.R. 2587, and I look forward to working with you as we bring comprehensive energy legislation to the Floor.

Sincerely,

W.J. "BILLY" TAUZIN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, July 25, 2001.

Hon. W.J. "BILLY" TAUZIN,
Chairman, Committee on Energy and Commerce,
House of Representatives, Washington, DC.

DEAR CHAIRMAN TAUZIN: On July 23, 2001, you introduced H.R. 2587, the "Energy Advancement and Conservation Act of 2001." The bill was referred to the Committee on Energy and Commerce, and in addition to the Committee on Science (among others). The bill contains provisions that fall within the jurisdiction of the Committee on Science.

In deference to your desire to bring this legislation before the House in an expeditious manner as part of H.R. 4, the "Securing America's Future Energy Act of 2001," I will not exercise this Committee's right to consider H.R. 2587. Despite waiving its consideration of H.R. 2587, the Science Committee does not waive its jurisdiction over H.R. 2587. Additionally, the Science Committee expressly reserves its authority to seek conferees on any provisions that are within its jurisdiction during any House-Senate conference that may be convened on this legislation or like provisions in H.R. 4 or similar legislation which falls within the Science Committee's jurisdiction. I ask for your commitment to support any request by

the Science Committee for conferees on H.R. 2587 as well as any similar or related legislation.

I request that you include this letter as part of the Record during consideration of the legislation on the House floor.

Thank you for your consideration and attention regarding these matters.

Sincerely,

SHERWOOD L. BOEHLERT,
Chairman.

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