



## *The Committee on Energy and Commerce*

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### **Memorandum**

November 15, 2013

TO: Members, Subcommittee on Energy and Power

FROM: Committee Majority Staff

RE: Subcommittee Markup of H.R. 3301, North American Energy Infrastructure Act

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The Subcommittee on Energy and Power will meet in open markup session on Tuesday, November 19, 2013, at 5:00 p.m. in 2123 Rayburn House Office Building for opening statements on H.R. 3301, North American Energy Infrastructure Act.

The Subcommittee will reconvene on Wednesday, November 20, 2013, at 9:30 a.m. in 2123 Rayburn House Office Building in open markup session on the legislation. A summary of the legislation to be considered is below.

In keeping with Chairman Upton's announced policy, Members must submit any amendments they may have two hours before they are offered during this markup. Members may submit amendments by email to [peter.kielty@mail.house.gov](mailto: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. 3301, North American Energy Infrastructure Act**

On October 22, 2013, Chairman Fred Upton (R-MI) and Representative Gene Green (D-TX) introduced H.R. 3301, North American Energy Infrastructure Act. On October 29, 2013, the Subcommittee on Energy and Power held a legislative hearing on the bill. Specific provisions include the following:

##### **Section 1: Short Title**

Section 1 provides the short title for the legislation, the "North American Energy Infrastructure Act."

##### **Section 2: Finding**

Section 2 includes a congressional finding that the U.S. should establish a more uniform, transparent, and modern process for the construction and operation of oil or gas pipelines and electric transmission facilities for the import or export of oil, gas, or electricity to or from Canada and Mexico, in pursuit of a more secure and efficient North American energy market.

### **Section 3: Authorization of Certain Energy Infrastructure Projects at the National Boundary of the United States**

Section 3 creates a new approval process for oil and natural gas pipelines and electric transmission facilities that cross the national boundary of the U.S. between Canada or Mexico. Requests for approval of cross-border oil pipelines must be submitted to Secretary of Commerce, natural gas pipeline requests must be submitted to Federal Energy Regulatory Commission, and electric transmission requests must be submitted to the Secretary of the U.S. Department of Energy (DOE). Within 120 days of being submitted, the requests must be approved unless it is found not to be in the national security interests of the U.S. The approval of these requests does not constitute a major Federal action for the purposes of NEPA. For electric transmission facilities, approval is contingent upon compliance with applicable Electric Reliability Organization, Regional Transmission Organization, and Independent System Operator policies and standards.

No other approvals are necessary under any current Executives Orders. This approval process does not apply to any oil or gas pipelines or electric transmission facilities that (1) are operating across the national boundary at the date of enactment; (2) have previously received a Presidential Permit; (3) have previously been approved under this process; or (4) have an application pending on the date of enactment until the application is denied or until July 1, 2016. No future approvals are needed under this process for modifications or changes of ownership. All other Federal statutes, including environmental laws and permits, continue to apply to a project for which approval of construction or operation is sought under this process. Definitions are provided for the terms “natural gas,” “oil,” “Electric Reliability Organization,” “regional entity,” “Independent System Operator,” and “Regional Transmission Organization.”

### **Section 4: Importation or Exportation of Natural Gas to Canada and Mexico**

Section 4 repeals the requirement under section 3(c) of the NGA that approval is needed from DOE for the export or import of natural gas to or from the U.S., Canada, or Mexico across the boundary of the U.S.

### **Section 5: Transmission of Electric Energy to Canada and Mexico**

Section 5 repeals the requirement under section 202(e) of the Federal Power Act requiring an export authorization from DOE to transmit electric energy from the U.S. to a foreign country.

### **Section 6: Effective Date; Rulemaking Deadlines**

Section 6 establishes a July 1, 2015 effective date for sections 3, 4, and 5. For the respective agencies responsible for carrying out the provisions in section 3, notices of proposed rulemaking are to be published in the Federal Register no later than 180 days after the date of enactment, and final rules are to be published in the Federal Register no later than 1 year after the date of enactment.

## **II. STAFF CONTACTS**

If you have questions regarding H.R. 3301, please contact Tom Hassenboehler, Jason Knox, or Patrick Currier at (202) 225-2927.