[117H8402]

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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Energy Policy and Conservation Act to prohibit the Secretary of Energy from prescribing any new or amended energy conservation standard for a product that is not technologically feasible and economically justified, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. LESKO introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Energy Policy and Conservation Act to prohibit the Secretary of Energy from prescribing any new or amended energy conservation standard for a product that is not technologically feasible and economically justified, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''DOE Appliance and Equipment Standards Reform and Consumer Protection Act''.

SEC. 2. PRESCRIBING NEW OR AMENDED ENERGY CONSERVATION STANDARDS.

(a) PETITION FOR AMENDED STANDARD.—Section 325(n) of the Energy Policy and Conservation Act (42 U.S.C. 6295(n)) is amended—

(1) in paragraph (1), by inserting ''or revoked'' after ''should be amended'';

(2) by amending paragraph (2) to read as follows:

''(2) The Secretary shall grant a petition to determine if energy conservation standards for a covered product should be amended or revoked if the Secretary finds that such petition contains evidence, assuming no other evidence were considered, that such standards—

''(A) result in additional costs to consumers;

''(B) do not result in significant conservation of energy or water;

''(C) are not technologically feasible; and

''(D) result in such covered product not being commercially available in the United States to all consumers.''; and

(3) in paragraph (4)—

(A) by striking ''NEW OR AMENDED STANDARDS.'' and inserting ''NEW, AMENDED, OR REVOKED STANDARDS.'';

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(C) by striking ''Not later than 3 years'' and inserting ''(A) Not later than 3 years''; and

(D) by adding at the end the following:

''(B) Not later than 180 days after the date of granting a petition to revoke standards, the Secretary shall publish in the Federal Register—

''(i) a final rule revoking the standards; or

''(ii) a determination that it is not necessary to revoke the standards.

''(C) The grant of a petition by the Secretary under this subsection creates no presumption with respect to the Secretary's determination of any of the criteria in a rulemaking under this section.''.

(b) CRITERIA.—Paragraphs (2) and (3) of section 325(o) of the Energy Policy and Conservation Act (42 U.S.C. 6295(o)) are amended to read as follows:

''(2) REQUIREMENTS.—

''(A) DESIGN.—Any new or amended energy conservation standard prescribed by the Secretary under this section for any type (or

class) of covered product shall be designed to achieve the maximum improvement in energy efficiency, or, in the case of showerheads, faucets, water closets, or urinals, water efficiency, which the Secretary determines is technologically feasible and economically justified.

''(B) TEST PROCEDURES.—The Secretary may not prescribe a new or amended energy conservation standard under this section for a type (or class) of covered product if a test procedure has not been prescribed pursuant to section 323 with respect to that type (or class) of product.

''(C) SIGNIFICANT CONSERVATION.—The Secretary may not prescribe a new or amended energy conservation standard under this section for a type (or class) of covered product if the Secretary determines that the establishment and imposition of such energy conservation standard will not result in significant conservation of—

''(i) energy; or

''(ii) in the case of showerheads, faucets, water closets, or urinals, water.

''(D) TECHNOLOGICALLY FEASIBLE AND ECONOMICALLY JUSTIFIED.—

''(i) IN GENERAL.—The Secretary may not prescribe a new or amended energy conservation standard under this section for a type (or class) of covered product unless the Secretary determines that the establishment and imposition of such energy conservation standard is technologically feasible and economically justified.

''(ii) EFFECT.—For purposes of section 327, a determination under clause (i) with respect to any type (or class) of covered products shall have the same effect as would a standard prescribed for such type (or class).

''(3) FACTORS FOR DETERMINATION.—

''(A) ECONOMIC ANALYSIS.—Prior to prescribing any new or amended energy conservation standard under this section for any type (or class) of covered product, the Secretary shall conduct a quantitative economic impact analysis of imposition of the energy conservation standard that determines the predicted—

''(i) effects of imposition of the energy conservation standard on costs to consumers of the products subject to such energy conservation standard, including—

''(I) costs to low-income households; and

''(II) variations in costs to consumers based on differences in regions, including climatic differences;

''(ii) effects of imposition of the energy conservation standard on employment; and

''(iii) lifecycle costs for the covered product, including costs associated with the purchase, installation, maintenance, disposal, and replacement of the covered product.

''(B) PROHIBITION ON ADDITIONAL COSTS TO THE CONSUMER.—The Secretary may not determine that imposition of an energy conservation standard is economically justified unless the Secretary, based on an economic analysis under subparagraph (A) determines that—

''(i) imposition of such energy conservation standard is not likely to result in

additional net costs to the consumer, including any increase in net costs associated with the purchase, installation, maintenance, disposal, and replacement of the covered product; and

''(ii) any additional cost to the consumer of purchasing and installing a covered product complying with such energy conservation standard will be less than 3 times the value of the energy, and as applicable, water, savings during the first year that the consumer will receive as a result of the standard, as calculated under the applicable test procedure.

''(C) REQUIRED ENERGY OR WATER SAVINGS.—The Secretary may not determine that imposition of an energy conservation standard is economically justified unless the Secretary determines that compliance with such energy conservation standard will result in—

''(i) a reduction of at least 0.3 quads of site energy over 30 years; or

''(ii) at least a 10 percent reduction in energy or water use of the covered product.

''(D) CRITERIA RELATED TO PERFORMANCE.—The Secretary may not determine that imposition of an energy conservation standard is economically justified unless the Secretary determines that imposition of such energy conservation standard will not result in any lessening of the utility or the performance of the applicable covered product, taking into consideration the effects of such energy conservation standard on—

''(i) the compatibility of the covered product with existing systems;

''(ii) the life span of the covered product;

''(iii) the operating conditions of the covered product;

''(iv) the duty cycle, charging time, and run time of the covered product, as applicable;

''(v) the maintenance requirements of the covered product; and

''(vi) the replacement and disposal requirements for the covered product.

''(E) CRITERIA RELATED TO MARKET COMPETITION AND PRICE DISCRIMINATION.—The

Secretary may not determine that imposition of an energy conservation standard is economically justified unless the Secretary determines that imposition of the energy conservation standard is not likely to result in—

''(i) any lessening of market competition; or

''(ii) price discrimination.

''(F) TECHNOLOGICAL INNOVATION.—The Secretary may not determine that imposition of an energy conservation standard is economically justified unless the Secretary determines that imposition of such energy conservation standard is not likely to result in the unavailability in the United States of a type (or class) of products based on what type of fuel the product consumes.

''(G) OTHER CONSIDERATIONS.—In determining whether imposition of an energy conservation standard is economically justified, the Secretary—

''(i) shall prioritize the interests of consumers;

''(ii) may not consider estimates of the social costs or social benefits associated

with incremental greenhouse gas emissions; and

''(iii) shall consider—

''(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;

''(II) the savings in operating costs throughout the estimated average life of the covered product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the covered products which are likely to result from the imposition of the standard;

''(III) the total projected amount of energy, or as applicable, water, savings likely to result directly from the imposition of the standard;

''(IV) the need for national energy and water conservation; and

''(V) other factors the Secretary considers relevant.

''(H) REGULATORY REVIEW.—

''(i) EVALUATION.—Not later than 2 years after the issuance of any final rule prescribing a new or amended energy conservation standard under this section for any type (or class) of covered product, the Secretary shall evaluate the rule to determine whether such energy conservation standard is technologically feasible and economically justified and whether the regulatory impact analysis for such rule remains accurate.

''(ii) EFFECT.—Notwithstanding any other provision of this part, if the Secretary determines, based on an evaluation under clause (i), that an energy conservation standard is not technologically feasible or economically justified—

''(I) the Secretary shall publish such determination and such energy conservation standard shall have no force or effect; and

''(II) the Secretary may publish a final rule amending the energy conservation standard for the type (or class) of covered product to be technologically feasible and economically justified in accordance

with this subsection, which amendment shall apply to such a product that is manufactured after the date that is 2 years after publication of such final rule.''.

SEC. 3. CONFORMING AMENDMENTS.

(a) AMENDMENT OF STANDARDS.—Section 325(m)(1)(A) of the Energy Policy and Conservation Act (42 U.S.C. 6295(m)(1)(A)) is amended by striking '', based on the criteria established under subsection (n)(2)''.

(b) REGIONAL STANDARDS.—Section 325(o)(6)(D)(i)(II) of the Energy Policy and Conservation Act (42 U.S.C. 6295(o)(6)(D)(i)(II)) is amended by striking ''this paragraph'' and inserting ''this subsection''.

(c) PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.—Section 325(p)(2)(A) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)(2)(A)) is amended by striking ''taking into account those factors which the Secretary must consider under subsection (o)(2)'' and inserting ''as determined in accordance with subsection (o)''.

(d) ENERGY CONSERVATION STANDARDS FOR HIGH-INTENSITY DISCHARGE LAMPS, DISTRIBUTION TRANSFORMERS, AND SMALL ELECTRIC MOTORS.—Section 346 of the Energy Policy and Conservation Act (42 U.S.C. 6317) is amended by striking subsection (c).