

110TH CONGRESS
1ST SESSION

S. 2306

To encourage and facilitate the use of renewable fuel in the United States.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 5, 2007

Mr. DORGAN (for himself, Mr. LUGAR, Ms. CANTWELL, Mr. CRAIG, Mr. JOHNSON, Mrs. McCASKILL, and Ms. KLOBUCHAR) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To encourage and facilitate the use of renewable fuel in the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Renewable Fuels Strategy Act of 2007”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. State authority.
- Sec. 5. Sense of Congress.

TITLE I—MINIMUM FLEXIBLE FUEL VEHICLE ASSURANCE

Sec. 101. Ensuring availability of flexible fuel automobiles.

TITLE II—MINIMUM RENEWABLE FUELS INFRASTRUCTURE ASSURANCE

- Sec. 201. Renewable fuel infrastructure.
 Sec. 202. Standards for biofuels dispensers.
 Sec. 203. Right to retail renewable fuels.
 Sec. 204. Infrastructure corridors program for renewable fuels.
 Sec. 205. Renewable fuels infrastructure development.
 Sec. 206. Biofuels and advanced biofuels infrastructure.
 Sec. 207. Increasing consumer awareness of flexible fuel automobiles.

TITLE III—GOVERNMENT LEADERSHIP ON RENEWABLE FUELS

- Sec. 301. Federal agency renewable fuel purchasing requirement.
 Sec. 302. Use of the existing flexible fuel vehicle fleet of the Federal Government.
 Sec. 303. Federal fleet fueling centers.
 Sec. 304. Citizen access to Federal alternative refueling stations.
 Sec. 305. Capitol complex renewable fuel refueling station.

1 SEC. 2. FINDINGS.

2 Congress finds that—

3 (1) the United States has a quantity of renew-
 4 able energy resources that is sufficient to supply a
 5 significant portion of the energy needs of the United
 6 States;

7 (2) the agricultural, forest, and working land of
 8 the United States can help ensure a sustainable do-
 9 mestic energy system;

10 (3) accelerated development and use of renew-
 11 able energy technologies provide numerous benefits
 12 to the United States, including—

13 (A) improved national security;

14 (B) improved balance of payments;

15 (C) healthier rural economies;

1 (D) improved environmental quality; and

2 (E) abundant, reliable, and affordable en-
3 ergy for all citizens of the United States;

4 (4) the production of transportation fuels from
5 renewable energy would help the United States—

6 (A) meet rapidly growing domestic and
7 global energy demands;

8 (B) reduce the dependence of the United
9 States on energy imported from volatile regions
10 of the world that are politically unstable;

11 (C) stabilize the cost and availability of en-
12 ergy; and

13 (D) safeguard the economy and security of
14 the United States;

15 (5) increased energy production from domestic
16 renewable resources would—

17 (A) attract substantial new investments in
18 energy infrastructure;

19 (B) create economic growth;

20 (C) develop new jobs for the citizens of the
21 United States; and

22 (D) increase the income for farm, ranch,
23 and forestry jobs in the rural regions of the
24 United States;

1 (6) increased use of renewable energy is prac-
 2 tical and can be cost-effective with the implementa-
 3 tion of supportive policies and proper incentives to
 4 stimulate markets and infrastructure; and

5 (7) public policies aimed at enhancing renew-
 6 able energy production and accelerating techno-
 7 logical improvements would further reduce energy
 8 costs over time and increase market demand.

9 **SEC. 3. DEFINITIONS.**

10 In this Act:

11 (1) **ADMINISTRATOR.**—The term “Adminis-
 12 trator” means the Administrator of the Environ-
 13 mental Protection Agency.

14 (2) **RENEWABLE FUEL.**—

15 (A) **IN GENERAL.**—The term “renewable
 16 fuel” means motor vehicle fuel or home heating
 17 fuel that is—

18 (i) produced from renewable biomass;

19 and

20 (ii) used to replace or reduce the
 21 quantity of fossil fuel present in a fuel or
 22 fuel mixture used to operate a motor vehi-
 23 cle or furnace.

24 (B) **INCLUSION.**—The term “renewable
 25 fuel” includes—

- 1 (i) conventional biofuel; and
2 (ii) advanced biofuel.

3 (3) SECRETARY.—The term “Secretary” means
4 the Secretary of Energy.

5 **SEC. 4. STATE AUTHORITY.**

6 Nothing in this Act preempts or limits the ability of
7 any State to require higher levels of renewable fuel pro-
8 duction, distribution, or use.

9 **SEC. 5. SENSE OF CONGRESS.**

10 It is the sense of Congress that it is the goal of the
11 United States that, not later than January 1, 2025, the
12 agricultural, forest, and working land of the United States
13 should—

14 (1) provide from renewable resources not less
15 than 25 percent of the total energy consumed in the
16 United States; and

17 (2) continue to produce safe, abundant, and af-
18 fordable food, feed, and fiber.

19 **TITLE I—MINIMUM FLEXIBLE**
20 **FUEL VEHICLE ASSURANCE**

21 **SEC. 101. ENSURING AVAILABILITY OF FLEXIBLE FUEL**
22 **AUTOMOBILES.**

23 (a) AMENDMENT.—

1 (1) IN GENERAL.—Chapter 329 of title 49,
2 United States Code, is amended by inserting after
3 section 32902 the following:

4 **“§ 32902A. Requirement to manufacture flexible fuel**
5 **automobiles**

6 “(a) IN GENERAL.—For each model year, each man-
7 ufacturer of new automobiles described in subsection (b)
8 shall ensure that the percentage of such automobiles man-
9 ufactured in a particular model year that are flexible fuel
10 vehicles shall be not less than the percentage set forth for
11 that model year in the following table:

“If the model year is:	The applicable percentage shall be:
2012	50
2015	80

12 “(b) AUTOMOBILES TO WHICH SECTION APPLIES.—
13 An automobile is described in this subsection if the auto-
14 mobile—

15 “(1) is capable of operating on gasoline or die-
16 sel fuel;

17 “(2) is distributed in interstate commerce for
18 sale in the United States; and

19 “(3) does not contain certain engines that the
20 Secretary of Transportation, in consultation with the
21 Administrator of the Environmental Protection
22 Agency and the Secretary of Energy, may tempo-

1 rarely exclude from the definition because it is tech-
 2 nologically infeasible for the engines to have flexible
 3 fuel capability at any time during a period that the
 4 Secretaries and the Administrator are engaged in an
 5 active research program with the vehicle manufac-
 6 turers to develop that capability for the engines.”.

7 (b) DEFINITION OF FLEXIBLE FUEL AUTO-
 8 MOBILE.—Section 32901(a) of title 49, United States
 9 Code, is amended—

10 (1) by redesignating paragraphs (9) through
 11 (16) as paragraphs (10) through (17), respectively;
 12 and

13 (2) by inserting after paragraph (8) the fol-
 14 lowing:

15 “(9) ‘flexible fuel automobile’ means an auto-
 16 mobile described in paragraph (8)(A).”.

17 (c) CLERICAL AMENDMENT.—The table of sections
 18 for chapter 329 of title 49, United States Code, is amend-
 19 ed by inserting after the item relating to section 32902
 20 the following:

“Sec. 32902A. Requirement to manufacture flexible fuel automobiles.”.

21 (d) RULEMAKING.—

22 (1) IN GENERAL.—Not later than 1 year after
 23 the date of enactment of this Act, the Secretary of
 24 Transportation shall promulgate regulations to carry

1 out the amendments made by subsections (a) and
2 (b).

3 (2) WAIVERS.—

4 (A) HARDSHIP WAIVER.—The regulations
5 promulgated pursuant to paragraph (1) shall
6 include a process by which a manufacturer may
7 be exempted from the requirement under sec-
8 tion 32902A(a) of title 49, United States Code
9 (as added by subsection (a)) upon dem-
10 onstrating that the requirement would create a
11 substantial economic hardship for the manufac-
12 turer or vehicle purchasers.

13 (B) PETITIONS FOR WAIVERS.—The Sec-
14 retary of Transportation shall approve or dis-
15 approve a manufacturer petition for a waiver of
16 the requirements of section 32902A of title 49,
17 United States Code (as added by subsection
18 (a)) not later than 90 days after the date on
19 which the petition is submitted.

20 (C) TERMINATION OF WAIVERS.—A waiver
21 granted under this paragraph shall terminate
22 after each vehicle model year, but may be re-
23 newed by the Secretary of Transportation, in
24 consultation with the affected manufacturers.

1 **TITLE II—MINIMUM RENEWABLE**
2 **FUELS INFRASTRUCTURE AS-**
3 **SURANCE**

4 **SEC. 201. RENEWABLE FUEL INFRASTRUCTURE.**

5 (a) INSTALLATION OF RENEWABLE FUEL PUMPS BY
6 COVERED OWNERS AT STATIONS.—

7 (1) DEFINITIONS.—In this subsection:

8 (A) ADMINISTRATOR.—The term “Admin-
9 istrator” means the Administrator of the Envi-
10 ronmental Protection Agency.

11 (B) BLENDER PUMP.—The term “blender
12 pump” means any fuel pump that dispenses
13 various blends of gasoline and ethanol fuel in
14 which at least 80 percent of the volume of fuel
15 consists of ethanol.

16 (C) COVERED OWNER.—The term “covered
17 owner” means an owner that the Administrator
18 determines meets criteria established by the Ad-
19 ministrator, in consultation with the Secretary
20 of Transportation and Secretary of Energy,
21 taking into account—

22 (i) the number of retail refueling out-
23 lets owned by a single owner;

24 (ii) the volume of fuel sold at a retail
25 refueling outlet owned by a single owner;

1 (iii) the geographic distribution of re-
2 newable fuels infrastructure and estab-
3 lished renewable fuels corridors;

4 (iv) the ownership of a retail refueling
5 outlet by a major integrated oil company;
6 and

7 (v) proximity to an adequate domestic
8 supply of renewable fuel and the avail-
9 ability of other renewable fuels refueling
10 infrastructure.

11 (D) MAJOR INTEGRATED OIL COMPANY.—

12 The term “major integrated oil company”
13 means any person that, individually or together
14 with any other person with respect to which the
15 person has an affiliate relationship or signifi-
16 cant ownership interest, has not less than 2,000
17 retail station outlets, according to the latest
18 publication of the Petroleum News Annual
19 Factbook.

20 (2) ASSESSMENT.—Not later than 3 years after
21 the date of enactment of this Act, the Administrator
22 shall make an assessment of the progress made to-
23 ward the creation of adequate infrastructure for the
24 production and distribution of renewable fuel.

1 (3) REGULATIONS.—The Administrator shall
2 promulgate regulations to ensure, to the maximum
3 extent practicable, that each covered owner installs
4 or otherwise makes available 1 or more pumps or
5 blender pumps that dispense renewable fuel (includ-
6 ing any other equipment necessary, such as tanks, to
7 ensure that the pumps function properly).

8 (4) FINANCIAL RESPONSIBILITY.—In promul-
9 gating regulations under paragraph (3), the Admin-
10 istrator shall ensure that each covered owner de-
11 scribed in that paragraph assumes full financial re-
12 sponsibility for the costs of installing or otherwise
13 making available the pumps described in that para-
14 graph and any other equipment necessary (including
15 tanks) to ensure that the pumps function properly.

16 (5) PRODUCTION CREDITS FOR EXCEEDING RE-
17 NEWABLE FUEL PUMPS INSTALLATION REQUIRE-
18 MENT.—

19 (A) EARNING AND PERIOD FOR APPLYING
20 CREDITS.—If the percentage of the retail sta-
21 tion outlets of a covered owner at which the
22 covered owner installs renewable fuel pumps in
23 a particular calendar year exceeds the percent-
24 age required under paragraph (4), the covered
25 owner shall earn credits under this paragraph,

1 which may be applied to any of the 3 consecu-
2 tive calendar years immediately after the cal-
3 endar year for which the credits are earned.

4 (B) TRADING CREDITS.—A covered owner
5 that has earned credits under subparagraph (A)
6 may sell credits to another covered owner to en-
7 able the purchaser to meet the requirement
8 under paragraph (4).

9 (C) WAIVERS.—

10 (i) HARDSHIP WAIVER.—The regula-
11 tions promulgated pursuant to paragraph
12 (3) shall include a process by which a cov-
13 ered owner may be exempted from any re-
14 newable fuel pump installation requirement
15 upon demonstrating that such a require-
16 ment would create a substantial economic
17 hardship for the covered owner.

18 (ii) PETITIONS FOR WAIVERS.—The
19 Administrator shall approve or disapprove
20 a covered owner petition for a waiver of
21 the requirements of this section not later
22 than 90 days after the date on which the
23 petition submitted.

24 (iii) TERMINATION OF WAIVERS.—A
25 waiver granted under this subparagraph

1 “(1) a franchise under this Act; and

2 “(2) any other contract or directive of a
3 franchisor relating to terms or conditions of the sale
4 of fuel by a franchisee.

5 “(b) PROHIBITIONS.—

6 “(1) IN GENERAL.—Notwithstanding any provi-
7 sion of a franchise-related document in effect on the
8 date of enactment of this section, no franchisee or
9 affiliate of a franchisee shall be restricted from—

10 “(A) installing on the marketing premises
11 of the franchisee an alternative fuel pump;

12 “(B) converting an existing tank and
13 pump on the marketing premises of the
14 franchisee for alternative fuel use;

15 “(C) advertising (including through the
16 use of signage or logos) the sale of any alter-
17 native fuel; or

18 “(D) selling alternative fuel in any speci-
19 fied area on the marketing premises of the
20 franchisee (including any area in which a name
21 or logo of a franchisor or any other entity ap-
22 pears).

23 “(2) ENFORCEMENT.—Any restriction de-
24 scribed in paragraph (1) that is contained in a fran-

1 franchise-related document and in effect on the date of
2 enactment of this section—

3 “(A) shall be considered to be null and
4 void as of that date; and

5 “(B) shall not be enforced under section
6 105.

7 “(c) EXCEPTION TO 3-GRADE REQUIREMENT.—No
8 franchise-related document that requires that 3 grades of
9 gasoline be sold by the applicable franchisee shall prevent
10 the franchisee from selling an alternative fuel in lieu of
11 1 grade of gasoline.”.

12 (2) CONFORMING AMENDMENTS.—

13 (A) IN GENERAL.—Section 101(13) of the
14 Petroleum Marketing Practices Act (15 U.S.C.
15 2801(13)) is amended by adjusting the indenta-
16 tion of subparagraph (C) appropriately.

17 (B) TABLE OF CONTENTS.—The table of
18 contents of the Petroleum Marketing Practices
19 Act (15 U.S.C. 2801 note) is amended—

20 (i) by inserting after the item relating
21 to section 106 the following:

“Sec. 107. Prohibition on restriction of installation of alternative fuel pumps.”;

22 and

23 (ii) by striking the item relating to
24 section 202 and inserting the following:

“Sec. 202. Automotive fuel rating testing and disclosure requirements.”.

1 (b) APPLICATION OF GASOHOL COMPETITION ACT
2 OF 1980.—Section 26 of the Clayton Act (15 U.S.C. 26a)
3 is amended—

4 (1) by redesignating subsection (c) as sub-
5 section (d); and

6 (2) by inserting after subsection (b) the fol-
7 lowing:

8 “(c) RESTRICTION PROHIBITED.—For purposes of
9 subsection (a), restricting the right of a franchisee to in-
10 stall on the premises of that franchisee qualified alter-
11 native fuel vehicle refueling property (as defined in section
12 30C(c) of the Internal Revenue Code of 1986) shall be
13 considered an unlawful restriction.”.

14 **SEC. 204. INFRASTRUCTURE CORRIDORS PROGRAM FOR**
15 **RENEWABLE FUELS.**

16 (a) IN GENERAL.—The Secretary, in consultation
17 with the Secretary of Transportation and the Adminis-
18 trator, shall establish a competitive grant pilot program
19 (referred to in this section as the “pilot program”), to be
20 administered through the Vehicle Technology Deployment
21 Program of the Department of Energy, to provide not
22 more than 10 geographically-dispersed project grants to
23 State governments, tribal governments, local governments,
24 metropolitan transportation authorities, or partnerships of

1 those entities to carry out 1 or more projects for the pur-
2 poses described in subsection (b).

3 (b) GRANT PURPOSES.—A grant under this section
4 shall be used for the establishment of refueling infrastruc-
5 ture corridors, as designated by the Secretary, for gasoline
6 blends that contain not less than 11 percent, and not more
7 than 85 percent, renewable fuel, or diesel fuel that con-
8 tains at least 10 percent renewable fuel, including—

9 (1) installation of infrastructure and equipment
10 necessary to ensure adequate distribution of renew-
11 able fuels within the corridor;

12 (2) installation of infrastructure and equipment
13 necessary to directly support vehicles powered by re-
14 newable fuels; and

15 (3) operation and maintenance of infrastructure
16 and equipment installed as part of a project funded
17 by the grant.

18 (c) APPLICATIONS.—

19 (1) REQUIREMENTS.—

20 (A) IN GENERAL.—Subject to subpara-
21 graph (B), not later than 90 days after the date
22 of enactment of this Act, the Secretary shall
23 issue requirements for use in applying for
24 grants under the pilot program.

1 (B) MINIMUM REQUIREMENTS.—At a min-
2 imum, the Secretary shall require that an appli-
3 cation for a grant under this section—

4 (i) be submitted by—

5 (I) the head of a State, tribal, or
6 local government or a metropolitan
7 transportation authority, or any com-
8 bination of those entities; and

9 (II) a registered participant in
10 the Vehicle Technology Deployment
11 Program of the Department of En-
12 ergy; and

13 (ii) include—

14 (I) a description of the project
15 proposed in the application, including
16 the ways in which the project meets
17 the requirements of this section;

18 (II) an estimate of the degree of
19 use of the project, including the esti-
20 mated size of fleet of vehicles operated
21 with renewable fuel available within
22 the geographical region of the cor-
23 ridor, measured as a total quantity
24 and a percentage;

1 (III) an estimate of the potential
2 petroleum displaced as a result of the
3 project (measured as a total quantity
4 and a percentage), and a plan to col-
5 lect and disseminate petroleum dis-
6 placement and other relevant data re-
7 lating to the project to be funded
8 under the grant, over the expected life
9 of the project;

10 (IV) a description of the means
11 by which the project will be sustain-
12 able without Federal assistance after
13 the completion of the term of the
14 grant;

15 (V) a complete description of the
16 costs of the project, including acquisi-
17 tion, construction, operation, and
18 maintenance costs over the expected
19 life of the project; and

20 (VI) a description of which costs
21 of the project will be supported by
22 Federal assistance under this sub-
23 section.

1 (2) PARTNERS.—An applicant under paragraph
2 (1) may carry out a project under the pilot program
3 in partnership with public and private entities.

4 (d) SELECTION CRITERIA.—In evaluating applica-
5 tions under the pilot program, the Secretary shall—

6 (1) consider the experience of each applicant
7 with previous, similar projects; and

8 (2) give priority consideration to applications
9 that—

10 (A) are most likely to maximize displace-
11 ment of petroleum consumption, measured as a
12 total quantity and a percentage;

13 (B) are best able to incorporate existing
14 infrastructure while maximizing, to the extent
15 practicable, the use of advanced biofuels;

16 (C) demonstrate the greatest commitment
17 on the part of the applicant to ensure funding
18 for the proposed project and the greatest likeli-
19 hood that the project will be maintained or ex-
20 panded after Federal assistance under this sec-
21 tion is completed;

22 (D) represent a partnership of public and
23 private entities; and

24 (E) exceed the minimum requirements
25 under subsection (c)(1)(B).

1 (e) PILOT PROJECT REQUIREMENTS.—

2 (1) MAXIMUM AMOUNT.—The Secretary shall
3 provide not more than \$20,000,000 in Federal as-
4 sistance under the pilot program to any applicant.

5 (2) COST SHARING.—The non-Federal share of
6 the cost of any activity relating to renewable fuel in-
7 frastructure development carried out using funds
8 from a grant under this section shall be not less
9 than 20 percent.

10 (3) MAXIMUM PERIOD OF GRANTS.—The Sec-
11 retary shall not provide funds to any applicant under
12 the pilot program for more than 2 years.

13 (4) DEPLOYMENT AND DISTRIBUTION.—The
14 Secretary shall seek, to the maximum extent prac-
15 ticable, to ensure a broad geographical distribution
16 of project sites funded by grants under this section.

17 (5) TRANSFER OF INFORMATION AND KNOWL-
18 EDGE.—The Secretary shall establish mechanisms to
19 ensure that the information and knowledge gained
20 by participants in the pilot program are transferred
21 among the pilot program participants and to other
22 interested parties, including other applicants that
23 submitted applications.

24 (f) SCHEDULE.—

25 (1) INITIAL GRANTS.—

1 (A) IN GENERAL.—Not later than 90 days
2 after the date of enactment of this Act, the Sec-
3 retary shall publish in the Federal Register,
4 Commerce Business Daily, and such other pub-
5 lications as the Secretary considers to be appro-
6 priate, a notice and request for applications to
7 carry out projects under the pilot program.

8 (B) DEADLINE.—An application described
9 in subparagraph (A) shall be submitted to the
10 Secretary by not later than 180 days after the
11 date of publication of the notice under that sub-
12 paragraph.

13 (C) INITIAL SELECTION.—Not later than
14 90 days after the date by which applications for
15 grants are due under subparagraph (B), the
16 Secretary shall select by competitive, peer-re-
17 viewed proposal up to 5 applications for
18 projects to be awarded a grant under the pilot
19 program.

20 (2) ADDITIONAL GRANTS.—

21 (A) IN GENERAL.—Not later than 2 years
22 after the date of enactment of this Act, the Sec-
23 retary shall publish in the Federal Register,
24 Commerce Business Daily, and such other pub-
25 lications as the Secretary considers to be appro-

1 appropriate, a notice and request for additional appli-
2 cations to carry out projects under the pilot
3 program that incorporate the information and
4 knowledge obtained through the implementation
5 of the first round of projects authorized under
6 the pilot program.

7 (B) DEADLINE.—An application described
8 in subparagraph (A) shall be submitted to the
9 Secretary by not later than 180 days after the
10 date of publication of the notice under that sub-
11 paragraph.

12 (C) INITIAL SELECTION.—Not later than
13 90 days after the date by which applications for
14 grants are due under subparagraph (B), the
15 Secretary shall select by competitive, peer-re-
16 viewed proposal such additional applications for
17 projects to be awarded a grant under the pilot
18 program as the Secretary determines to be ap-
19 propriate.

20 (g) REPORTS TO CONGRESS.—

21 (1) INITIAL REPORT.—Not later than 60 days
22 after the date on which grants are awarded under
23 this section, the Secretary shall submit to Congress
24 a report containing—

1 (A) an identification of the grant recipients
2 and a description of the projects to be funded
3 under the pilot program;

4 (B) an identification of other applicants
5 that submitted applications for the pilot pro-
6 gram but to which funding was not provided;
7 and

8 (C) a description of the mechanisms used
9 by the Secretary to ensure that the information
10 and knowledge gained by participants in the
11 pilot program are transferred among the pilot
12 program participants and to other interested
13 parties, including other applicants that sub-
14 mitted applications.

15 (2) EVALUATION.—Not later than 2 years after
16 the date of enactment of this Act, and annually
17 thereafter until the termination of the pilot program,
18 the Secretary shall submit to Congress a report con-
19 taining an evaluation of the effectiveness of the pilot
20 program, including an assessment of the petroleum
21 displacement and benefits to the environment de-
22 rived from the projects included in the pilot pro-
23 gram.

24 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
25 authorized to be appropriated to the Secretary to carry

1 out this section \$200,000,000, to remain available until
2 expended.

3 **SEC. 205. RENEWABLE FUELS INFRASTRUCTURE DEVELOP-**
4 **MENT.**

5 (a) INFRASTRUCTURE DEVELOPMENT GRANT PRO-
6 GRAM.—

7 (1) IN GENERAL.—The Secretary shall establish
8 program under which the Secretary shall provide
9 grants to retail and wholesale motor fuel dealers and
10 other entities for the installation, replacement, or
11 conversion of motor fuel storage and dispensing in-
12 frastructure that will be used exclusively to store
13 and dispense renewable fuel, including equipment
14 used in the blending, distribution, and transpor-
15 tation of those fuels.

16 (2) APPLICATION.—

17 (A) IN GENERAL.—To be eligible to receive
18 a grant under this subsection, an entity shall
19 submit to the Secretary an application at such
20 time, in such manner, and containing such in-
21 formation as the Secretary may require.

22 (B) COMBINED APPLICATIONS.—

23 (i) IN GENERAL.—A local government
24 entity or a nonprofit entity may submit to

1 the Secretary an application to receive a
2 grant under this subsection—

3 (I) on behalf of a group of retail-
4 ers within a certain geographical area;
5 or

6 (II) to carry out a regional or
7 multistate deployment project.

8 (ii) INCLUSIONS.—An application
9 under clause (i) shall include—

10 (I) a description of the proposed
11 project of the local government entity
12 or a nonprofit entity;

13 (II) a certification of the ability
14 of the local government entity or non-
15 profit entity to provide the non-Fed-
16 eral share of the cost of the proposed
17 project; and

18 (III) a list containing the name
19 and location of each retailer that will
20 receive the funds.

21 (b) RETAIL TECHNICAL AND MARKETING ASSIST-
22 ANCE.—

23 (1) IN GENERAL.—The Secretary shall offer to
24 enter into contracts with entities with demonstrated
25 experience in assisting retail fueling stations in in-

1 stalling refueling systems and marketing renewable
2 fuels nationally, for the provision of technical and
3 marketing assistance to recipients of grants under
4 this section.

5 (2) INCLUSIONS.—Assistance provided under
6 paragraph (1) shall include—

7 (A) technical advice relating to compliance
8 with applicable Federal and State environ-
9 mental requirements;

10 (B) assistance in identifying supply sources
11 and securing long-term contracts; and

12 (C) the provision of public outreach, edu-
13 cation, and labeling materials.

14 (3) ALLOCATION.—Of amounts made available
15 to carry out the grant program under subsection (a),
16 the Secretary shall reserve not less than 15 percent
17 for the provision of technical and marketing assist-
18 ance under this subsection.

19 (c) SELECTION CRITERIA.—Not later than 1 year
20 after the date of enactment of this Act, the Secretary shall
21 establish criteria for evaluating applications for grants
22 under this section in a manner that will maximize the
23 availability and use of renewable fuels, including criteria
24 that provide for priority consideration for applications
25 that, as determined by the Secretary—

1 (1) are most likely to maximize displacement of
2 petroleum consumption, measured as a total quan-
3 tity and a percentage;

4 (2) are best able to incorporate existing infra-
5 structure while maximizing, to the extent prac-
6 ticable, the use of renewable fuels; and

7 (3) demonstrate—

8 (A) the greatest commitment on the part
9 of the applicant to ensure funding for the pro-
10 posed project; and

11 (B) the greatest likelihood that the project
12 will be maintained or expanded after the assist-
13 ance provided under this section is expended.

14 (d) LIMITATION.—The amount of assistance provided
15 to an entity under this section shall not exceed, as applica-
16 ble—

17 (1) an amount equal to 20 percent of the esti-
18 mated cost of the installation, replacement, or con-
19 version of motor fuel storage and dispensing infra-
20 structure; or

21 (2) \$100,000 for a combination of equipment at
22 any retail outlet location.

23 (e) REGULATIONS.—The Secretary shall promulgate
24 such regulations as the Secretary determines to be nec-
25 essary to carry out this section, including regulations re-

1 quiring entities that receive assistance under this sec-
2 tion—

3 (1) to provide to the public renewable fuel;

4 (2) to establish a marketing plan that informs
5 consumers of the price and availability of the renew-
6 able fuel;

7 (3) to clearly label renewable fuel dispensers
8 and related equipment; and

9 (4) to submit to the Secretary periodic reports
10 on the status of—

11 (A) the renewable fuel sales of the entity;

12 (B) the type and quantity of renewable
13 fuel dispensed at each location of the entity;
14 and

15 (C) the average price of the renewable fuel.

16 (f) NOTIFICATION REQUIREMENTS.—

17 (1) IN GENERAL.—On or before the date on
18 which an renewable fuel station for which assistance
19 is provided under this section opens to offer renew-
20 able fuel to the public, the owner or operator of the
21 station shall submit to the Secretary a notice of the
22 opening.

23 (2) ACTION BY SECRETARY.—On receipt of a
24 notice under paragraph (1), the Secretary shall in-
25 clude the name and location of the applicable renew-

1 able fuel station on a list to be published and main-
2 tained on the website of the Secretary.

3 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to the Secretary to carry
5 out this section \$25,000,000, to remain available until ex-
6 pended.

7 **SEC. 206. BIOFUELS AND ADVANCED BIOFUELS INFRA-**
8 **STRUCTURE.**

9 Section 932 of the Energy Policy Act of 2005 (42
10 U.S.C. 16232) is amended by adding at the end the fol-
11 lowing:

12 “(f) BIOFUELS AND ADVANCED BIOFUELS INFRA-
13 STRUCTURE.—

14 “(1) IN GENERAL.—The Secretary, in consulta-
15 tion with the Secretary of Transportation and the
16 Assistant Administrator for Research and Develop-
17 ment of the Environmental Protection Agency, shall
18 carry out a program of research, development, and
19 demonstration relating to existing transportation
20 fuel distribution infrastructure and new alternative
21 distribution infrastructure.

22 “(2) FOCUS OF PROGRAM.—The program shall
23 focus on the physical and chemical properties of
24 biofuels and efforts to prevent or mitigate against
25 adverse impacts of those properties in the areas of—

1 “(A) corrosion of metal, plastic, rubber,
2 cork, fiberglass, glues, or any other material
3 used in pipes and storage tanks;

4 “(B) dissolving of storage tank sediments;

5 “(C) clogging of filters;

6 “(D) contamination from water or other
7 adulterants or pollutants;

8 “(E) poor flow properties related to low
9 temperatures;

10 “(F) oxidative and thermal instability in
11 long-term storage and use;

12 “(G) microbial contamination;

13 “(H) problems associated with electrical
14 conductivity; and

15 “(I) such other areas as the Secretary con-
16 siders to be appropriate.”.

17 **SEC. 207. INCREASING CONSUMER AWARENESS OF FLEXI-**
18 **BLE FUEL AUTOMOBILES.**

19 (a) IN GENERAL.—The Federal Trade Commission,
20 in consultation with the Secretary of Transportation, shall
21 prescribe regulations that, beginning in model year 2010,
22 require the manufacturer of automobiles distributed in
23 interstate commerce for sale in the United States—

24 (1) to prominently display a permanent badge
25 or emblem on the quarter panel or tailgate of each

1 such automobile that indicates that the vehicle is ca-
2 pable of operating on alternative fuel;

3 (2) to include information in the owner's man-
4 ual of each automobile information that describes—

5 (A) the capability of the automobile to op-
6 erate using alternative fuel;

7 (B) the environmental and other benefits
8 of using alternative fuel (including the renew-
9 able nature of that fuel); and

10 (3) to contain a fuel tank cap that is clearly la-
11 beled to inform consumers that the automobile is ca-
12 pable of operating on alternative fuel.

13 (b) COLLABORATION.—The Secretary of Transpor-
14 tation shall collaborate with automobile retailers to de-
15 velop voluntary methods for providing prospective pur-
16 chasers of automobiles with information regarding the
17 benefits of using alternative fuel in automobiles, includ-
18 ing—

19 (1) how the use of domestically produced
20 biofuel reduces reliance on foreign sources of oil;

21 (2) the environmental benefits of using alter-
22 native fuel; and

23 (3) the locations where biofuels are sold with
24 respect to the locations of the prospective pur-
25 chasers.

1 **TITLE III—GOVERNMENT LEAD-**
2 **ERSHIP ON RENEWABLE**
3 **FUELS**

4 **SEC. 301. FEDERAL AGENCY RENEWABLE FUEL PUR-**
5 **CHASING REQUIREMENT.**

6 (a) IN GENERAL.—Title III of the Energy Policy Act
7 of 1992 is amended by striking section 306 (42 U.S.C.
8 13215) and inserting the following:

9 **“SEC. 306. FEDERAL AGENCY RENEWABLE FUEL PUR-**
10 **CHASING REQUIREMENT.**

11 “(a) ETHANOL-BLENDED GASOLINE.—The head of
12 each Federal agency shall ensure that, in areas in which
13 ethanol-blended gasoline is reasonably available at a gen-
14 erally competitive price, the Federal agency purchases eth-
15 anol-blended gasoline containing at least 10 percent eth-
16 anol, rather than gasoline that is not ethanol-blended, for
17 use in vehicles used by the agency that use gasoline.

18 “(b) BIODIESEL.—The head of each Federal agency
19 shall ensure that the Federal agency purchases, for use
20 in fueling fleet vehicles that use diesel fuel used by the
21 Federal agency at the location at which fleet vehicles of
22 the Federal agency are centrally fueled, in areas in which
23 the biodiesel-blended diesel fuel described in paragraphs
24 (1) and (2) is available at a generally competitive price—

1 “(E)(i) Flexible fuel vehicles acquired pur-
2 suant to this section shall be operated on alter-
3 native fuels unless the Secretary determines
4 that an agency qualifies for a waiver of that re-
5 quirement for vehicles operated by the agency
6 in a particular geographical area in which—

7 “(I) the alternative fuel otherwise re-
8 quired to be used in the vehicle is not rea-
9 sonably available to retail purchasers of
10 the fuel, as certified to the Secretary by
11 the head of the agency; or

12 “(II) the cost of the alternative fuel
13 otherwise required to be used in the vehicle
14 is unreasonably more expensive compared
15 to gasoline, as certified to the Secretary by
16 the head of the agency.

17 “(ii) The Secretary shall—

18 “(I) monitor compliance with this sub-
19 paragraph by all agency fleets; and

20 “(II) submit annually to Congress a
21 report that—

22 “(aa) describes the extent to
23 which the requirements of this sub-
24 paragraph are being achieved; and

1 “(bb) includes information on an-
2 nual reductions achieved from the use
3 of petroleum-based fuels and the prob-
4 lems, if any, encountered in acquiring
5 alternative fuels.”.

6 (b) ALTERNATIVE COMPLIANCE AND FLEXIBILITY.—
7 The Energy Policy Act of 1992 is amended by striking
8 section 514 (42 U.S.C. 13263a) and inserting the fol-
9 lowing:

10 **“SEC. 514. ALTERNATIVE COMPLIANCE.**

11 “(a) APPLICATION FOR WAIVER.—Any head of a
12 Federal agency described in section 303(b)(3), any cov-
13 ered person subject to section 501, and any State subject
14 to section 507(o) may petition the Secretary for a waiver
15 of the applicable requirements of section 303, 501, or
16 507(o).

17 “(b) GRANT OF WAIVER.—The Secretary may grant
18 a waiver of the requirements of section 303, 501, or
19 507(o) upon a showing that the fleet owned, operated,
20 leased, or otherwise controlled by the Federal agency,
21 State, or covered person—

22 “(1) will achieve a reduction in annual con-
23 sumption of petroleum fuels equal to—

24 “(A) the reduction in consumption of pe-
25 troleum that would result from 100 percent

1 compliance with fuel use requirements in sec-
2 tion 303 or 501, as appropriate; or

3 “(B) for entities covered under section
4 507(o), a reduction equal to the consumption by
5 the covered entity of alternative fuels, if all of
6 the alternative fuel vehicles of the covered enti-
7 ty given credit under section 508 were to use
8 alternative fuel 100 percent of the time; and

9 “(2) is in compliance with all applicable vehicle
10 emission standards established by the Administrator
11 under the Clean Air Act (42 U.S.C. 7401 et seq.).

12 “(c) REVOCATION OF WAIVER.—The Secretary shall
13 revoke any waiver granted to a Federal agency, State, or
14 covered person under this section if the Federal agency,
15 State, or covered person fails to comply with subsection
16 (b).”.

17 **SEC. 303. FEDERAL FLEET FUELING CENTERS.**

18 (a) IN GENERAL.—Not later than January 1, 2010,
19 the head of each Federal agency shall install at least 1
20 renewable fuel pump at each Federal fleet fueling center
21 in the United States under the jurisdiction of the head
22 of the Federal agency.

23 (b) REPORT.—Not later than October 31 of the first
24 calendar year beginning after the date of enactment of this
25 Act, and each October 31 thereafter, the Administrator

1 shall submit to Congress a report that describes the
2 progress made in complying with subsection (a), including
3 identifying—

4 (1) the number of Federal fleet fueling centers
5 that contain at least 1 renewable fuel pump; and

6 (2) the number of Federal fleet fueling centers
7 that do not contain any renewable fuel pumps.

8 (c) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated such sums as are nec-
10 essary to carry out this section.

11 **SEC. 304. CITIZEN ACCESS TO FEDERAL ALTERNATIVE RE-**
12 **FUELING STATIONS.**

13 (a) DEFINITION OF ALTERNATIVE FUEL REFUELING
14 STATION.—In this section, the term “alternative fuel re-
15 fueling station” has the meaning given the term “qualified
16 alternative fuel vehicle refueling property” in section
17 30C(c)(1) of the Internal Revenue Code of 1986.

18 (b) ACCESS.—Not later than 18 months after the
19 date of enactment of this Act—

20 (1) except as provided in paragraphs (2) and
21 (3) of subsection (d), any Federal property that in-
22 cludes at least 1 fuel refueling station shall include
23 at least 1 alternative fuel refueling station; and

24 (2) except as provided in subsection (d)(2), any
25 alternative fuel refueling station located on property

1 owned by the Federal Government shall permit full
2 public access for the purpose of refueling using al-
3 ternative fuel.

4 (c) DURATION.—The requirements described in sub-
5 section (b) shall remain in effect until the earlier of—

6 (1) the date that is 7 years after the date of en-
7 actment of this Act; or

8 (2) the date on which the Secretary determines
9 that not less than 10 percent of the commercial re-
10 fueling infrastructure in the United States offers al-
11 ternative fuels to the general public.

12 (d) EXCEPTIONS.—

13 (1) WAIVER.—Subsection (b)(1) shall not apply
14 to any Federal property under the jurisdiction of a
15 Federal agency if the Secretary determines that al-
16 ternative fuel is not reasonably available to retail
17 purchasers of the fuel, as certified by the head of
18 the agency to the Secretary.

19 (2) NATIONAL SECURITY EXEMPTION.—Sub-
20 section (b)(2) shall not apply to property of the Fed-
21 eral Government that the Secretary, in consultation
22 with the Secretary of Defense, has certified must be
23 exempt for national security reasons.

24 (3) SAFETY EXEMPTION.—Subsection (b)(2)
25 shall not apply to property of the Federal Govern-

