

[DISCUSSION DRAFT]

1 **TITLE III—ENERGY DIPLOMACY**

2 **SEC. 3101. SENSE OF CONGRESS.**

3 Congress finds the following:

4 (1) North America’s energy revolution has sig-
5 nificantly enhanced energy security in the United
6 States, and fundamentally changed the Nation’s en-
7 ergy future from that of scarcity to abundance.

8 (2) North America’s energy abundance has in-
9 creased global energy supplies and reduced the price
10 of energy for consumers in the United States and
11 abroad.

12 (3) Allies and trading partners of the United
13 States, including in Europe and Asia, are seeking
14 stable and affordable energy supplies from North
15 America to enhance their energy security.

16 (4) The United States has an opportunity to
17 promote greater stability and affordability of energy
18 supplies for its allies and trading partners through
19 a more integrated, secure, and competitive North
20 American energy system.

21 (5) The United States also has an opportunity
22 to promote such objectives through greater Federal

1 agency coordination relating to regulations or agency
2 actions that significantly affect the supply, distribu-
3 tion, or use of energy.

4 **SEC. 3102. NORTH AMERICAN ENERGY DIPLOMACY.**

5 (a) INTERAGENCY TASK FORCE.—The Secretary of
6 Energy shall establish an Interagency Task Force, con-
7 sisting of the Secretary of Energy, the Secretary of State,
8 the Secretary of Defense, the Secretary of Commerce, the
9 Chairman of the Federal Energy Regulatory Commission,
10 and the Director of the Office of Management and Budget,
11 or representatives thereof, to coordinate the consideration
12 of energy-related decisionmaking and improve planning
13 and coordination with Canada and Mexico, including with
14 regard to North American energy flows and the quality,
15 timeliness, and transparency of energy data and mapping.

16 (b) COORDINATED DECISIONMAKING.—

17 (1) REQUIREMENT.—Not later than one year
18 after the date of enactment of this Act, the Inter-
19 agency Task Force shall develop and transmit to the
20 Committee on Energy and Commerce of the House
21 of Representatives and the Committee on Energy
22 and Natural Resources of the Senate the plan de-
23 scribed in paragraph (2).

1 (2) PURPOSE.—The plan referred to in para-
2 graph (1) shall provide a United States framework
3 for Federal interagency policy coordination that—

4 (A) identifies uniform or coordinated pro-
5 cedures and criteria to ensure that Federal reg-
6 ulations or agency actions that significantly af-
7 fect the supply, distribution, or use of energy
8 are evaluated with respect to their potential im-
9 pact on—

10 (i) consumers and the economy;

11 (ii) energy supply diversity and resil-
12 iency;

13 (iii) well-functioning and competitive
14 energy markets;

15 (iv) United States trade balance;

16 (v) national security objectives; and

17 (vi) energy security of United States
18 allies and partners; and

19 (B) includes an implementation strategy
20 that identifies and ensures that the procedures
21 and criteria referred to in subparagraph (A)
22 are—

23 (i) evaluated consistently across Fed-
24 eral agencies when making energy regu-
25 latory decisions; and

1 (ii) weighed appropriately and bal-
2 anced with environmental considerations
3 required by Federal law.

4 (3) PARTICIPATION.—In developing the plan re-
5 ferred to in paragraph (1), the Interagency Task
6 Force may consult with relevant Federal, State, pri-
7 vate sector, and international participants, as appro-
8 priate and consistent with applicable law.

9 (c) CANADA-MEXICO PLAN.—

10 (1) REQUIREMENT.—Not later than one year
11 after the date of enactment of this Act, the Inter-
12 agency Task Force shall develop and transmit to the
13 Committee on Energy and Commerce of the House
14 of Representatives and the Committee on Energy
15 and Natural Resources of the Senate the plan de-
16 scribed in paragraph (2).

17 (2) PURPOSE.—The plan referred to in para-
18 graph (1) shall include a recommended framework to
19 improve planning and coordination with Canada and
20 Mexico to enhance energy integration, strengthen
21 North American energy security, and promote effi-
22 ciencies in the exploration, production, storage, sup-
23 ply, marketing, pricing, and regulation of North
24 American energy resources.

1 (3) PARTICIPATION.—In developing the plan re-
2 ferred to in paragraph (1), the Interagency Task
3 Force may consult with other Federal, State, private
4 sector, and international participants, as appropriate
5 and consistent with applicable law.

6 **SEC. 3103. INTERNATIONAL ENERGY DIPLOMACY.**

7 (a) IN GENERAL.—Not later than one year after the
8 date of enactment of this Act, the Secretary of Energy,
9 in cooperation and consultation with the Department of
10 State, shall convene not less than four forums to promote
11 domestic energy security and the energy security of the
12 allies and trading partners of the United States.

13 (b) PARTICIPATION.—The forums referred to in sub-
14 section (a) shall include participation by the Secretary of
15 Energy and the Secretary of State. In addition, the Sec-
16 retary of Energy shall extend an invitation to—

17 (1) appropriate representatives of foreign gov-
18 ernments that are allies or trading partners of the
19 United States; and

20 (2) independent experts and industry represent-
21 atives.

22 (c) REQUIREMENTS.—The forums shall—

23 (1) consist of at least two Trans-Atlantic and
24 two Trans-Pacific energy forums;

1 (2) be designed to foster dialogue among gov-
2 ernment officials, independent experts, and industry
3 representatives regarding—

4 (A) the current state of global energy mar-
5 kets;

6 (B) trade and investment issues relevant to
7 energy; and

8 (C) barriers to more open, competitive, and
9 transparent energy markets.

10 (d) NOTIFICATION.—At least 30 days before each of
11 the forums referred to in subsection (a), the Secretary of
12 Energy shall send a notification regarding the forum to—

13 (1) the chair and ranking minority member of
14 the Committee on Energy and Commerce of the
15 House of Representatives; and

16 (2) the chair and ranking minority member of
17 the Committee on Energy and Natural Resources of
18 the Senate.

19 **SEC. 3104. AUTHORIZATION OF CROSS-BORDER INFRA-**
20 **STRUCTURE PROJECTS.**

21 (a) FINDING.—Congress finds that the United States
22 should establish a more uniform, transparent, and modern
23 process for the construction, connection, operation, and
24 maintenance of pipelines and electric transmission facili-
25 ties for the import and export of liquid products, including

1 water and petroleum, and natural gas and the trans-
2 mission of electricity to and from Canada and Mexico.

3 (b) NO PRESIDENTIAL PERMIT REQUIRED.—No
4 Presidential permit (or similar permit) under Executive
5 Order No. 13337 (3 U.S.C. 301 note), Executive Order
6 No. 11423 (3 U.S.C. 301 note), section 301 of title 3,
7 United States Code, Executive Order No. 12038, Execu-
8 tive Order No. 10485, or any other Executive order shall
9 be required for the construction, connection, operation, or
10 maintenance of a cross-border segment of a liquid or nat-
11 ural gas pipeline or electric transmission facility, except
12 with respect to an application for such permit that is
13 pending on the effective date specified in subsection (f)(1).

14 (c) AUTHORIZATION OF CERTAIN INFRASTRUCTURE
15 PROJECTS AT THE NATIONAL BOUNDARY OF THE
16 UNITED STATES.—

17 (1) REQUIREMENT.—No person may construct,
18 connect, operate, or maintain a cross-border segment
19 of a pipeline or electric transmission facility for the
20 import or export of liquid products or natural gas,
21 or the transmission of electricity, to or from Canada
22 or Mexico without obtaining a certificate of crossing
23 for such construction, connection, operation, or
24 maintenance under this subsection.

25 (2) CERTIFICATE OF CROSSING.—

1 (A) ISSUANCE.—

2 (i) IN GENERAL.—Not later than 120
3 days after final action is taken under the
4 National Environmental Policy Act of
5 1969 (42 U.S.C. 4321 et seq.) with respect
6 to a cross-border segment described in
7 paragraph (1), the relevant official identi-
8 fied under subparagraph (B), in consulta-
9 tion with appropriate Federal agencies,
10 shall issue a certificate of crossing for the
11 cross-border segment unless the relevant
12 official finds that the construction, connec-
13 tion, operation, or maintenance of the
14 cross-border segment is not in the public
15 interest of the United States.

16 (ii) NATURAL GAS.—For the purposes
17 of natural gas pipelines, a finding with re-
18 spect to the public interest under section
19 3(a) of the Natural Gas Act (15 U.S.C.
20 717b(a)) shall serve as a finding under
21 clause (i) of this subparagraph.

22 (B) RELEVANT OFFICIAL.—The relevant
23 official referred to in subparagraph (A) is—

24 (i) the Secretary of State with respect
25 to liquid pipelines;

1 (ii) the Federal Energy Regulatory
2 Commission with respect to natural gas
3 pipelines; and

4 (iii) the Secretary of Energy with re-
5 spect to electric transmission facilities.

6 (C) ADDITIONAL REQUIREMENT FOR
7 ELECTRIC TRANSMISSION FACILITIES.—The
8 Secretary of Energy shall require, as a condi-
9 tion of issuing a certificate of crossing for an
10 electric transmission facility, that the cross-bor-
11 der segment be constructed, connected, oper-
12 ated, or maintained consistent with all applica-
13 ble policies and standards of—

14 (i) the Electric Reliability Organiza-
15 tion and the applicable regional entity; and

16 (ii) any Regional Transmission Orga-
17 nization or Independent System Operator
18 with operational or functional control over
19 the cross-border segment of the electric
20 transmission facility.

21 (3) MODIFICATIONS TO EXISTING PROJECTS.—

22 No certificate of crossing shall be required under
23 this subsection for a change in ownership, volume
24 expansion, downstream or upstream interconnection,
25 or adjustment to maintain flow (such as a reduction

1 or increase in the number of pump or compressor
2 stations) with respect to a liquid or natural gas pipe-
3 line or electric transmission facility unless such
4 modification would result in a significant impact at
5 the national boundary.

6 (4) EXCLUSIONS.—This subsection shall not
7 apply to—

8 (A) the pipeline described in the applica-
9 tion filed on May 4, 2012, by TransCanada
10 Keystone Pipeline, L.P. to the Department of
11 State for the Keystone XL pipeline; or

12 (B) a cross-border segment—

13 (i) operating pursuant to an executive
14 order or statute described in subsection
15 (b); or

16 (ii) if an application for a permit de-
17 scribed in subsection (b) pertaining to such
18 cross border segment is pending on the ef-
19 fective date specified in subsection (f)(1),
20 until such application is approved, denied,
21 or withdrawn.

22 (5) EFFECT OF OTHER LAWS.—Nothing in this
23 subsection shall affect the application of any other
24 Federal statute (including the Natural Gas Act and
25 the Energy Policy and Conservation Act) to a

1 project for which a certificate of crossing is sought
2 under this subsection.

3 (d) IMPORTATION OR EXPORTATION OF NATURAL
4 GAS TO CANADA AND MEXICO.—Section 3(c) of the Nat-
5 ural Gas Act (15 U.S.C. 717b(c)) is amended by adding
6 at the end the following: “In the case of an application
7 for the importation or exportation of natural gas to or
8 from Canada or Mexico, the Commission shall grant the
9 application not later than 30 days after the date of receipt
10 of the complete application.”.

11 (e) TRANSMISSION OF ELECTRIC ENERGY TO CAN-
12 ADA AND MEXICO.—

13 (1) REPEAL OF REQUIREMENT TO SECURE
14 ORDER.—Section 202(e) of the Federal Power Act
15 (16 U.S.C. 824a(e)) is repealed.

16 (2) CONFORMING AMENDMENTS.—

17 (A) STATE REGULATIONS.—Section 202(f)
18 of the Federal Power Act (16 U.S.C. 824a(f))
19 is amended by striking “insofar as such State
20 regulation does not conflict with the exercise of
21 the Commission’s powers under or relating to
22 subsection 202(e)”.

23 (B) SEASONAL DIVERSITY ELECTRICITY
24 EXCHANGE.—Section 602(b) of the Public Util-
25 ity Regulatory Policies Act of 1978 (16 U.S.C.

1 824a–4(b)) is amended by striking “the Com-
2 mission has conducted hearings and made the
3 findings required under section 202(e) of the
4 Federal Power Act” and all that follows
5 through the period at the end and inserting
6 “the Secretary has conducted hearings and
7 finds that the proposed transmission facilities
8 would not impair the sufficiency of electric sup-
9 ply within the United States or would not im-
10 pede or tend to impede the coordination in the
11 public interest of facilities subject to the juris-
12 diction of the Secretary”.

13 (f) EFFECTIVE DATE; RULEMAKING DEADLINES.—

14 (1) EFFECTIVE DATE.—Subsections (b)
15 through (e), and the amendments made by such sub-
16 sections, shall take effect on January 20, 2017.

17 (2) RULEMAKING DEADLINES.—Each relevant
18 official described in subsection (c)(2)(B) shall—

19 (A) not later than 180 days after the date
20 of enactment of this Act, publish in the Federal
21 Register notice of a proposed rulemaking to
22 carry out the applicable requirements of sub-
23 section (c); and

24 (B) not later than 1 year after the date of
25 enactment of this Act, publish in the Federal

1 Register a final rule to carry out the applicable
2 requirements of subsection (c).

3 (g) DEFINITIONS.—In this section—

4 (1) the term “cross-border segment” means the
5 portion of a liquid or natural gas pipeline or electric
6 transmission facility that is located at the national
7 boundary of the United States with either Canada or
8 Mexico;

9 (2) the terms “Electric Reliability Organiza-
10 tion” and “regional entity” have the meanings given
11 those terms in section 215 of the Federal Power Act
12 (16 U.S.C. 824o);

13 (3) the terms “Independent System Operator”
14 and “Regional Transmission Organization” have the
15 meanings given those terms in section 3 of the Fed-
16 eral Power Act (16 U.S.C. 796);

17 (4) the term “liquid” includes water, petroleum,
18 petroleum product, and any other substance that
19 flows through a pipeline other than natural gas; and

20 (5) the term “natural gas” has the meaning
21 given that term in section 2 of the Natural Gas Act
22 (15 U.S.C. 717a).

1 **SEC. 3105. STRATEGIC PETROLEUM RESERVE MISSION**
2 **READINESS PLAN.**

3 Not later than 180 days after date of enactment of
4 this Act, the Secretary of Energy shall conduct a long-
5 range strategic review of the Strategic Petroleum Reserve
6 and develop and transmit to Congress a plan that includes
7 an analysis and implementation schedule that—

8 (1) specifies near-term and long-term roles of
9 the Strategic Petroleum Reserve relative to United
10 States energy security and economic goals and objec-
11 tives;

12 (2) describes existing legal authorities gov-
13 erning the policies, configuration, and capabilities of
14 the Strategic Petroleum Reserve;

15 (3) identifies Strategic Petroleum Reserve con-
16 figuration and performance capabilities and rec-
17 ommends an action plan to achieve the optimal—

18 (A) capacity, location, and composition of
19 petroleum products in the Reserve; and

20 (B) storage and distributional capabilities;
21 and

22 (4) estimates the resources required to attain
23 and maintain the Strategic Petroleum Reserve's
24 long-term sustainability and operational effective-
25 ness.

1 **SEC. 3106. AUTHORIZATION TO EXPORT NATURAL GAS.**

2 (a) **DECISION DEADLINE.**—For proposals that must
3 also obtain authorization from the Federal Energy Regu-
4 latory Commission or the United States Maritime Admin-
5 istration to site, construct, expand, or operate LNG export
6 facilities, the Department of Energy shall issue a final de-
7 cision on any application for the authorization to export
8 natural gas under section 3 of the Natural Gas Act (15
9 U.S.C. 717b) not later than 30 days after the later of—

10 (1) the conclusion of the review to site, con-
11 struct, expand, or operate the LNG facilities re-
12 quired by the National Environmental Policy Act of
13 1969 (42 U.S.C. 4321 et seq.); or

14 (2) the date of enactment of this Act.

15 (b) **CONCLUSION OF REVIEW.**—For purposes of sub-
16 section (a), review required by the National Environ-
17 mental Policy Act of 1969 shall be considered concluded—

18 (1) for a project requiring an Environmental
19 Impact Statement, 30 days after publication of a
20 Final Environmental Impact Statement;

21 (2) for a project for which an Environmental
22 Assessment has been prepared, 30 days after publi-
23 cation by the Department of Energy of a Finding of
24 No Significant Impact; and

25 (3) upon a determination by the lead agency
26 that an application is eligible for a categorical exclu-

1 sion pursuant to National Environmental Policy Act
2 of 1969 implementing regulations.

3 (c) JUDICIAL ACTION.—(1) The United States Court
4 of Appeals for the circuit in which the export facility will
5 be located pursuant to an application described in sub-
6 section (a) shall have original and exclusive jurisdiction
7 over any civil action for the review of—

8 (A) an order issued by the Department of En-
9 ergy with respect to such application; or

10 (B) the Department of Energy's failure to issue
11 a final decision on such application.

12 (2) If the Court in a civil action described in para-
13 graph (1) finds that the Department of Energy has failed
14 to issue a final decision on the application as required
15 under subsection (a), the Court shall order the Depart-
16 ment of Energy to issue such final decision not later than
17 30 days after the Court's order.

18 (3) The Court shall set any civil action brought under
19 this subsection for expedited consideration and shall set
20 the matter on the docket as soon as practical after the
21 filing date of the initial pleading.

22 (d) PUBLIC DISCLOSURE OF EXPORT DESTINA-
23 TIONS.—Section 3 of the Natural Gas Act (15 U.S.C.
24 717b) is amended by adding at the end the following:

1 “(g) PUBLIC DISCLOSURE OF LNG EXPORT DES-
2 TINATIONS.—As a condition for approval of any authoriza-
3 tion to export LNG, the Secretary of Energy shall require
4 the applicant to publicly disclose the specific destination
5 or destinations of any such authorized LNG exports.”.