

Summary of the "Comprehensive and Balanced Energy Policy Act of 2001" and the "Energy Security and Tax Incentive Policy Act of 2001"

Senate Democrats today introduced legislation that balances the need to increase domestic energy supplies with an emphasis on energy efficiency.

The bill proposes a new model for regional coordination, involving the states and federal government, to ensure that infrastructure needs from power plants to pipelines are planned and sited to meet the need for reliable, affordable energy services in ways that minimize the impact on communities. The proposal ensures:

- increased supplies of energy balanced with a commitment to efficiency throughout the economy, including fuel use by trucks and sport utility vehicles;
- investments in research and development to ensure a diverse portfolio of fuel and technology options for the future; and
- a commitment to link energy and environmental policies so that we address climate change as we invest in our energy future.

Measures to Increase Supply

- An incentive to expedite construction of a pipeline to bring natural gas stranded on the North Slope of Alaska (not the Arctic National Wildlife Refuge) to the lower 48 states;
- A requirement for the Bush Administration proceed with an important oil and gas lease sale in the deepwater Gulf of Mexico (without the area of concern to Florida);
- Grants and incentives for new power lines and incentives for expanding natural gas pipelines;
- Incentives to expedite installation of smaller power generation facilities like fuel cells and renewables, to address power needs without the siting difficulties of large power plants;
- Streamlining pipeline and dam certification procedures;
- Review by the states of ways to increase oil and gas production on state and private lands, along with measures to optimize recovery from federal lands currently under production;
- Credits for domestic drilling when the price of oil is extremely low to maintain stable gas supplies and to ensure the service industry is able to retain a technical workforce; and
- Investments in research and development to ensure a full range of fuels and technologies are available for the future - from advanced coal and nuclear to fuel cells and renewable technologies;

Measures to Reduce Demand and Save Consumers Money

- Requirement that the Department of Transportation develop regulations to increase fuel efficiency of all light duty vehicles, provides more flexibility, but stronger standards than the corporate average fuel efficiency, or CAFÉ;
- Incentives to replace old appliances with high efficiency models to cut power demand;
- Incentives for efficient commercial and residential buildings, including manufactured housing;
- Requirement that Environmental Protection Agency propose streamlined vehicle fuel specifications to ease distribution problems and reduce gasoline price spikes; and
- Mandates for increased efficiency at federal facilities and grants for more efficient schools.