

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE
OFFERED BY M .**

REVISED
Version 2

Page 213, line 4, before the word "no" insert the following: "and complete the development of marine spatial plans pursuant to that approach".

~~In section 128, as added, insert the following subsection and make the necessary conforming changes:~~

- 1 (i) TREATMENT OF PAYMENTS.—
- 2 (1) PAYMENT TO BE DISREGARDED FOR PUR-
- 3 POSES OF ALL FEDERAL AND FEDERALLY ASSISTED
- 4 PROGRAMS.—A payment under this section shall not
- 5 be regarded as income and shall not be regarded as
- 6 a resource for the month of receipt and the following
- 7 12 months, for purposes of determining the eligi-
- 8 bility of the recipient (or the recipient's spouse or
- 9 other family or household members) for benefits or
- 10 assistance, or the amount or extent of benefits or as-
- 11 sistance, under any Federal or State program.
- 12 (2) PAYMENT NOT CONSIDERED INCOME FOR
- 13 PURPOSES OF TAXATION.—A payment under this

1 ~~section shall not be considered as gross income for~~
2 ~~purposes of the Internal Revenue Code of 1986.~~
3 ~~Page 566, in lines 5 and 19, strike "Refund".~~
4 ~~Page 566, beginning in line 19, strike "Funds de-~~
5 ~~posited" and all that follows down through line 23.~~

Page 602, strike lines 5 through 13 and insert:

3 **"SEC. 789 CLIMATE CHANGE CONSUMER REFUNDS.**

4 “(a) REFUND.—In each year after deposits are made
5 to the Climate Change Consumer Fund, the Secretary of
6 the Treasury shall provide tax refunds on a per capita
7 basis to each household in the United States that shall
8 collectively equal the amount deposited into the Climate
9 Change Consumer Fund.

10 “(b) LIMITATIONS.—The Secretary of the Treasury”.

Page 602, line 21, strike “rebates” and insert “re-
funds”.

Page 842, strike line 13 and all that follows down
through line 15.

Page 907, strike line 19 and all that follows down
through line 2 on page 908, redesignate subsection (c) on
page 908, line 3, as subsection (a), and make the nec-
essary conforming changes.

~~Page 908, line 3, after "Allocations" insert "to States".~~

Page 908, line 4, strike "38.5" and insert "100" and strike "amounts" and insert "emission allowances".

Page 908, line 5, strike "fiscal".

Page 908, line 10, strike "32.5" and insert "84.4".

Page 908, line 19, strike "6" and insert "15.6".

Page 908, after line 23, insert the following:

1 “(b) ESTABLISHMENT OF FUND.—(1) There is here-
2 by established in the Treasury a separate account that
3 shall be known as the Natural Resources Climate Change
4 Adaptation Fund.

5 “(2) There are authorized to be appropriated for sec-
6 tion 480(c) such sums as are deposited in the Natural Re-
7 sources Climate Change Fund, and the amounts appro-
8 priated for section 480(c) shall be no less than the total
9 estimated annual deposits in the Natural Resources Cli-
10 mate Change Adaptation Fund. Such appropriations shall
11 be offset by the amounts deposited in such fund pursuant
12 to section 782(m).”.

Page 909, line 1, strike "(2)" and insert "(c) Allocations to Federal agencies.__(1)" and make the necessary conforming changes.

~~Page 909, line 4, strike "17" and insert "27.6"~~

Page 910, line 5, strike "5" and insert "8.1".

Page 911, line 9, strike "3" and insert "4.9".

Page 911, line 19, strike "12" and insert "19.5".

Page 915, line 14, strike "7" and insert "11.5".

Page 916, line 23, strike "7.5" and insert "12.2"

Page 917, line 23, strike "5" and insert "8.1".

Page 562, strike line 15 and all that follows down through line 9 on page 563 and insert:

1 “(m) WILDLIFE AND NATURAL RESOURCE ADAPTA-
2 TION.—The Administrator shall allocate emission allow-
3 ances for wildlife and natural resource adaptation as fol-
4 lows:

5 “(1) To be distributed to State agencies in ac-
6 cordance with section 480(c)(1) of the American
7 Clean Energy and Security Act of 2009 in the fol-
8 lowing amounts:

9 “(A) For vintage years 2012 through
10 2021, 0.385 percent of the emission allowances
11 established for each year under section 721(a).

1 ~~“(B) For vintage years 2022 through~~
2 2026, 0.77 percent of the emission allowances
3 established for each year under section 721(a).
4 “(C) For vintage years 2027 through
5 2050, 1.54 percent of the emission allowances
6 established for each year under section 721(a).
7 “(2) To be auctioned pursuant to section 791,
8 with the proceeds to be deposited in the Natural Re-
9 sources Climate Change Adaptation Fund estab-
10 lished pursuant to section 480(a), in the following
11 amounts:
12 “(A) For vintage years 2012 through
13 2021, 0.615 percent of the emission allowances
14 established for each year under section 721(a).
15 “(B) For vintage years 2022 through
16 2026, 1.23 percent of the emission allowances
17 established for each year under section 721(a).
18 “(C) For vintage years 2027 through
19 2050, 2.46 percent of the emission allowances
20 established for each year under section
21 721(a).”.

Page 912, line 1, insert “(I)” before “Deposits” in
the text and strike “(I)” in line 4.

Page 912, line 9, strike “; and” and insert a period.

~~Page 912, strike lines 10 through 13 and insert:~~

1 (II) There are authorized to be
2 appropriated for activities in this sub-
3 part such sums as are deposited in
4 the Land and Water Conservation
5 Fund pursuant to section
6 480(c)(3)(A)(ii), and the amounts ap-
7 propriated for this paragraph shall be
8 no less than the total estimated an-
9 nual deposits in the Land and Water
10 Conservation Fund. Such appropria-
11 tions shall be offset by the amounts
12 deposited in such Fund pursuant to
13 section 782(m).

Page 862, after line 11, insert the following and
make the necessary conforming changes:

14 (B) State climate adaptation plans include
15 an assessment of potential for carbon reduction
16 through changes to land management policies
17 (including enhancement, or protection, of forest
18 carbon sinks);

Section 453 is amended by redesignating subsections
(d), (e), and (f) as subsections (e), (f), and (g), respec-
tively, and by inserting after subsection (c) (on page 861,

~~after line 18) the following (and making such conforming~~
changes as may be necessary):

1 (d) PRIORITY IN PROJECTS TO REDUCE FLOOD
2 EVENTS.—When implementing any project, program, or
3 measure funded under this section and designed to reduce
4 flood events, a State should consider prioritizing projects
5 that seek to—

6 (1) mitigate the destructive impacts of climate-
7 related increases in the duration, frequency, or mag-
8 nitude of rainfall or runoff, including snowmelt run-
9 off, as well as hurricanes;

10 (2) improve flood protection for densely popu-
11 lated urban areas; and

12 (3) mitigate the destructive impact of ocean-re-
13 lated climate change effects, including effects on
14 bays, estuaries, populated barrier islands and other
15 ocean-related features, through a variety of means
16 and measures, including the construction of jetties,
17 levies, and other coastal structures in densely popu-
18 lated coastal areas impacted by climate change.

At the end of section 453, add the following:

19 (g) SUPPLEMENT, NOT SUPPLANT.—It is the intent
20 of the Congress that emission allowances distributed to
21 carry out this subpart should be used to supplement, and

~~1 not replace, existing sources of funding used to build resil-~~
2 ience to the impacts of climate change identified in sub-
3 section (c).

Page 863, line 16, strike "and".

Page 863, line 23, strike the period and insert ";
and".

Page 863, after line 23, insert the following:

4 (3) identifies any use by the State of proceeds
5 of sales of emission allowances distributed under this
6 section for the reduction of flood and storm damage
7 and the effects of climate change on water and flood
8 protection infrastructure.

Page 862, line 15, strike "and".

Page 862, line 20, strike the period and insert ";
and".

Page 862, after line 20, insert the following:

9 (D) State climate adaptation plans be con-
10 sistent with Federal conservation and environ-
11 mental laws and, to the maximum extent prac-
12 ticable, avoid environmental degradation.

Page 862, line 15, strike "and".

~~Page 862, line 16, redesignate subparagraph (C) as~~
subparagraph (D).

Page 862, after line 15, insert the following:

- 1 (C) State climate adaptation plans ensure
2 that the State fully considers and undertakes,
3 to the maximum extent practicable, initiatives
4 that—
- 5 (i) protect or enhance natural eco-
6 system functions, including protection,
7 maintenance, or restoration of natural in-
8 frastructure such as wetlands, reefs, and
9 barrier islands to buffer communities from
10 floodwaters or storms, watershed protec-
11 tion to maintain water quality and ground-
12 water recharge, or floodplain restoration to
13 improve natural flood control capacity; or
- 14 (ii) use non-structural approaches in-
15 cluding practices that utilize, enhance, or
16 mimic the natural hydrologic cycle proc-
17 esses of infiltration, evapotranspiration,
18 and reuse; and

Beginning on page 862, line 21, strike paragraph
(3) and insert the following:

- 1 ~~(3) COORDINATION WITH PRIOR PLANNING EF-~~
2 FORTS.—In promulgating regulations under this
3 subsection, the Administrator, or such other Federal
4 agency head or heads as the President may des-
5 ignate, shall—
- 6 (A) draw upon lessons learned and best
7 practices from preexisting State climate adapta-
8 tion planning efforts;
- 9 (B) seek to avoid duplication of such ef-
10 forts; and
- 11 (C) ensure that the plans developed under
12 this section reflect and are fully consistent with
13 State natural resources adaptation plans devel-
14 oped under section 479.

Amend section 453(a)(2)(C)(ii) by inserting “subject to subparagraph (D),” before “equal to the average of”.

Amend section 453(a)(2) by adding at the end the following:

- 15 (D) REVENUE DIRECTLY RESULTING FROM
16 A PRESIDENTIALLY DECLARED MAJOR DIS-
17 ASTER.—For purposes of this paragraph, per
18 capita income from one or more of the following
19 sources shall be reduced or excluded if the Sec-
20 retary of Commerce (in consultation with the

~~1 Administrator and the secretaries or adminis-~~
2 trators of the departments or agencies involved)
3 determines that the income accrues to persons
4 as the result of a Major Disaster (as declared
5 by the President of the United States) and if
6 the Secretary finds that the inclusion of one or
7 more of these income sources, in whole or in
8 part, results in a transitory, rather than a sus-
9 tainable, increase in a State's per capita income
10 level relative to the national average:

11 (i) Property and casualty insurance
12 (including homeowners and renters insur-
13 ance).

14 (ii) The National Flood Insurance
15 Program of the Federal Emergency Man-
16 agement Agency .

17 (iii) The Individual and Family
18 Grants Program of the Federal Emergency
19 Management Agency.

20 (iv) The Disaster Housing Program of
21 the Federal Emergency Management
22 Agency.

23 (v) The Community Development
24 Block Grant Program of the Department
25 of Housing and Urban Development.

- 1 ~~(vi) The Disaster Unemployment As-~~
2 sistance Program of the Department of
3 Labor.
4 (vii) Any other source determined ap-
5 propriate by the Administrator.

At the end of the new Part IV of the Federal Power Act (as added by section 341), page 701 after line 17, insert:

6 **SEC. 402 APPLICABILITY OF PART III PROVISIONS.**

7 (a) SECTIONS 301, 304, AND 306.—Sections 301,
8 304, and 306 shall not apply to this part.

9 (b) SECTIONS 307, 309, AND 314.— Sections 307,
10 309, and 314 shall only apply to section 401(c) to the ex-
11 tent that the Commission is delegated authority to pro-
12 mulgate regulations for the establishment, operation, and
13 oversight of markets for regulated allowance derivatives
14 (as defined in section 401). If the Commission is not dele-
15 gated authority to promulgate regulations for the estab-
16 lishment, operation, and oversight of markets for regu-
17 lated allowance derivatives, sections 307, 309, and 314
18 shall not apply to section 401(f) in the case of regulated
19 allowance derivatives.

20 (c) SECTION 315.—In applying section 315(a) to this
21 part, the words “person or entity” shall be substituted for
22 the words “licensee or public utility”. In applying section

1 315(b) to this part, the words "an entity" shall be sub-
2 stituted for the words "a licensee or public utility" and
3 the words "such entity" shall be substituted for the words
4 "such licensee or public utility."

5 (d) SECTION 316.—Section 316(a) shall not apply to
6 section 401(f).

On page 567, line 10 (section 782(a)(1)), strike
paragraph (1)(B) and replace with:

7 (B) the retail rates of which, except in the
8 case of an electric cooperative, are regulated or
9 set by a State regulatory authority, by a State
10 or political subdivision thereof (or an agency or
11 instrumentality of, or corporation wholly owned
12 by, either of the foregoing), by a Federal agen-
13 cy or instrumentatlity, or by an Indian tribe
14 pursuant to tribal law.

On page 569, line 6 (section 782(a)(3)), strike sub-
paragraphs (D)(i) and (D)(ii) and replace with:

15 (i) retail rate regulation by a State
16 regulatory commission; or

17 (ii) self-regulation of retail rates by an
18 electric cooperative, a State or political
19 subdivision thereof (or an agency or instru-
20 mentality of, or corporation wholly owned

1 ~~by, either of the foregoing), or by an In-~~
2 ~~dian tribe pursuant to tribal law.~~

Page 11, line 7-8 (section 101, PURPA section 610(a)(5)) Strike subparagraph (C) and replace with:

3 (C) is no greater than—
4 (i) 2 megawatts in capacity; or
5 (ii) 4 megawatts in capacity, in the
6 case of a facility that is placed in service
7 after the date of enactment and generates
8 electricity from a renewable energy re-
9 source other than by means of combustion.

Page 87, line 5 (in subsection (e)(2)(A)(ii)), after “number of” strike “years” and insert “years, if any, that have elapsed”.

Page 87, line 2, insert after “2019,” “if the date in subclause (I) is earlier than the date in subclause (II),”.

Page 618, line 18, strike “gas” and insert in its place “substance”.

On page 621, line 11, after “allowance” insert the following: “or destruction offset credit”

On page 629, line 20: strike “and” and insert in its place “or”.

~~page 739, line 21, strike "In carrying out this section and section 765,"~~ and insert "For purposes of this subpart, in carrying out this section and section 765,".

Page 739, line 20, add "and Phosphate" after "Metal".

Page 740, line 2, add "and phosphate" after "metal".

Page 556, strike lines 4 and all that follows through page 557, line 17, and insert the following:

1 “(e) TRADE-VULNERABLE INDUSTRIES.—The Ad-
2 ministrator shall allocate emission allowances to energy-
3 intensive, trade-exposed entities, to be distributed in ac-
4 cordance with section 765, in the following amounts:

5 “(1) For vintage years 2012 and 2013, up to
6 2.0 percent of the emission allowances established
7 for each year under section 721(a).

8 “(2) For vintage year 2014, up to 15 percent
9 of the emission allowances established for that year
10 under section 721(a).

11 “(3) For vintage year 2015, up to the product
12 of the amount specified in paragraph (2), multiplied
13 by the quantity of emission allowances established
14 for 2015 under section 721(a) divided by the quan-

~~1 quantity of emission allowances established for 2014~~

2 under section 721(a).

3 “(4) For vintage year 2016, up to the product
4 of the amount specified in paragraph (3), multiplied
5 by the quantity of emission allowances established
6 for 2015 under section 721(a) divided by the quan-
7 tity of emission allowances established for 2014
8 under section 721(a).

9 “(5) For vintage years 2017 through 2025, up
10 to the product of the amount specified in paragraph
11 (4), multiplied by the quantity of emission allow-
12 ances established for that year under section 721(a)
13 divided by the quantity of emission allowances estab-
14 lished for 2016 under section 721(a).

15 “(6) For vintage years 2026 through 2050⁴, up
16 to the product of the amount specified in paragraph
17 (4)—

18 “(A) multiplied by the quantity of emission
19 allowances established for the applicable year
20 during 2026 through 2050 under section 721(a)
21 divided by the quantity of emission allowances
22 established for 2016 under section 721(a); and

23 “(B) multiplied by a factor, not exceeding
24 100 percent, that shall equal 90 percent for

~~1 2026 and decline 10 percent for each year~~
2 thereafter until reaching zero,
3 “(C) except that, if the President sets one
4 or more factors for a year under section
5 767(c)(3)(A), the highest factor set (not exceed-
6 ing 100 percent) shall be used for that year in-
7 stead of the factor specified in subparagraph
8 (B).”.

Page 145, beginning in line 16, strike paragraph (1)
and insert:

9 “(1) Direct reduction in megawatts of peak de-
10 mand through energy efficiency measures (including
11 efficient transmission wire technologies which signifi-
12 cantly reduce line loss compared to traditional wire
13 technology) with reliable and continued application
14 during peak demand periods.”.

Page 154, line 8, strike “conductors and” and insert
“conductors with at least 25 percent greater efficiency
than traditional ACSR (aluminum stranded conductors
steel reinforced) conductors,”.

Add at the end of part H of title VII the following:

15 **SEC. 794. OVERSIGHT OF ALLOCATIONS.**

16 (a) IN GENERAL.—Not later than January 1, 2014,
17 and every 2 years thereafter, the Comptroller General of

~~1 the United States shall carry out a review of programs~~
2 administered by the Federal Government that distribute
3 emission allowances or funds from any Federal auction of
4 allowances.

5 (b) CONTENTS.—Each such report shall include a
6 comprehensive evaluation of the administration and effec-
7 tiveness of each program, including—

8 (1) the efficiency, transparency, and soundness
9 of the administration of each program;

10 (2) the performance of activities receiving as-
11 sistance under each program;

12 (3) the cost-effectiveness of each program in
13 achieving the stated purposes of the program; and

14 (4) recommendations, if any, for regulatory or
15 administrative changes to each program to improve
16 its effectiveness.

17 (c) FOCUS.—In evaluating program performance,
18 each review under this section review shall address the ef-
19 fectiveness of such programs in—

20 (1) creating and preserving jobs;

21 (2) ensuring a manageable transition for work-
22 ing families and workers;

23 (3) reducing the emissions, or enhancing se-
24 questration, of greenhouse gases;

25 (4) developing clean technologies; and

1 ~~(5) building resilience to the impacts of climate~~
2 change.

Page 558, line 2, strike "2 percent" and insert
"1.75 percent".

Page 558, line 5, strike "2050, 5 percent" and in-
sert "2019, 4.75 percent".

Page 558, after line 6, add the following new sub-
paragraph:

3 “(C) For vintage years 2020 through
4 2050, 5 percent of the emission allowances es-
5 tablished for each year under section 721(a).”.

Page 564, line 19, strike "0.65" and insert "0.70".

Page 564, line 19, strike "0.55" and insert "0.50".

Page 280, after line 18, add the following:

6 **SEC. 205. ENERGY EFFICIENCY FOR DATA CENTER BUILD-**
7 **INGS.**

8 Section 453(c)(1) of the Energy Independence and
9 Security Act of 2007 (42 U.S.C. 17112(c)(1)) is amended
10 by inserting "but not later than 2 years after the date
11 of enactment of this Act" after "described in subsection
12 (b)".

~~Page 342, line 4, strike "section 213(a)(4)" and in-~~
sert "section 213(a)(4) and (a)(5)".

Page 342, line 21, strike "section 213(a)(4)" and
insert "section 213(a)(4) and (a)(5)".

Page 343, line 10, strike "section 213(a)(4)" and
insert "section 213(a)(4) and (a)(5)".

Page 344, line 25, strike "section 213(a)(4)" and
insert "section 213(a)(4) and (a)(5)".

1
STRIKE p. 119, line 23 through page 120, line 13
and INSERT:

"(1) IN GENERAL- The Secretary may promulgate regulations to require each light-duty automobile manufacturer's annual covered inventory to be comprised of a minimum percentage of fuel-choice enabling automobiles, with sufficient lead time, if the Secretary, in coordination with the Secretary of Energy and the Administrator of the Environmental Protection Agency, determines such requirement is a cost-effective way to achieve the nation's energy independence and environmental objectives. The cost-effective determination shall consider the future availability of both alternative fuel supply and infrastructure to deliver the alternative fuel to the fuel-choice enabling vehicles. "

~~strike p. 119 l. 23 through p. 120 l. 13
and insert~~