

House Passes Comprehensive Energy Bill

H.R. 8 – the North American Energy Security and Infrastructure Act

On December 3, 2015, the U.S. House of Representatives passed H.R. 8 – the North American Energy Security and Infrastructure Act of 2015, by a vote of 249 to 174. The vote was primarily along party lines with only nine Democrats voting in favor of the bill and three Republicans voting against it. The bill had enjoyed bipartisan support throughout the majority of its existence, but this support broke down during the House Energy & Commerce Committee markup. While the Alliance supports many of the provisions included in the bill, there is one provision, related to building codes, which the Alliance strongly opposes. Due to the inclusion of this provision in the final bill, the Alliance opposes H.R. 8, the North American Energy Security and Infrastructure Act.

The following provisions are featured under the Energy Efficiency and Accountability title of the bill:

Subtitle A – Energy Efficiency

Chapter 1 – Federal Agency Energy Efficiency

Section 3111: Energy-efficient and energy-saving information technologies

Drawing from H.R. 1268, introduced by Rep. Eshoo (D-Calif.), this section requires Federal agencies to coordinate with the Office of Management and Budget (OMB), Department of Energy (DOE), and the Environmental Protection Agency (EPA) to develop an implementation strategy – that includes best practices and measurement and verification techniques – for the maintenance, purchase, and use of energy-efficient and energy saving information technologies. OMB would be required to track and report on each agency’s progress. This provision was also included in H.R. 873 – the Energy Efficiency Improvement Act of 2015.

Section 3112: Energy efficient data centers

Also drawing from H.R. 1268, this section seeks to improve the energy efficiency of Federal data centers by, among other items, requiring DOE to update a 2007 report on data center energy efficiency and maintain a data center energy practitioner certification program. DOE also would establish an open data initiative to help share best practices and support further innovation, and develop a metric that measures data center energy efficiency. This provision was also included in H.R. 873 – the Energy Efficiency Improvement Act of 2015.

Section 3113: Report on energy and water savings potential from thermal insulation

Based on H.R. 568, introduced by Reps. Kinzinger (R-Ill.) and McNerney (D-Calif.), this section directs the DOE to submit a report within 1 year on the impact of thermal insulation on both energy and water use systems for potable hot and chilled water in Federal buildings and on the return on investment of installing the insulation. The report must include: (1) an analysis based on the cost of municipal or regional water for

delivered water and the avoided cost of new water; and (2) a summary of energy and water savings, including short-term and long-term (20 years) projections of such savings.

Section 3114: Battery storage report

This section would require the Comptroller General to submit to Congress a report on the potential of battery energy storage that would cover issues related to existing Federal standards, benefits and challenges, potential impact on renewable energy utilization, potential for grid-scale deployment, and policies that could promote growth.

Section 3115: Federal purchase requirement

This section expands the definition of “renewable energy” in section 203 of the Energy Policy Act of 2005 to include thermal energy and qualified waste heat resources. The section also modifies the term “municipal solid waste” by excluding certain commonly recycled paper.

Section 3116: Energy Performance Requirement for Federal Buildings

This section is taken from the Energy Savings and Industrial Competitiveness Act ([S. 720](#) and [H.R. 2177](#), “Portman-Shaheen” and “McKinley-Welch” respectively). It would extend mandated energy consumption reduction targets for federal buildings through 2017.

Section 3117: Federal Building Energy Efficiency Performance Standards; Certification System and Level for Federal Buildings

This section also draws from Portman-Shaheen/McKinley-Welch, but there are some differences. The portion that covers Federal Building Efficiency Standards is the same, but the portion describing Certification for Green Buildings is different. Portman-Shaheen and McKinley-Welch offer a significantly more-detailed version than H.R. 8.

Section 3118: Operation of battery recharging stations in parking areas used by Federal employees

The provision authorizes the head of any office in the Federal government which owns or operates a parking area for the use of its employees to install, construct, operate and maintain on a reimbursable basis a battery recharging station. The provision also covers the selection of a vendor, imposition of fees to cover any costs, and the effective date.

Section 3119: Report on energy savings and greenhouse gas emissions reduction from conversion of captured methane to energy

Directs the Secretary of Energy to submit a report to Congress on the impact of captured methane converted for energy and power generation on Federal lands, Federal buildings and relevant municipalities that use such generation, and the return on investment and reduction in greenhouse gas emissions of utilizing such power generation.

Chapter 2 – Energy Efficient Technology and Manufacturing

Section 3121: Inclusion of Smart Grid capability on Energy Guide labels

Drawing from H.R. 2245, introduced by Reps. Ellmers (R-N.C.) and McNerney (D-Calif.), this section directs the Federal Trade Commission to initiate a rulemaking to develop Energy Guide labels that promote the smart grid capabilities of certain products.

Section 3122: Voluntary verification programs on air conditioning, furnace, boiler, heat pump and water heater products

This section draws from H.R. 1785 from Rep. Latta (R-Ohio), which is also featured in H.R. 2177 from Reps. McKinley (R-W.V.) and Welch (D-Vt.) and would require DOE to recognize voluntary verification programs for air conditioning, furnace, boiler, heat pump, and water heating products to demonstrate compliance with DOE energy efficiency and conservation standards and the Energy Star program.

Section 3123: Facilitating consensus furnace standards

This section provides gas furnace stakeholders the opportunity to continue negotiations to facilitate the proposal for adoption of gas furnace standards that enjoy consensus support, while not delaying the current rulemaking, except to the extent necessary to provide such opportunity.

Section 3124: No Warranty for Certain Certified Energy Star Products

Drawing from the Energy Star Program Integrity Act ([H.R. 504](#) and [S. 1038](#)), this section would clarify that the participation of a product in the Energy Star program does not create an express or implied warranty.

Section 3125: Clarification to Effective Date for Regional Standards

Updates Section 325 of the Energy Policy and Conservation Act by striking “installed” and inserting “manufactured or imported into the United States”.

Section 3126: Internet of Things report

Directs the Secretary of Energy to report to Congress on the efforts made to take advantage of, and promote, the utilization of advanced technologies such as Internet of Things end-to-end platform solutions to provide real-time actionable analytics and enable predictive maintenance and asset management to improve energy efficiency wherever feasible.

Section 3127: Energy savings from lubricating oil

The Secretary of Energy, along with the Administrator of the Environmental Protection Agency and the Director of Management and Budget, shall review and update the report prepared for the Energy Policy and Modernization Act of 2005. Additionally, these entities are directed to prepare and submit to Congress a coordinated Federal strategy to increase the beneficial reuse of used lubricating oil.

Section 3128: Definition of external power supply

This section would update the definition of an external power supply from the Energy Policy and Conservation Act to exclude a power supply circuit, driver or device that is designed exclusively to power LEDs and OLEDs.

Section 3129: Standards for power supply circuits connected to LEDS or OLEDS

Related to Section 3128, this section would amend the Energy Policy and Conservation Act to allow the Secretary of Energy to prescribe, in accordance with applicable law, an energy conservation standard for a power supply circuit, driver or device this is designed primarily to power LEDS or OLEDs. It goes further to state that the Secretary of Energy is directed to prescribe an energy conservation standard for such a device not less than 1 year after applicable testing requirements are prescribed.

Chapter 3 – School Buildings

Section 3131: Coordination of energy retrofitting assistance for schools

This section draws from H.R. 756, introduced by Rep. Cartwright (D-Pa.), and amends the Energy Policy and Conservation Act to direct DOE to establish a clearinghouse to disseminate information regarding available programs and financing mechanisms that may be used to help initiate, develop, and finance energy efficiency, distributed generation, and energy retrofitting projects for schools. DOE must: (1) consult with appropriate agencies to develop a list of programs and financing mechanisms that are, or may be, used for the projects, and (2) coordinate with appropriate agencies to develop a collaborative education and outreach effort to streamline communications and promote the programs and financing mechanisms.

Chapter 4 – Building Energy Codes

Section 3141: Greater Energy Efficiency in Building Codes

The building energy code section draws from [H.R. 1273](#), “Blackburn-Schrader”, and has serious implications for energy efficiency. The Blackburn-Schrader language would do three main things: weaken the certification process for state and local code adoption, limit the Department of Energy’s role in the code development process and mandate the use of a flawed and inappropriate cost-effectiveness metric called [simple payback](#).

Section 3142: Voluntary Nature of Building Asset Rating Program

This section is also taken from Blackburn-Schrader and explains that any program which allows the owner of a commercial or residential building to obtain a rating, score or label regarding actual or anticipated energy use shall be made available on a voluntary, optional and market-driven basis. Additionally, any information disseminated by the Secretary of Energy regarding such a program is not developed or intended to be the basis for a regulatory program by a federal, state, local or municipal government body.

Chapter 5 – EPCA Technical Corrections and Clarifications

Section 3151: Modifying product definitions

Modifies the Energy Policy and Conservation Act, specifically the section on modifying definitions of covered products and equipment. It also updates the section on the procedure for modifying these definitions.

Section 3152: Clarifying rulemaking procedures

Would require the Secretary of Energy to offer the opportunity for public input prior to the issuance of a proposed rule.

Chapter 6 – Energy and Water Efficiency

Section 3161: Smart Energy and Water Efficiency Pilot Program

Drawing from the Smart Energy and Water Efficiency Act, [H.R. 3143](#), introduced by Reps. McNerney (D-Calif.) and Kinzinger (R-Ill.), and [S. 886](#), introduced by Sen. Udall (D-N.M.). This section would establish a smart energy and water efficiency management pilot program, which is designed to award grants to eligible entities to demonstrate advanced and innovated technology-based solutions that will: increase and improve energy efficiency in water, wastewater and water reuse systems, support the development and installation of automated systems that provide real-time data on energy and water, and improve energy and water systems through the use of Internet-connected technologies. Within H.R. 8, the Secretary is directed to use not more than \$15 million for this program. This provision is also present within the Senate comprehensive energy bill – [S. 2012](#), the Energy Policy Modernization Act.

Section 3162: WaterSense

This would create a voluntary program within the Environmental Protection Agency entitled “WaterSense” to identify water-efficient products, buildings, landscapes, facilities, processes and services. The language in this section draws from [H.R. 291](#) from Rep. Napolitano (D-Calif.) and from [S. 176](#) from Sen. Boxer (D-Calif.).