



THE COMMITTEE ON ENERGY AND COMMERCE

INTERNAL MEMORANDUM

May 14, 2012

To: Members of the Energy and Commerce Committee

From: Energy and Commerce Committee Staff

Re: Markup of H.R. 4471, the Gasoline Regulations Act of 2012 and
H.R. 4480, the Strategic Energy Production Act of 2012

On May 16, 2012, at 4:00 pm in room 2123 Rayburn House Office Building and May 17, 2012, at 10:00 a.m., in room 2123 of the Rayburn House Office Building, the Committee on Energy and Commerce will meet in open markup session to consider the following:

- H.R. 4471, the Gasoline Regulations Act of 2012; and,
- H.R. 4480, the Strategic Energy Production Act of 2012.

Members must submit any amendments they may have two hours before they are offered during the markup. Members may submit amendments by email to peter.kielty@mail.house.gov. Any information with respect to an amendment's parliamentary standing (e.g., its germaneness) should be submitted at this time as well.

I. H.R. 4471, THE GASOLINE REGULATIONS ACT OF 2012

A discussion draft of H.R. ___, the "Gasoline Regulation Act of 2012," was released on March 21, 2012. On March 28, 2012, the Subcommittee on Energy and Power held a legislative hearing on the proposed legislation. On April 16 and 17, the Subcommittee on Energy and Power forwarded the discussion draft, as amended, to the full Committee. On April 23, 2012, Mr. Whitfield and Mr. Barrow introduced H.R. 4471. H.R. 4471 would:

- Establish a temporary interagency committee, chaired by the Secretary of Energy, to estimate the cumulative impacts of certain Environmental Protection Agency (EPA) rulemakings and actions on gasoline, diesel and natural gas prices, jobs, the economy, as well as other cumulative costs and cumulative benefits, and submit a final report to Congress within 210 days after enactment.

- Defer at least 6 months after submission of the final report the following new regulations: (i) Tier 3 motor vehicle emission and fuel standards; (ii) new or revised performance or emissions standards applicable to petroleum refineries; and (iii) new ozone standards.
- Require EPA consider cost and feasibility in setting new ozone standards.

H.R. 4471, the “Gasoline Regulations Act of 2012” includes the following sections:

Section 1: Section 1 provides the short title of “Gasoline Regulations Act of 2012.”

Section 2: Section 2 establishes an interagency committee (the “Committee”) for the cumulative analysis of rules that impact gasoline, diesel and natural gas prices. Section 2(b) provides that the Committee will be chaired by the Secretary of Energy, and will include the Secretaries of Transportation, Commerce, Labor, Agriculture, and Treasury; the Administrator of the Environmental Protection Agency; the Chairman of the United States International Trade Commission; and the Administrator of the Energy Information Administration. The Committee will terminate 60 days after submitting a final report.

Section 3: Section 3 describes the analyses that the Committee will conduct for the years 2016 and 2020, including estimates of changes in gasoline, diesel and natural gas prices, capital investments, global economic competitiveness, other cumulative cost and cumulative benefit impacts, and jobs. The Committee will also provide a discussion of the cumulative impact of the covered rules and actions on consumers, small businesses; regional economies; State, local, and tribal governments; low-income communities; public health; and local and industry-specific labor markets.

Section 3 also identifies the covered rules and actions that are to be analyzed. These covered rules and actions include EPA’s Tier 3 Motor Vehicle Emission and Fuel Standards, new or revised standards of performance or emission standards under section 111 or 112 of the Clean Air Act applicable to petroleum refineries, new Renewable Fuels Program rules, the 2008 National Ambient Air Quality Standards for Ozone and any subsequent rule revising or supplementing those standards, and Greenhouse Gas permitting under the Prevention of Significant Deterioration and Title V programs.

Section 4: Section 4 requires a preliminary report be made public and submitted to Congress not later than 90 days after enactment. Public comments are to be accepted on the preliminary report for 60 days. The final report is then due within 60 days after the close of the public comment period.

Section 5: Section 5 defers to at least 6 months after submission of the final report the following new rules: EPA’s Tier 3 Motor Vehicle Emission and Fuel Standards, new or revised standards of performance or emission standards under section 111 or 112 of the Clean Air Act applicable to petroleum refineries, and any new rule revising or supplementing the National Ambient Air Quality Standards for Ozone issued in 2008.

Section 6: Section 6 requires that revisions to any National Ambient Air Quality Standards for Ozone shall take into account feasibility and cost.

II. H.R. 4480, THE STRATEGIC ENERGY PRODUCTION ACT OF 2012

A discussion draft of H.R. ___, the “Strategic Energy Production Act of 2012,” was released on March 23, 2012. On March 28, 2012, the Subcommittee on Energy and Power held a legislative hearing on the proposed legislation, and on April 16, 2012, the Subcommittee forwarded the legislation, as amended, to the Full Committee. On April 24, 2012, Mr. Gardner, together with other Members, introduced H.R. 4480, the “Strategic Energy Production Act of 2012.” H.R. 4480 would:

- Require that upon the first drawdown from the Strategic Petroleum Reserve (SPR), the Secretary of Energy (in consultation with the Secretaries of Agriculture, the Interior, and Defense) must develop a plan to increase the percentage of Federal lands leased for oil and gas exploration, development, and production.
- Require that the plan (i) be consistent with a national energy policy to meet present and future energy needs of the U.S.; (ii) promote the interests of consumers through the provision of an adequate and reliable supply of domestic transportation fuels at the lowest reasonable cost; and (iii) not result in the percentage of Federal lands leased for oil and gas exploration, development and production to exceed 10 percent or include lands managed under the National Park System or National Wilderness Preservation System.

H.R. 4480, the “Strategic Energy Production Act of 2012” includes the following sections:

Section 1: Section 1 provides the short title of “Strategic Energy Production Act of 2012.”

Section 2: Section 2 amends the Energy Policy and Conservation Act to require the Secretary of Energy upon the first drawdown from the SPR to develop a plan to increase the percentage of Federal lands under the jurisdiction of the Secretary of Agriculture, Secretary of Energy, Secretary of the Interior, and Secretary of Defense leased for oil and gas exploration, development and production.

Section 2 also requires that the plan developed by the Secretary: (1) be consistent with a national energy policy to meet present and future energy needs of the U.S., consistent with economic goals, and (2) promote the interests of consumers through the provision of an adequate and reliable supply of domestic transportation fuels at the lowest reasonable cost.

Section 2 also provides that the plan shall not result in the percentage of Federal lands leased for oil and gas exploration, development and production to exceed 10 percent or include lands managed under the National Park System or National Wilderness Preservation System.

Section 2 requires the Secretary of Energy to consult with the Secretary of Agriculture, Secretary of Energy, Secretary of the Interior, and Secretary of Defense in development of the plan and requires these Secretaries to comply with the plan.

* * * *

If you have any questions regarding the “Gasoline Regulations Act of 2012,” please contact Ben Lieberman or Mary Neumayr at (202) 225-2927, and if you have any questions regarding the “Strategic Energy Production Act of 2012,” please contact Jason Knox at (202) 225-2927.