

**Title I of the Energy Policy Act of 1992  
— Energy Efficiency**

**Subtitle A — Buildings**

**SEC. 101. building ENERGY EFFICIENCY Standards.**

[Subsections (a) and (b) amended the Energy Conservation and Production Act.]

(c) FEDERAL MORTGAGE REQUIREMENTS —

(1) AMENDMENT To CRANSTONGONZALEZ NATIONAL Affordable HOUSING ACT.  
— Section 109 of the CranstonGonzalez National Affordable Housing Act (42 U.S.C. 12709)  
is amended to read as follows:

**"SEC. 109. ENERGY EFFICIENCY STANDARDS.**

(a) ESTABLISHMENT.—

"(1) IN GENERAL. — The Secretary of Housing and Urban Development and the Secretary of Agriculture shall, not later than 1 year after the date of the enactment of the Energy Policy Act of 1992, jointly establish, by rule, energy efficiency standards for—

"(A) new construction of public and assisted housing and single family and multifamily residential housing (other than manufactured homes) subject to mortgages insured under the National Housing Act; and

"(B) new construction of single family housing (other than manufactured homes) subject to mortgages insured, guaranteed, or made by the Secretary of Agriculture under title V of the Housing Act of 1949

"(2) CONTENTS. — Such standards shall meet or exceed the requirements of the Council of American Building Officials Model Energy Code, 1992 (hereafter in this section referred to as `CABO Model Energy Code, 1992'), or, in the case of multifamily high rises, the requirements of the American Society of Heating, Refrigerating, and air-conditioning Engineers Standard 90.1—1989 (hereafter in this section referred to as `ASHRAE Standard 90.1—1989'), and shall be cost effective with respect to construction and operating costs on a lifecycle cost basis. In developing such standards, the Secretaries shall consult with an advisory task force composed of homebuilders, national, State, and local housing agencies (including public housing agencies), energy agencies, building code organizations and agencies, energy efficiency organizations, utility organizations low income housing organizations, and other parties designated by the Secretaries.

"(b) MODEL ENERGY CODE. — If the Secretaries have not, within one year after the date of the enactment of the Energy Policy Act of 1992, established energy efficiency standards under subsection (a), all new construction of housing specified in such subsection shall meet the requirements of CABO Model Energy Code, 1992, or, in the case of multifamily high rises, the requirements of ASHRAE Standard 90.1—1989.

"(c) REVISIONS OF MODEL ENERGY CODE. — If the requirements of CABO Model Energy Code, 1992, or, in the case of multifamily high rises, ASHRAE Standard 90.1—1989, are revised at any time, the Secretaries shall, not later than one year after such revision, amend the standards established under subsection (a) to meet or exceed the requirements of such revised code or standard unless the Secretaries determine that compliance with such revised code or standard would not result in a significant increase in energy efficiency or would not be technologically feasible or economically justified."

(2) AMENDMENT TO TITLE 38, UNITED STATES CODE. —Section 3704 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) A loan for the purchase or construction of new residential property, the construction of which began after the energy efficiency standards under section 109 of the CranstonGonzalez National Affordable Housing Act (42 U.S.C. 12709), as amended by section 101(c) of the Energy Policy Act of 1992, take effect, may not be financed through the assistance of this chapter unless the new residential property is constructed in compliance with such standards."

## **SEC. 102. RESIDENTIAL ENERGY EFFICIENCY RATINGS.**

[Section 102 amended the National Energy Conservation Policy Act.]

## **SEC. 103. ENERGY EFFICIENT LIGHTING AND BUILDING CENTERS.**

(a) PURPOSE. — The purpose of this section is to encourage energy efficiency in buildings through the establishment of regional centers to promote energy efficient lighting, heating and cooling, and building design.

(b) GRANTS FOR ESTABLISHMENT. — Not later than 18 months after the date of the enactment of this Act, the Secretary shall make grants to nonprofit institutions, or to consortiums that may include nonprofit institutions, State and local governments, universities, and utilities, to establish or enhance one regional building energy efficiency center (hereafter in this section referred to as a "regional center") in each of the 10 regions served by a Department of Energy regional support office.

(c) PERMITTED ACTIVITIES. — Each regional center established under this section may—

(1) provide information, training, and technical assistance to building professionals such as architects, designers, engineers, contractors, and building code officials, on building energy efficiency methods and technologies, including lighting, heating and cooling, and passive solar;

(2) operate an outreach programme to inform such building professionals of the benefits and opportunities of energy efficiency, and of the services of the center;

(3) provide displays demonstrating building energy efficiency methods and technologies, such as lighting, windows, and heating and cooling equipment;

(4) coordinate its activities and programmes with other institutions within the region, such as State and local governments, utilities, and educational institutions, in order to support their efforts to promote building energy efficiency;

(5) serve as a clearinghouse to ensure that information about new building energy efficiency technologies, including case studies of successful applications, is disseminated to end users in the region;

(6) study the building energy needs of the region and make available region specific energy efficiency information to facilitate the adoption of cost effective energy efficiency improvements;

(7) assist educational institutions in establishing building energy efficiency engineering and technical programmes and curricula; and

(8) evaluate the performance of the center in promoting building energy efficiency.

(d) APPLICATION. — Any nonprofit institution or consortium interested in receiving a grant under this section shall submit to the Secretary an application in such form and containing such information as the Secretary may require. A lighting or building energy center in existence on the date of the enactment of this section which is owned and operated by a nonprofit institution or a consortium as described in subsection (b) shall be eligible for a grant under this section.

(e) SELECTION CRITERIA. — The Secretary shall select recipients of grants under this section on the basis of the following criteria:

(1) The capability of the grant recipient to establish a board of directors for the regional center composed of representatives from utilities, State and local governments, building trade and professional organizations, manufacturers, and nonprofit energy and environmental organizations.

(2) The demonstrated or potential resources available to the grant recipient for carrying out this subsection.

(3) The demonstrated or potential ability of the grant recipient to promote building energy efficiency by carrying out the activities specified in subsection (c).

(4) The activities which the grant recipient proposes to carry out under the grant.

(f) REQUIREMENT OF MATCHING FUNDS.—

(1) FEDERAL SHARE. — The Federal share of a grant under this section shall be no more than 50 per cent of the costs of establishing, and no more than 25 per cent of the cost of operating the regional center.

(2) NONFEDERAL CONTRIBUTIONS. — No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will provide the necessary nonFederal

contributions. Such non-Federal contributions may be provided by utilities, State and local governments, nonprofit institutions, foundations, corporations, and other non-Federal entities.

(g) TASK FORCE. — The Secretary shall establish a task force to—

(1) advise the Secretary on activities to be carried out by grant recipients;

(2) review and evaluate programmes carried out by grant recipients; and

(3) make recommendations regarding the building energy efficiency center grant programme.

(h) MEMBERSHIP TERMS AND ADMINISTRATION OF TASK FORCE.—

(1) IN GENERAL. — The task force shall be composed of approximately 20 members, appointed by the Secretary, with expertise in the area of building energy efficiency, including representatives from—

(A) State or local energy offices;

(B) utilities;

(C) building construction trade or professional associations;

(D) architecture, engineering or professional associations;

(E) building component or equipment manufacturers;

(F) from<sup>1</sup> national laboratories;

(G) building code officials or professional associations; and

(H) nonprofit energy or environmental organizations.

(2) GEOGRAPHIC REPRESENTATION. — The Secretary shall ensure that there is broad geographical representation among task force members.

(3) TERMS. — Members shall be appointed for a term of three years. A vacancy in the task force shall be filled in the manner in which the original appointment was made.

(4) PAY. — Members shall serve without pay. Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(5) CHAIRPERSON. — The Chairperson and Vice Chairperson of the task force shall be elected by the members.

(6) MEETINGS. — The task force shall meet biannually and at the call of the Chairperson.

(7) INAPPLICABILITY OF TERMINATION DATE. — Section 14 of the Federal Advisory Committee Act shall not apply to the task force.

(i) REPORT. — The Secretary shall transmit annually to the Congress a report on the activities of regional centers established under this section, including the degree to which matching funds are being leveraged from private sources to establish and operate such centers.

(j) AUTHORIZATION OF APPROPRIATIONS. — There is authorized to be appropriated for purposes of carrying out this section, to remain available until expended, not more than US\$10,000,000 for each of fiscal years 1994, 1995, and 1996.

[42 U.S.C. 13458]

#### **SEC. 104. MANUFACTURED HOUSING ENERGY EFFICIENCY.**

(a) AMENDMENTS TO CRANSTONGONZALEZ NATIONAL AFFORDABLE Housing ACT. — Section 943(d)(1) of the CranstonGonzalez National Affordable Housing Act (Public Law 101—625; 109 Stat. 4413) is amended—

(1) in subparagraph (D), by striking "thermal insulation, energy efficiency";

(2) by redesignating subparagraphs (E), (F) (G), and (H) as subparagraphs (F), (G), (H), and (I), respectively; and

(3) by inserting after subparagraph (D) the following new subparagraph:

"(E) consult with the Secretary of Energy and make recommendations regarding additional or revised standards for thermal insulation and energy efficiency applicable to manufactured housing;"

(b) Duties OF THE SECRETARY. — The Secretary of Housing and Urban Development shall assess the energy performance of manufactured housing and make recommendations to the National Commission on Manufactured Housing established under section 943 of the CranstonGonzalez National Affordable Housing Act regarding any thermal insulation and energy efficiency improvements applicable to manufactured housing which are technologically feasible and economically justified. The Secretary shall also test the performance and determine the cost effectiveness of manufactured housing constructed in compliance with the standards established under such section.

(c) EXCEPTION TO FEDERAL PREEMPTION. — If the Secretary of Housing and Urban Development has not issued, within 1 year after the date of the enactment of this Act, final regulations pursuant to section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5403) that establish thermal insulation and energy efficiency standards for manufactured housing that take effect before January 1, 1995, then States may establish thermal insulation and energy efficiency standards for manufactured housing if such standards are at least as stringent as thermal performance standards for manufactured housing contained in the Second Public Review Draft of BSR/ ASHRAE 90.2P entitled "Energy Efficient Design of LowRise Residential Buildings" and all public reviews of Independent Substantive Changes to such document that have been approved on or before the date of the enactment of this Act.

#### **SEC. 105. ENERGY EFFICIENT MORTGAGES.**

(a) **DEFINITION OF ENERGY EFFICIENT MORTGAGE.** — Section 104 of the CranstonGonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended by adding at the end the following new paragraph:

"(24) The term `energy efficient mortgage means a mortgage that provides financing incentives for the purchase of energy efficient homes, or that provides financing incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage."

(b) **UNIFORM MORTGAGE FINANCING PLAN FOR ENERGY EFFICIENCY.** — Section 946 of the CranstonGonzalez National Affordable Housing Act (42 U.S.C. 12712 note) is amended—

(1) in subsection (a), by striking "mortgage financing incentives for energy efficiency" and inserting "energy efficient mortgages (as such term is defined in section 104 of this Act)"; and

(2) in subsection (b) —

(A) in the second sentence, by inserting ", but not be limited to," after "include"; and

(B) by inserting after the period at the end of the following new sentence: "The Task Force shall determine whether notifying potential home purchasers of the availability of energy efficient mortgages would promote energy efficiency in residential buildings, and if so, the Task Force shall recommend appropriate notification guidelines, and agencies and organizations referred to in the preceding sentence are authorized to implement such guidelines."

## **SEC. 108. ENERGY EFFICIENT MORTGAGES PILOT PROGRAMME.**

(a) **ESTABLISHMENT OF PILOT PROGRAMME.**—

(1) **IN GENERAL.** — Not later than six months after the date of enactment of this Act, the Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") shall establish an energy efficient mortgage pilot programme in five States, to promote the purchase of existing energy efficient residential buildings and the installation of cost effective improvements in existing residential buildings.

(2) **PILOT PROGRAMME.** — The pilot programme established under this subsection shall include the following criteria, where applicable:

(A) **ORIGINATION.** — lender shall originate a housing loan that is insured under title II of the National Housing Act in accordance with the applicable requirements.

(B) **APPROVAL.** — The mortgagor's base loan application shall be approved if the mortgagor's income and credit record is found to be satisfactory.

(C) **COST OF IMPROVEMENTS.** — The cost of cost effective energy efficiency improvements shall not exceed the greater of—

(I) 5 per cent of the property value (not to exceed US\$8,000); or

(ii) US\$4,000.

(3) **AUTHORITY FOR Mortgagees.** — In granting mortgages under the pilot programme established pursuant to this subsection, the Secretary shall grant mortgagees the authority—

(A) to permit the final loan amount to exceed the loan limits established under title II of the National Housing Act by an amount not to exceed 100 per cent of the cost of the cost effective energy efficiency improvements, if the mortgagor's request to add the cost of such improvements is received by the mortgagee prior to funding of the base loan;

(B) to hold in escrow all funds provided to the mortgagor to undertake the energy efficiency improvements until the efficiency improvements are actually installed; and

(C) to transfer or sell the energy efficient mortgage to the appropriate secondary market agency, after the mortgage is issued, but before the energy efficiency improvements are actually installed.

(4) **PROMOTION OF PILOT PROGRAMME.** — The Secretary shall encourage participation in the energy efficient mortgage pilot programme by—

(A) making available information to lending agencies and other appropriate authorities regarding the availability and benefits of energy efficient mortgages;

(B) requiring mortgagees and designated lending authorities to provide written notice of the availability and benefits of the pilot programme to mortgagors applying for financing in those States designated by the Secretary as participating under the pilot programme; and

(C) requiring each applicant for a mortgage insured under title II of the National Housing Act in those States participating under the pilot programme to sign a statement that such applicant has been informed of the programme requirements and understands the benefits of energy efficient mortgages.

(5) **TRAINING PROGRAMME.** — Not later than nine months after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Energy, shall establish and implement a programme for training personnel at relevant lending agencies, real estate companies, and other appropriate organizations regarding the benefits of energy efficient mortgages and the operation of the pilot programme under this subsection.

(6) **REPORT.** — Not later than 18 months after the date of enactment of this Act, the Secretary shall prepare and submit a report to the Congress describing the effectiveness and implementation of the energy efficient mortgage pilot programme as described under this subsection, and assessing the potential for expanding the pilot programme nationwide.

(b) **EXPANSION OF PROGRAMME.** — Not later than the expiration of the 2year period beginning on the date of the implementation of the energy efficient mortgage pilot programme under this section, the Secretary of Housing and Urban Development shall expand the pilot programme on a nationwide basis and shall expand the programme to include new residential housing, unless the Secretary determines that either such expansion

would not be practicable, in which case the Secretary shall submit to the Congress, before the expiration of such period, a report explaining why either expansion would not be practicable.

(C) DEFINITIONS. — For purposes of this section:

(1) The term "base loan" means any mortgage loan for a residential building eligible for insurance under title II of the National Housing Act or title 38, United States Code, that does not include the cost of cost effective energy improvements.

(2) The term "cost effective" means, with respect to energy efficiency improvements to a residential building, improvements that result in the total present value cost of the improvements (including any maintenance and repair expenses) being less than the total present value of the energy saved over the useful life of the improvement, when 100 per cent of the cost of improvements is added to the base loan. For purposes of this paragraph, savings and cost effectiveness shall be determined pursuant to a home energy rating report sufficient for purposes of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or by other technically accurate methods.

(3) The term "energy efficient mortgage" means a mortgage on a residential building that recognizes the energy savings of a home that has cost effective energy saving construction or improvements (including solar water heaters, solar-assisted air-conditioners and ventilators, superinsulation, and insulating glass and film) and that has the effect of not disqualifying a borrower who, but for the expenditures on energy saving construction or improvements, would otherwise have qualified for a base loan.

(4) The term "residential building" means any attached or unattached single family residence.

(d) RULE OF Construction. — This section may not be construed to affect any other programmes of the Secretary of Housing and Urban Development for energy-efficient mortgages. The pilot programme carried out under this section shall not replace or result in the termination of such other programmes.

(e) REGULATIONS. — The Secretary shall issue any regulations necessary to carry out this section not later than the expiration of the 180day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

(f) AUTHORIZATION OF APPROPRIATIONS. — There are authorized to be appropriated such sums as may be necessary to carry out this section.

[42 U.S.C. 12612 note]

## **Subtitle B — Utilities**

### **SEC. 111. ENCOURAGEMENT OF INVESTMENTS IN CONSERVATION AND ENERGY EFFICIENCY BY ELECTRIC UTILITIES.**

[Subsections (a) through (d) amended the Public Utility Regulatory Policies Act of 1978, found in the Electricity volume of this series of compilations.]



(e) REPORT. — Not later than two years after the date of the enactment of this Act, the Secretary shall transmit a report to the President and to the Congress containing—

(1) a survey of all State laws, regulations, practices, and policies under which State regulatory authorities implement the provisions of paragraphs (7), (8), and (9) of section 111(d) of the Public Utility Regulatory Policies Act of 1978;

(2) an evaluation by the Secretary of whether and to what extent, integrated resource planning is likely to result in—

(A) higher or lower electricity costs to an electric utility's ultimate consumers or to classes or groups of such consumers;

(B) enhanced or reduced reliability of electric service; and

(C) increased or decreased dependence on particular energy resources; and

(3) a survey of practices and policies under which electric cooperatives prepare integrated resource plans, submit such plans to the Rural Electrification Administration and the extent to which such integrated resource planning is reflected in rates charged to customers.

The report shall include an analysis prepared in conjunction with the Federal Trade Commission, of the competitive impact of implementation of energy conservation, energy efficiency, and other demand side management programmes by utilities on small businesses engaged in the design, sale, supply, installation, or servicing of similar energy conservation, energy efficiency, or other demand side management measures and whether any unfair, deceptive, or predatory acts exist, or are likely to exist, from implementation of such programmes

[16 U.S.C. 2621 note]

## **SEC. 112. ENERGY EFFICIENCY GRANTS TO STATE REGULATORY AUTHORITIES.**

(a) ENERGY EFFICIENCY GRANTS. — The Secretary is authorized in accordance with the provisions of this section to provide grants to State regulatory authorities in an amount not to exceed US\$250,000 per authority, for purposes of encouraging demand side management including energy conservation, energy efficiency and load management techniques and for meeting the requirements of paragraphs (7), (8), and (9) of section 111(d) of the Public Utility Regulatory Policies Act of 1978 and as a means of meeting gas supply needs and to meet the requirements of paragraphs (3) and (4) of section 303(b) of the Public Utility Regulatory Policies Act of 1978. Such grants may be utilized by a State regulatory authority to provide financial assistance to nonprofit subgrantees of the Department of Energy's Weatherization Assistance Programme in order to facilitate participation by such subgrantees in proceedings of such regulatory authority to examine energy conservation, energy efficiency, or other demand side management programmes.

(b) PLAN. — A State regulatory authority wishing to receive a grant under this section shall submit a plan to the Secretary that specifies the actions such authority proposes to take that would achieve the purposes of this section

(c) SECRETARIAL ACTION. — (1) In determining whether, and in what amount, to provide a grant to a State regulatory authority under this section the Secretary shall consider, in addition to other appropriate factors, the actions proposed by the State regulatory authority to achieve the purposes of this section and to consider implementation of the rate making standards established in—

(A) paragraphs (7), (8) and (9) of section 303(d) of the Public Utility Regulatory Policies Act of 1978; or

(B) paragraphs (3) and (4) of section 303(b) of the Public Utility Regulatory Policies Act of 1978.

(2) Such actions—

(A) shall include procedures to facilitate the participation of grantees and nonprofit subgrantees of the Department of Energy's Weatherization Assistance Programme in proceedings of such regulatory authorities examining demand-side management programmes; and

(B) shall provide for coverage of the cost of such grantee and subgrantees' participation in such proceedings.

(d) RECORD KEEPING. — Each State regulatory authority that receives a grant under this section shall keep such records as the Secretary shall require.

(e) Definition. — For purposes of this section, the term "State regulatory authority" shall have the same meaning as provided by section 3 of the Public Utility Regulatory Policies Act of 1978 in the case of electric utilities, and such term shall have the same meaning as provided by section 302 of the Public Utility Regulatory Policies Act of 1978 in the case of gas utilities, except that in the case of any State without a statewide rate making authority, such term shall mean the State energy office.

(f) AUTHORIZATION. — There are authorized to be appropriated US\$5,000,000 for each of the fiscal years 1994, 1995 and 1996 to carry out the purposes of this section.

[42 U.S.C. 6807a]

**SEC. 113. TENNESSEE VALLEY AUTHORITY LEAST COST PLANNING PROGRAMME.**

[Omitted]

**SEC. 114. AMENDMENT OF HOOVER POWER PLAN T ACT.**

[Omitted]

**SEC. 115. ENCOURAGEMENT OF INVESTMENTS IN CONSERVATION AND ENERGY EFFICIENCY BY GAS UTILITIES.**

[Section 115 amended the Public Utility Regulatory Policies Act of 1978, found in the Electricity volume of this series of compilations.]

### **Subtitle C — Appliance and Equipment Energy Efficiency Standards**

#### **SEC. 121. ENERGY EFFICIENCY LABELLING FOR WINDOWS AND WINDOW SYSTEMS.**

(a) **IN GENERAL.** — (1) The Secretary shall, after consulting with the National Fenestration Rating Council, industry representatives and other appropriate organizations, provide financial assistance to support a voluntary national window rating programme that will develop energy ratings and labels for windows and window systems.

(2) Such rating programme shall include—

(A) specifications for testing procedures and labels that will enable window buyers to make more informed purchasing decisions about the energy efficiency of windows and window systems; and

(B) information (which may be disseminated through catalogs, trade publications, labels, or other mechanisms) that will allow window buyers to assess the energy consumption and potential cost savings of alternative window products.

(3) Such rating programme shall be developed by the National Fenestration Rating Council according to commonly accepted procedures for the development of national testing procedures and labelling programmes.

(b) **MONITORING.** — The Secretary shall monitor and evaluate the efforts of the National Fenestration Rating Council and, not later than one year after the date of the enactment of this Act, make a determination as to whether the programme developed by the Council is consistent with the objectives of subsection (a).

(c) **ALTERNATIVE SYSTEM.** — (1) If the Secretary makes a determination under subsection (b) that a voluntary national window rating programme consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for windows and window systems.

(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission thereafter in this section referred to as the "Commission") shall prescribe labelling rules under section 324 of such Act (42 U.S.C. 6294) for those windows and window systems for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of window or window system (or class thereof), the Secretary may determine that such labelling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

(3) For purposes of sections 323, 324, and 327 of such Act, each product for which the Secretary has established test procedures or labelling rules pursuant to this subsection shall be

considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

(4) For purposes of section 327(a) of such Act, the term "this part" includes this subsection to the extent necessary to carry out this subsection.

[42 U.S.C. 6292 note]

**SEC. 122. ENERGY CONSERVATION REQUIREMENTS FOR CERTAIN COMMERCIAL AND INDUSTRIAL EQUIPMENT.**

[Section 122 amended the Energy Policy and Conservation Act.]

**SEC. 123. ENERGY CONSERVATION REQUIREMENTS FOR CERTAIN LAMPS AND PLUMBING PRODUCTS.**

[Section 123 amended the Energy Policy and Conservation Act. ]

**SEC. 124. HIGH INTENSITY DISCHARGE LAMPS, DISTRIBUTION TRANSFORMERS, AND SMALL ELECTRIC MOTORS.**

[Section 124(a) and (b) amended the Energy Policy and Conservation Act.]

(C) STUDY OF UTILITY DISTRIBUTION TRANSFORMERS. — The Secretary shall evaluate the practicability, cost effectiveness, and potential energy savings of replacing, or upgrading components of, existing utility distribution transformers during routine maintenance and, not later than 18 months after the date of the enactment of this Act, report the findings of such evaluation to the Congress with recommendations on how such energy savings, if any, could be achieved.

[42 U.S.C. 6317]

**SEC. 125. ENERGY EFFICIENCY INFORMATION FOR COMMERCIAL OFFICE EQUIPMENT.**

(a) IN GENERAL. — (1) The Secretary shall, after consulting with the Computer and Business Equipment Manufacturers Association and other interested organizations, provide financial and technical assistance to support a voluntary national testing and information programme for those types of commercial office equipment that are widely used and for which there is a potential for significant energy savings as a result of such programme.

(2) Such programme shall—

(A) consistent with the objectives of paragraph (1), determine the commercial office equipment to be covered under such programme

(B) include specifications for testing procedures that will enable purchasers of such commercial office equipment to make more informed decisions about the energy efficiency and costs of alternative products; and

(C) include information, which may be disseminated through catalogs, trade publications, labels, or other mechanisms, that will allow consumers to assess the energy consumption and potential cost savings of alternative products.

(3) Such programme shall be developed by an appropriate organization (composed of interested parties) according to commonly accepted procedures for the development of national testing procedure and labelling programmes.

(b) MONITORING. — The Secretary shall monitor and evaluate the efforts to develop the programme described in subsection (a) and, not later than three years after the date of the enactment of this Act, shall make a determination as to whether such programme is consistent with the objectives of subsection (a).

(c) ALTERNATIVE SYSTEM. — (1) If the Secretary makes a determination under subsection (b) that a voluntary national testing and information programme for commercial office equipment consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for such commercial office equipment.

(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission (hereafter in this section referred to as the "Commission") shall prescribe labelling rules under section 324 of such Act (42 U.S.C. 6294) for commercial office equipment for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of commercial office equipment (or class thereof), the Secretary may determine that such labelling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

(3) For purposes of sections 323, 324, and 327 of such Act, each product for which the Secretary has established test procedures or labelling rules pursuant to this subsection shall be considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

(4) For purposes of section 327(a) of such Act, the term "this part" includes this subsection to the extent necessary to carry out this subsection.

[42 U.S.C. 6292 note]

## **SEC. 126. ENERGY EFFICIENCY INFORMATION FOR LUMINAIRES.**

(a) IN GENERAL. — (1) The Secretary shall, after consulting with the National Electric Manufacturers Association, the American Lighting Association, and other interested organizations, provide financial and technical assistance to support a voluntary national testing and information programme for those types of luminaires that are widely used and for which there is a potential for significant energy savings as a result of such programme.

(2) Such programme shall—

(A) consistent with the objectives of paragraph (1), determine the luminaires to be covered under such programme;

(B) include specifications for testing procedures that will enable purchasers of such luminaires to make more informed decisions about the energy efficiency and costs of alternative products; and

(C) include information, which may be disseminated through catalogs, trade publications, labels, or other mechanisms, that will allow consumers to assess the energy consumption and potential cost savings of alternative products.

(3) Such programme shall be developed by an appropriate organization (composed of interested parties) according to commonly accepted procedures for the development of national testing procedures and labelling programmes.

(b) MONITORING. — The Secretary shall monitor and evaluate the efforts to develop the programme described in subsection (a) and, not later than three years after the date of the enactment of this Act, shall make a determination as to whether the programme developed is consistent with the objectives of subsection (a).

(c) ALTERNATIVE SYSTEM. — (1) If the Secretary makes a determination under subsection (b) that a voluntary national testing and information programme for luminaires consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for such luminaires.

(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission (hereafter in this section referred to as the "Commission") shall prescribe labelling rules under section 324 of such Act (42 U.S.C. 6294) for those luminaires for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of luminaire (or class thereof), the Secretary may determine that such labelling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

(3) For purposes of sections 323, 324, and 327 of such Act, each product for which the Secretary has established test procedures or labelling rules pursuant to this subsection shall be considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

(4) For purposes of section 327(a) of such Act, the term "this part" includes this subsection to the extent necessary to carry out this subsection.

## **SEC. 127. REPORT ON THE POTENTIAL OF COOPERATIVE ADVANCED APPLIANCE DEVELOPMENT.**

(a) IN GENERAL. — Not later than 18 months after the date of the enactment of this Act, the Secretary shall, in consultation with the Administrator of the Environmental Protection Agency, utilities, and appliance manufacturers, prepare and submit to the Congress, a report

on the potential for the development and commercialization of appliances which are substantially more efficient than required by Federal or State law.

(b) IDENTIFICATION OF HIGH EFFICIENCY APPLIANCES. The report submitted under subsection (a) shall identify candidate high efficiency appliances which meet the following criteria:

- (1) The potential exists for substantial improvement in the appliance's energy efficiency, beyond the minimum established in Federal and State law.
- (2) There is the potential for significant energy savings at the national or regional level.
- (3) Such appliances are likely to be cost effective for consumers.
- (4) Electric, water, or gas utilities are prepared to support and promote the commercialization of such appliances.
- (5) Manufacturers are unlikely to undertake development and commercialization of such appliances on their own, or development and production would be substantially accelerated by support to manufacturers.

(c) RECOMMENDATIONS AND PROPOSALS. — The report submitted under subsection (a) shall also—

- (1) describe the general actions the Secretary or the Administrator of the Environmental Protection Agency could take to coordinate and assist utilities and appliance manufacturers in developing and commercializing highly efficient appliances;
- (2) describe specific proposals for Department of Energy or Environmental Protection Agency assistance to utilities and appliance manufacturers to promote the development and commercialization of highly efficient appliances;
- (3) identify methods by which Federal purchase of highly efficient appliances could assist in the development and commercialization of such appliances; and
- (4) identify the funding levels needed to develop and implement a Federal programme to assist in the development and commercialization of highly efficient appliances

[42 U.S.C. 6292 note]

## **SEC. 128. EVALUATION OF UTILITY EARLY REPLACEMENT PROGRAMMES FOR APPLIANCES.**

Within 18 months after the date of the enactment of this Act, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, utilities, and appliance manufacturers, shall evaluate and report to the Congress on the energy savings and environmental benefits of programmes which are directed to the early replacement of older, less efficient appliances presently in use by consumers with existing products which are more efficient than required by Federal law. For the purposes of this section, the term "appliance" means those consumer products specified in section 322(a).

[142 U.S.C. 6292 note]

**Subtitle D — Industrial**

**SEC. 131. ENERGY EFFICIENCY IN INDUSTRIAL FACILITIES.**

(a) GRANT PROGRAMME.—

( 1) IN GENERAL. — The Secretary shall make grants to industry associations to support programmes to improve energy efficiency in industry. In order to be eligible for a grant under this subsection, an industry association shall establish a voluntary energy efficiency improvement target programme.

(2) AWARDING OF GRANTS. — The Secretary shall request project proposals and provide annual grants on a competitive basis. In evaluating grant proposals under this subsection, the Secretary shall consider—

- (A) potential energy savings;
- (B) potential environmental benefits;
- (C) the degree of cost sharing;
- (D) the degree to which new and innovative technologies will be encouraged;
- (E) the level of industry involvement;
- (F) estimated project cost effectiveness; and
- (G) the degree to which progress toward the energy improvement targets can be monitored.

(3) ELIGIBLE PROJECTS. — Projects eligible for grants under this subsection may include the following:

- (A) Workshops.
- (B) Training seminars.
- (C) Handbooks.
- (D) Newsletters.
- (E) Databases.
- (F) Other activities approved by the Secretary.

(4) LIMITATION ON COST SHARING. — Grants provided under this subsection shall not exceed US\$250,000 and each grant shall not exceed 75 per cent of the total cost of the project for which the grant is made.



(5) AUTHORIZATION. — There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(b) AWARD PROGRAMME. — The Secretary shall establish an annual award programme to recognize those industry associations or individual industrial companies that have significantly improved their energy efficiency.

(C) REPORT ON INDUSTRIAL REPORTING AND VOLUNTARY TARGETS. — Not later than one year after the date of the enactment of this Act, the Secretary shall, in consultation with affected industries, evaluate and report to the Congress regarding the establishment of Federally mandated energy efficiency reporting requirements and voluntary energy efficiency improvement targets for energy intensive industries. Such report shall include an evaluation of the costs and benefits of such reporting requirements and voluntary energy efficiency improvement targets, and recommendations regarding the role of such activities in improving energy efficiency in energy intensive industries.

[42 U.S.C. 6348]

### **SEC. 132. PROCESS-ORIENTED INDUSTRIAL ENERGY EFFICIENCY.**

(a) DEFINITIONS. — For the purposes of this section—

(1) the term "covered industry" means the food and food products industry, lumber and wood products industry, petroleum and coal products industry, and all other manufacturing industries specified in Standard Industrial Classification Codes 20 through 39 (or successor classification codes);

(2) the term "process-oriented industrial assessment" means—

(A) the identification of opportunities in the production process (from the introduction of materials to final packaging of the product for shipping) for—

(i) improving energy efficiency;

(ii) reducing environmental impact; and

(iii) designing technological improvements to increase competitiveness and achieve cost effective product quality enhancement;

(B) the identification of opportunities for improving the energy efficiency of lighting, heating, ventilation, air-conditioning, and the associated building envelope; and

(C) the identification of cost effective opportunities for using renewable energy technology in the production process and in the systems described in subparagraph (B); and

(3) the term "utility" means any person, State agency (including any municipality), or Federal agency, which sells electric or gas energy to retail customers.

(b) GRANT PROGRAMME.—

(1) USE OF FUNDS. — The Secretary shall, to the extent funds are made available for such purpose, make grants to States which, consistent with State law, shall be used for the following purposes:

(A) To promote, through appropriate institutions such as universities, nonprofit organizations, State and local government entities, technical centers, utilities, and trade organizations, the use of energy-efficient technologies in covered industries.

(B) To establish programmes to train individuals (on an industry-by-industry basis) in conducting process-oriented industrial assessments and to encourage the use of such trained assessors.

(C) To assist utilities in developing, testing, and evaluating energy efficiency programmes and technologies for industrial customers in covered industries.

(2) CONSULTATION. — States receiving grants under this subsection shall consult with utilities and representatives of affected industries, as appropriate, in determining the most effective use of such funds consistent with the requirements of paragraph (1).

(3) ELIGIBILITY CRITERIA. — Not later than one year after the date of the enactment of this Act, the Secretary shall establish eligibility criteria for grants made pursuant to this subsection. Such criteria shall require a State applying for a grant to demonstrate that such State—

(A) pursuant to section 111(a) of the Public Utility and Regulatory Policies Act of 1978 (16 U.S.C. 2621(a)), has considered and made a determination regarding the implementation of the standards specified in paragraphs (7) and (8) of section 111(d) of such Act (with respect to integrated resources planning and investments in conservation and demand management); and

(B) by legislation or regulation—

(i) allows utilities to recover the costs prudently incurred in providing process-oriented industrial assessments; and

(ii) encourages utilities to provide to covered industries —

(I) process-oriented industrial assessments; and

(II) financial incentives for implementing energy efficiency improvements.

(4) ALLOCATION OF FUNDS. — Grants made pursuant to this subsection shall be allocated each fiscal year among States meeting the criteria specified in paragraph (3) who have submitted applications 60 days before the first day of such fiscal year. Such allocation shall be made in accordance with a formula to be prescribed by the Secretary based on each State's share of value added in industry (as determined by the Census of Manufacturers) as a percentage of the value added by all such States.

(5) RENEWAL OF GRANTS. — A grant under this subsection may continue to be renewed after two consecutive fiscal years during which a State receives a grant under this subsection, subject to the availability of funds, if—

(A) the Secretary determines that the funds made available to the State during the previous two years were used in a manner required under paragraph (1); and

(B) such State demonstrates, in a manner prescribed by the Secretary, utility participation in programmes established pursuant to this subsection.

(6) COORDINATION WITH OTHER FEDERAL PROGRAMMES. In carrying out the functions described in paragraph (1), States shall, to the extent practicable, coordinate such functions with activities and programmes conducted by the Energy Analysis and Diagnostic Centers of the Department of Energy and the Manufacturing Technology Centers of the National Institute of Standards and Technology.

(c) OTHER FEDERAL ASSISTANCE.—

(1) ASSESSMENT CRITERIA. — Not later than two years after the date of the enactment of this Act, the Secretary shall, by contract with nonprofit organizations with expertise in process-oriented industrial energy efficiency technologies, establish and, as appropriate, update criteria for conducting process-oriented industrial assessments on an industry-by-industry basis. Such criteria shall be made available to State and local government, public utility commissions, utilities, representatives of affected process-oriented industries, and other interested parties.

(2) DIRECTORY. — The Secretary shall establish a nationwide directory of organizations offering industrial energy efficiency assessments, technologies, and services consistent with the purposes of this section. Such directory shall be made available to State governments, public utility commissions, utilities, industry representatives, and other interested parties.

(3) AWARD PROGRAMME. — The Secretary shall establish an annual award programme to recognize utilities operating outstanding or innovative industrial energy efficiency technology assistance programmes.

(4) MEETINGS. — In order to further the purposes of this section, the Secretary shall convene annual meetings of parties interested in process-oriented industrial assessments, including representatives of State government, public utility commissions, utilities, and affected process-oriented industries.

(d) REPORT. — Not later than two years after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to the Congress a report which—

(1) identifies barriers encountered in implementing this section;

(2) makes recommendations for overcoming such barriers;

(3) documents the results achieved by the programmes established and grants awarded pursuant to this section;

(4) reviews any difficulties encountered by industry in securing and implementing energy efficiency technologies recommended in process-oriented industrial assessments or otherwise identified as a result of programmes established pursuant to this section; and

(5) recommends methods for further promoting the distribution and implementation of energy efficiency technologies consistent with the purposes of this section.

(e) **AUTHORIZATION OF APPROPRIATIONS.** — There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

[42 U.S.C. 6349 SEC. 133.]

### **SEC. 133. INDUSTRIAL INSULATION AND AUDIT GUIDELINES.**

(a) **VOLUNTARY GUIDELINES FOR ENERGY EFFICIENCY AUDITING AND INSULATING.** — Not later than 18 months after the date of the enactment of this Act, the Secretary, after consultation with utilities, major industrial energy consumers, and representatives of the insulation industry, shall establish voluntary guidelines for—

(1) the conduct of energy efficiency audits of industrial facilities to identify cost effective opportunities to increase energy efficiency; and

(2) the installation of insulation to achieve cost effective increases in energy efficiency in industrial facilities.

(b) **EDUCATIONAL AND TECHNICAL ASSISTANCE.** — The Secretary shall conduct a programme of educational and technical assistance to promote the use of the voluntary guidelines established under subsection (a).

(c) **REPORT.** — Not later than 2 years after the date of the enactment of this Act, and biennially thereafter, the Secretary shall report to the Congress on activities conducted pursuant to this section including—

(1) a review of the status of industrial energy auditing procedures; and

(2) an evaluation of the effectiveness of the guidelines established under subsection (a) and the responsiveness of the industrial sector to such guidelines.

[42 U.S.C. 6350]

### **Subtitle E — State and Local Assistance**

### **SEC. 141. AMENDMENTS TO STATE ENERGY CONSERVATION PROGRAMME.**

[Section 141(a), (b), and (c) amended the Energy Policy and Conservation Act.]

(d) **STUDY REGARDING IMPACT OF PERMITTING RIGHT AND LEFT TURNS ON RED LIGHTS.**—

(1) **IN GENERAL.** — The Administrator of the National Highway Traffic Safety Administration, in consultation with State agencies with jurisdiction over traffic safety issues, shall conduct a study on the safety impact of the requirement specified in section 362(c)(5) of the Energy Policy and Conservation Act (42 U.S.C. 6322(c)(5)), particularly with respect to the impact on pedestrian safety.

(2) **REPORT.** — The Administrator shall report the findings of the study conducted under paragraph (1) to the Congress and the Secretary not later than 2 years after the date of the enactment of this Act.

[42 U.S.C. 6322 note]

## **SEC. 142. AMENDMENTS TO LOW INCOME WEATHERIZATION PROGRAMME.**

[Section 142 amended the Energy Conservation and Production Act.]

## **SEC. 143. ENERGY EXTENSION SERVICE PROGRAMME.**

(a) **REPEAL.** — The National Energy Extension Service Act, title V of Public Law 95—39, is repealed.

(b) **CONFORMING AMENDMENT.** — Section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5813(7)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8), (9), (10), (11), and (12) as paragraphs (7), (8), (9), (10), and (11), respectively.

### **Subtitle F — Federal Agency Energy Management**

## **SEC. 151. DEFINITIONS.**

For purposes of this subtitle—

(1) the term "agency" has the meaning<sup>2</sup> given such term in section 551(1) of title 5, United States Code, except that such term does not include the United States Postal Service;

(2) the term "facility energy supervisor" means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation, and maintenance of energy systems in Federal facilities which may include more than one building;

(3) the term "trained energy manager" means a person who has demonstrated proficiency, or who has completed a course of study in the areas of fundamentals of building energy systems, building energy codes and applicable professional standards, energy accounting and analysis, lifecycle cost methodology, fuel supply and pricing, and instrumentation for energy surveys and audits;

(4) the term "Task Force" means the Interagency Energy Management Task Force established under section 547 of the National Energy Conservation Policy Act (42 U.S.C. 8257); and

5) the term "energy conservation measures" has the meaning given such term in section 551(4) of the National Energy Conservation Policy Act.

[42 U.S.C. 8262]

## **SEC. 152. FEDERAL ENERGY MANAGEMENT AMENDMENTS.**

[Section 152 amended the National Energy Conservation Policy Act and the Federal Energy Management Improvement Act of 1988.]

Section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), is amended—

(1) in paragraph (1), by inserting "(to be known as the Federal Buildings Fund)" after "a fund"; and

(2) by adding at the end the following new paragraphs:

"(7)(A) The Administrator is authorized to receive amounts from rebates or other cash incentives related to energy savings and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (D)

"(B) The Administrator may accept, from a utility, goods or services which enhance the energy efficiency of Federal facilities.

"(C) In the administration of any real property for which the Administrator leases and pays utility costs, the Administrator may assign all or a portion of energy rebates to the lessor to underwrite the costs incurred in undertaking energy efficiency improvements in such real property if the payback period for such improvement is at least two years less than the remainder of the term of the lease.

"(D) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate for energy management improvement programmes—

"(i) amounts received and deposited in the Federal Buildings Fund under subparagraph (A);

"(ii) goods and services received under subparagraph (B); and

"(iii) amounts the Administrator determines are not needed for other authorized projects and are otherwise available to implement energy efficiency programmes.

"(8)(A) The Administrator is authorized to receive amounts from the sale of recycled materials and shall deposit such amounts in the Federal Buildings Fund for use as provided in subparagraph (B).

"(B) The Administrator may, in addition to amounts appropriated for such purposes and without regard to paragraph (2), obligate amounts received and deposited in the Federal Buildings Fund under subparagraph (A) for programmes which—

"(i) promote further source reduction and recycling programmes; and

"(ii) encourage employees to participate in recycling programmes by providing funding for child care.".

**SEC. 154 — REPORT BY GENERAL SERVICES ADMINISTRATION.**

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Administrator of General Services shall report to the Committee on Governmental Affairs and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce, the Committee on Government Operations, and the Committee on Public Works and Transportation of the House of Representatives on the activities of the General Services Administration conducted pursuant to this subtitle.

[42 U.S.C. 8262a]

**SEC. 155. ENERGY SAVINGS PERFORMANCE CONTRACTS.**

[Section 155 amended the National Energy Conservation Policy Act.]

**SEC. 156. INTERGOVERNMENTAL ENERGY MANAGEMENT AND COORDINATION.**

(a) CONFERENCE WORKSHOPS. — The Administrator of General Services, in consultation with the Secretary and the Task Force, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy. The Administrator shall work and consult with the Department of Energy and other Federal agencies to plan for particular regional conferences. The Administrator shall invite Department of Energy, State, local, tribal, and county public officials who have responsibilities for energy management or may have an interest in such conferences and shall seek the input of, and be responsive to, the views of such officials in the planning and organization of such workshops.

(b) Focus OF WORKSHOPS. — Such workshops and conferences shall focus on the following (but may include other topics):

(1) Developing strategies among Federal, State, tribal, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region regarding the use of governmental facilities and buildings.

(2) The design, construction, maintenance, and retrofitting of governmental facilities to incorporate energy efficient techniques.

(3) Procurement and use of energy efficient products.

(4) Dissemination of energy information on innovative programmes, technologies, and methods which have proven successful in government.

(5) Technical assistance to design and incorporate effective energy management strategies.

(c) ESTABLISHMENT OF WORKSHOP TIMETABLE. — As a part of the first report to be submitted pursuant to section 154, the Administrator shall set forth the schedule for the regional energy management workshops to be conducted under this section. No t less than five such workshops shall be held by September 30, 1993, and at least one such workshop shall be held in each of the 10 Federal regions every two years beginning on September 30, 1993.

[42 U.S.C. 8262b]

### **SEC. 157. FEDERAL AGENCY ENERGY MANAGEMENT TRAINING.**

(a) ENERGY MANAGEMENT TRAINING. — (1) Each executive department described under section 101 of title 5, United States Code, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a programme to ensure that facility energy managers are trained energy managers. Such programmes shall be managed—

(A) by the department or agency representative on the Task Force; or

(B) if a department or agency is not represented on the Task Force, by the designee of the head of such department or agency.

(2) Departments and agencies described in paragraph (1) shall encourage appropriate employees to participate in energy management training courses. Employees may enroll in courses of study in the areas described in section 151(3) including, but not limited to, courses offered by—

(A) private or public educational institutions;

(B) Federal agencies; or

(C) professional associations.

(b) REPORT TO TASK FORCE. — (1) Each department and agency described in subsection (a)(1) shall, not later than 60 days following the date of the enactment of this Act, report to the Task Force the following information:

(A) Those individuals employed by such department or agency on the date of the enactment of this Act who qualify as trained energy managers.

(B) The General Schedule (GS) or grade level at which each of the individuals described in subparagraph (A) is employed.

(C) The facility or facilities for which such individuals are responsible or otherwise stationed.



(2) The Secretary shall provide a summary of the reports described in paragraph (1) to the Congress as part of the first report submitted under section 548 of the national Energy Conservation Policy Act (42 U.S.C. 8258) after the date of the enactment of this Act.

(C) REQUIREMENTS AT FEDERAL FACILITIES. — (1) Not later than one year after the date of the enactment of this Act, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by—

(A) designating facility energy supervisors;

(B) encouraging facility energy supervisors to become trained energy managers; and

(C) increasing the overall number of trained energy managers within such department or agency to a sufficient level to ensure effective implementation of this Act.

(2) Departments and agencies described in subsection (a)(1) may hire trained energy managers to be facility energy supervisors. Trained energy managers, including those who are facility supervisors as well as other trained personnel, shall focus their efforts on improving energy efficiency in the following facilities—

(A) department or agency facilities identified as most costly to operate or most energy inefficient; or

(B) other facilities identified by the department or agency head as having significant energy savings potential.

(d) ANNUAL REPORT TO SECRETARY AND CONGRESS. — Each department and agency listed in subsection (a)(1) shall report to the Secretary on the status and implementation of the requirements of this section. The Secretary shall include a summary of each such report in the annual report to Congress as required under section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8268).

[42 U.S.C. 8262c]

#### **SEC. 158. ENERGY AUDIT TEAMS.**

(a) ESTABLISHMENT. — The Secretary shall assemble from existing personnel with appropriate expertise, and with particular utilization of the national laboratories, and make available to all Federal agencies, one or more energy audit teams which shall be equipped with instruments and other advanced equipment needed to perform energy audits of Federal facilities.

(b) MONITORING PROGRAMMES. — The Secretary shall also assist in establishing, at each site that has utilized an energy audit team, a programme for monitoring the implementation of energy efficiency improvements based upon energy audit team recommendations, and for recording the operating history of such improvements.

[42 U.S.C. 8262d]

#### **SEC. 159. FEDERAL ENERGY COST ACCOUNTING AND MANAGEMENT.**

(a) Guidelines. — Not later than 120 days after the date of the enactment of this Act, the Director of the Office of Management and Budget, in cooperation with the Secretary, the Administrator of General Services, and the Secretary of Defense, shall establish guidelines to be employed by each Federal agency to assess accurate energy consumption for all buildings or facilities which the agency owns, operates, manages or leases, where the Government pays utilities separate from the lease and the Government operates the leased space. Such guidelines are to be used in reports required under section 548 of the National Energy Conservation Policy Act (42 U.S.C. 8258). Each agency shall implement such guidelines no later than 120 days after their establishment. Each facility energy manager shall maintain energy consumption and energy cost records for review by the Inspector General, the Congress, and the general public.

(b) CONTENTS OF GUIDELINES. — Such guidelines shall include the establishment of a monitoring system to determine—

(1) which facilities are the most costly to operate when measured on an energy consumption per square foot basis or other relevant analytical basis;

(2) unusual or abnormal changes in energy consumption; and

(3) the accuracy of utility charges for electric and gas consumption.

(c) FEDERALLY LEASED SPACE ENERGY REPORTING REQUIREMENT. — The Administrator of General Services shall include, in each report submitted under section 154, the estimated energy cost of leased buildings or space in which the Federal Government does not directly pay the utility bills.

[42 U.S.C. 8262e]

## **SEC. 160. INSPECTOR GENERAL REVIEW AND AGENCY ACCOUNTABILITY.**

(a) AUDIT SURVEY. — Not later than 120 days after the date of the enactment of this Act, each Inspector General created to conduct and supervise audits and investigations relating to the programmes and operations of the establishments listed in section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.), and the Chief Postal Inspector of the United States Postal Service, in accordance with section 8E(f)(1) as established by section 8E(a)(2)<sup>3</sup> of the Inspector General Act Amendments of 1988 (Public Law 100—504) shall—

(1) identify agency compliance activities to meet the requirements of section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and any other matters relevant to implementing the goals of such Act; and

(2) determine if the agency has the internal accounting mechanisms necessary to assess the accuracy and reliability of energy consumption and energy cost figures required under such section.

(b) PRESIDENTS COUNCIL ON INTEGRITY AND EFFICIENCY REPORT TO CONGRESS. — Not later than 150 days after the date of the enactment of this Act, the President's Council on integrity and Efficiency shall submit a report to the Committee on Energy and Natural Resources and the Committee on Governmental Affairs of the Senate, the

Committee on Energy and Commerce, the Committee on Government Operations, and the Committee on Public Works and Transportation of the House of Representatives, on the review conducted by the Inspector General of each agency under this section.

(c) **INSPECTOR GENERAL REVIEW.** — Each Inspector General established under section 2 of the Inspector General Act of 1978 (5 U.S.C. App.) is encouraged to conduct periodic reviews of agency compliance with part 3 of title V of the National Energy Conservation Policy Act, the provisions of this subtitle, and other laws relating to energy consumption. Such reviews shall not be inconsistent with the performance of the required duties of the Inspector General's office.

[42 u.s.c. 8262f]

## **SEC. 161. PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS.**

(a) **PROCUREMENT.** — The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, each shall undertake a programme to include energy efficient products in carrying out their procurement and supply functions.

(b) **IDENTIFICATION PROGRAMME.** — The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, in consultation with the Secretary of Energy, each shall implement, in conjunction with carrying out their procurement and supply functions, a programme to identify and designate those energy efficient products that offer significant potential savings, using, to the extent practicable, the life cycle cost methods and procedures developed under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254). The Secretary of Energy shall, to the extent necessary to carry out this section and after consultation with the aforementioned agency heads, provide estimates of the degree of relative energy efficiency of products.

(c) **GUIDELINES.** — The Administrator for Federal Procurement Policy, in consultation with the Administrator of General Services, the Secretary of Energy, the Secretary of Defense, and the Director of the Defense Logistics Agency, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified to this section. The Secretary of Defense and the Director of the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency's ongoing review of military specifications.

(d) **REPORT TO CONGRESS.** — Not later than December 31 of 1993 and of each year thereafter, the Secretary of Energy, in consultation with the Administrator for Federal Procurement Policy, the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, shall report on the progress, status, activities, and results of the programmes under subsections (a), (b), and (c). The report shall include—

(1) the types and functions of each product identified under subsection (b), and efforts undertaken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to encourage the acquisition and use of such products;

(2) the actions taken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(3) progress on the development and issuance of guidelines under subsection (c);

(4) an indication of whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 809(h) of the National Housing Act (12 U.S.C. 1701j—2), have been used in the identification of products under subsection (b)

(5) an estimate of the potential cost savings to the Federal Government from acquiring products identified under subsection (b) with respect to which energy is a significant component of life cycle cost, based on the quantities of such products that could be utilized throughout the Government; and

(6) the actual quantities acquired of products described in paragraph (6).

[42 U.S.C. 8262g]

#### **SEC. 162. FEDERAL ENERGY EFFICIENCY FUNDING STUDY**

(a) **STUDY.** — The Secretary shall, in consultation with the Secretary of the Treasury, the Director of the Office of Management and Budget, the Administrator of General Services, and such other individuals and organizations as the Secretary deems appropriate, conduct a detailed study of options for the financing of energy and water conservation measures required under part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.) and all applicable Executive orders. Such study shall, taking into account the unique characteristics of Federal agencies, consider and analyze—

(1) the Federal financial investment necessary to comply with such requirements;

(2) the use of revolving funds and other funding mechanisms which offer stable, long-term financing of energy and water conservation measures; and

(3) the means for capitalizing such funds.

(b) **REPORT TO CONGRESS.** — Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Congress a report containing the results of the study required under subsection (a).

#### **SEC. 163. UNITED STATES POSTAL SERVICE ENERGY REGULATIONS**

(a) **IN GENERAL.** — The Postmaster General shall issue regulations to ensure the reliable and accurate accounting of energy consumption costs for all buildings or facilities which it owns, leases, operates, or manages. Such regulations shall—

(1) establish a monitoring system to determine which facilities are the most costly to operate on an energy consumption per square foot basis or other relevant analytical basis;

(2) identify unusual or abnormal changes in energy consumption;; and

(3) check the accuracy of utility charges for electricity and gas consumption.

(b) **IDENTIFICATION OF ENERGY EFFICIENCY PRODUCTS.** — The Postmaster General shall actively undertake a programme to identify and procure energy efficiency products for use in its facilities. In carrying out this subsection, the Postmaster General shall, to the maximum extent practicable, incorporate energy efficient information available on Federal Supply Schedules maintained by the General Services Administration and the Defense Logistics Agency.

[42 U.S.C. 8262h]

**SEC. 164. UNITED STATES POSTAL SERVICE BUILDING ENERGY SURVEY AND REPORT.**

(a) **IN GENERAL.** — The Postmaster General shall conduct an energy survey, as defined in section 551(5) of the National Energy Conservation Policy Act, for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the United States Postal Services in different areas of the country;

(2) making recommendations for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar United States Postal Service buildings; and

(3) identifying barriers which may prevent the United States Postal Service from complying with energy management goals, including Executive Orders No. 12003 and 12579.

(b) **IMPLEMENTATION.** — (1) The Postmaster General shall transmit to the Committee on Governmental Affairs and the Committee on Energy and Natural Resources of the Senate, and the Committee on Energy and Commerce and the Committee on Post Office and Civil Service of the House of Representatives, within 180 days after the date of the enactment of this Act, a plan for implementing this section.

(2) The Postmaster General shall designate buildings to be surveyed in the project so as to obtain a sample of United States Postal Service facilities of the types and in the climates that consume the major portion of the energy consumed by the United States Postal Service.

(3) For the purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of the facility or the remaining term of a lease of a building leased by the United States Postal Service.

(c) **REPORT.** — As soon as practicable after the completion of the project carried out under this section, the Postmaster General shall transmit a report of the findings and conclusions of the survey to the Committee on Governmental Affairs and the Committee on Energy and Natural Resources of the Senate, and the Committee on Energy and Commerce and the Committee on Post Office and Civil Service of the House of Representatives.

[42 U.S.C. 8262h note]

**SEC. 165. UNITED STATES POSTAL SERVICE ENERGY MANAGEMENT REPORT.**

Not later than one year after the date of the enactment of this Act, and not later than January 1 of each year thereafter, the Postmaster General shall submit a report to the Committee on Governmental Affairs and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce and the Committee on Post Office and Civil Service of the House of Representatives on the United States Postal Service's building management programme as it relates to energy efficiency. The report shall include, but not be limited to—

- (1) a description of actions taken to reduce energy consumption
- (2) future plans to reduce energy consumption;
- (3) an assessment of the success of the energy conservation programme;
- (4) a statement of energy costs incurred in operating and maintaining all United States Postal Service facilities; and
- (5) the status of the energy efficient procurement programme established under section 163.

[42 U.S.C. 8262i]

**SEC. 166. ENERGY MANAGEMENT REQUIREMENTS FOR THE UNITED STATES POSTAL SERVICE.**

(a) **ENERGY MANAGEMENT REQUIREMENTS FOR POSTAL FACILITIES.** — (1) The Postmaster General shall, to the maximum extent practicable, ensure that each United States Postal Service facility meets the energy management requirements for Federal buildings and agencies specified in section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253).

(2) The Postmaster General may exclude from the requirements of such section any facility or collection of facilities, and the associated energy consumption and gross square footage if the Postmaster General finds that compliance with the requirements of such section would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such facility or collection of facilities, the type and amount of energy consumed, or the technical feasibility of making the desired changes. The Postmaster General shall identify and list in the report required under section 165 the facilities designated by it for such exclusion.

(b) **IMPLEMENTATION STEPS.** — In carrying subsection (a), the Postmaster General shall—

- (1) not later than 1 year after the date of the enactment of this Act, prepare or update, as appropriate, a plan (which may be submitted as part of the first report submitted under section 165 ) \_

(A) describing how this section will be implemented;

(B) designating personnel primarily responsible for achieving the requirements of this section; and

(C) identifying high priority projects;

(2) perform energy surveys of United States Postal Service facilities as necessary to achieve the requirements of this section;

(3) install those energy conservation measures that will attain the requirements of this section in a cost effective manner as defined in section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254); and

(4) ensure that the operation and maintenance procedures applied under this section are continued. [42 U.S.C. 8262j]

## **SEC. 167. GOVERNMENT CONTRACT INCENTIVES**

(a) ESTABLISHMENT OF CRITERIA. — Each agency, in consultation with the Federal Acquisition Regulatory Council, shall establish criteria for the improvement of energy efficiency in Federal facilities operated by Federal Government contractors or subcontractors.

(b) PURPOSE OF CRITERIA. — The criteria established under subsection (a) shall be used to encourage Federal contractors, and their subcontractors, which manage and operate federally-owned facilities, to adopt and utilize energy conservation measures designed to reduce energy costs in Government-owned and contractor-operated facilities and which are ultimately borne by the Federal Government.

[42 U.S.C. 8262k]

## **SEC. 168. ENERGY MANAGEMENT REQUIREMENTS FOR CONGRESSIONAL BUILDINGS.**

(a) IN GENERAL. — The Architect of the Capitol (hereafter in this section referred to as the "Architect") shall undertake a programme of analysis and, as necessary, retrofit of the Capitol Building, the Senate Office Buildings, the House Office Buildings, and the Capitol Grounds, in accordance with subsection (b).

(b) PROGRAMME.—

(1 ) LIGHTING.—

(A) IMPLEMENTATION

(i) IN GENERAL. — Not later than 18 months after the date of the enactment of this Act and subject to the availability of funds to carry out this section, the Architect shall begin implementing a programme to replace in each building described in subsection (a) all inefficient office and general use area fluorescent lighting systems with systems that incorporate the best available design and technology and that have payback periods of 10

years or less, as determined by using methods and procedures established under section 544(a) of the National Energy and Conservation Policy Act (42 U.S.C. 8254(a)).

(ii) REPLACEMENT OF INCANDESCENT LIGHTING. — Whenever practicable in office and general use areas, the Architect shall replace incandescent lighting with efficient fluorescent lighting.

(B) COMPLETION. — Subject to the availability of funds to carry out this section, the programme described in subparagraph (A) shall be completed not later than five years after the date of the enactment of this Act.

(2) EVALUATION AND REPORT.—

(A) IN GENERAL. — Not later than six months after the date of the enactment of this Act, the Architect shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report evaluating potential energy conservation measures for each building described in subsection (a) in the areas of heating, ventilation, air-conditioning equipment, insulation, windows, domestic hot water, food service equipment, and automatic control equipment.

(B) COSTS. — The report submitted under subparagraph (A) shall detail the projected installation cost, energy and cost savings, and payback period of each energy conservation measure, as determined by using methods and procedures established under section 544(a) of the National Energy Conservation Policy Act (42 U.S.C. 8254(a)).

(3) REVIEW AND APPROVAL OF ENERGY CONSERVATION MEASURES. — The Committee on Public Works and Transportation of the House of Representatives and the Committee on Rules and Administration of the Senate shall review the energy conservation measures identified in accordance with paragraph (2) and shall approve any such measure before it may be implemented.

(4) UTILITY INCENTIVE PROGRAMMES. — In carrying out this section, the Architect is authorized and encouraged to—

(A) accept any rebate or other financial incentive offered through a programme for energy conservation or demand management of electricity, water, or gas that—

(i) is conducted by an electric, natural gas, or water utility;

(ii) is generally available to customers of the utility; and

(iii) provides for the adoption of energy efficiency technologies or practices that the Architect determines are cost effective for the buildings described in subsection (a); and

(B) enter into negotiations with electric and natural gas utilities to design a special demand management and conservation incentive programme to address the unique needs of the buildings described in subsection (a).

(5) USE OF SAVINGS. — The Architect shall use an amount equal to the rebate or other savings from the financial incentive programmes under paragraph (4)(A), without additional



authorization or appropriation, for the implementation of additional energy and water conservation measures in the buildings under the jurisdiction of the Architect.

(c) **AUTHORIZATION OF APPROPRIATIONS.** — There are authorized to be appropriated such sums as are necessary to carry out this section.

[40 U. S.C. 166 note]

## **Subtitle G — Miscellaneous**

### **SEC. 171. ENERGY INFORMATION.**

[Section 171 amended the Department of Energy Organization Act.]

### **SEC. 172. DISTRICT HEATING AND COOLING PROGRAMMES.**

(a) **IN GENERAL.** — The Secretary, in consultation with appropriate industry organizations, shall conduct a study to—

(1) assess existing district heating and cooling technologies to determine cost effectiveness, technical performance, energy efficiency, and environmental impacts as compared to alternative methods for heating and cooling buildings;

(2) estimate the economic value of benefits that may result from implementation of district heating and cooling systems but that are not currently recognized, such as reduced emissions of air pollutants, local economic development, and energy security;

(3) evaluate the cost effectiveness, including the economic value referred to in paragraph (2), of cogenerated district heating and cooling technologies compared to other alternatives for generating or conserving electricity; and

(4) assess and make recommendations for reducing institutional and other constraints on the implementation of district heating and cooling systems.

(b) **REPORT** — Not later than two years after the date of the enactment of this Act, the Secretary shall transmit to the Congress a report containing the findings, conclusions and recommendations, if any, of the Secretary for carrying out Federal, State, and local programmes as a result of the study conducted under subsection (a).

[42 U. S. C 13451 note]

### **SEC. 173. STUDY AND REPORT ON VIBRATION REDUCTION TECHNOLOGIES.**

(a) **IN GENERAL.** — The Secretary shall, in consultation with the appropriate industry representatives, conduct a study to assess the cost effectiveness, technical performance, energy efficiency, and environmental impacts of active noise and vibration cancellation technologies that use fast adapting algorithms.

(b) **PROCEDURE.** — In carrying out such study, the Secretary shall—

(1) estimate the potential for conserving energy and the economic and environmental benefits that may result from implementing active noise and vibration abatement technologies in demand side management; and

(2) evaluate the cost effectiveness of active noise and vibration cancellation technologies as compared to other alternatives for reducing noise and vibration.

(c) REPORT. — The Secretary shall transmit to the Congress, not later than 12 months after the date of the enactment of this Act, a report containing the findings and conclusions of the study carried out under this section.

(d) DEMONSTRATION. — The Secretary may, based on the findings and conclusions of the study carried out under this section, conduct at least one project designed to demonstrate the commercial application of active noise and vibration cancellation technologies using fast adapting algorithms in products or equipment with a significant potential for increased energy efficiency.

[42 U.S.C. 13451 note]

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<sup>1</sup> So in original.

<sup>2</sup> So in original.

<sup>3</sup> References to section BE of the Inspector General Act Amendments of 1988 probably should be to section 8G, to reflect renumbering by Public Laws 103—83 and 103—204.