

ONE HUNDRED FIFTHTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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MEMORANDUM

October 25, 2017

To: Subcommittee on Energy Democratic Members and Staff

Fr: Committee on Energy and Commerce Democratic Staff

Re: Subcommittee Markup on H.R. 1733, “To direct the Secretary of Energy to review and update a report on the energy and environmental benefits of the re-refining of used lubricating oil.”; H.R. 2872, the “Promoting Hydropower Development at Existing Nonpowered Dams Act”; H.R. 2880, the “Promoting Closed-Loop Pumped Storage Hydropower Act”

On Thursday, October 26, 2017 at 10:00 a.m. in room 2123 of the Rayburn House Office Building, the Subcommittee on Energy will hold a markup of the following legislation: H.R. 2880, the “Promoting Closed-Loop Pumped Storage Hydropower Act”; H.R. 2872, the “Promoting Hydropower Development at Existing Nonpowered Dams Act”; H.R. 1733, “To direct the Secretary of Energy to review and update a report on the energy and environmental benefits of the re-refining of used lubricating oil.”

I. H.R. 1733, TO DIRECT THE SECRETARY OF ENERGY TO REVIEW AND UPDATE A REPORT ON THE ENERGY AND ENVIRONMENTAL BENEFITS OF THE RE-REFINING OF USED LUBRICATING OIL

Lubricating oils are used to minimize the friction that damages motor vehicle parts and reduces vehicle efficiency. These oils can be recycled for reuse and to prevent soil and water contamination resulting from improper disposal. Recycling also promotes energy efficiency because producing a usable base stock from used lubricating oil requires less energy than producing stock from crude oil.¹

H.R. 1733 would require the Department of Energy (DOE), in cooperation with the Environmental Protection Agency and the Office of Management and Budget, to review and update the report required by Section 1838 of the Energy Policy Act of 2005. This new study

¹ U.S. Environmental Protection Agency, *Managing, Reusing, and Recycling Used Oil* (www.epa.gov/recycle/managing-reusing-and-recycling-used-oil) (accessed Oct. 6, 2017).

would assess the benefits of re-refining used lubricating oils and recommend coordinated federal actions that could be taken to collect and promote the beneficial reuse of such oils.

The bill requires DOE to submit to Congress a federal strategy to address the issue of used lubricating oil, and for that strategy to be consistent with the national policy established by section 2 of the Used Oil Recovery Act of 1980. Section 2 of that law declared used oil to be both a valuable source of energy and a potential threat to public health and the environment if not properly disposed of or recycled. Additionally, a federal strategy must address plans needed to increase used oil collection, inform the public on reuse options for used oil, and promote sustainable reuse of used oil by federal agencies and others.

II. H.R. 2872, THE “PROMOTING HYDROPOWER DEVELOPMENT AT EXISTING NONPOWERED DAMS ACT”

H.R. 2872 would allow the Federal Energy Regulatory Commission, in consultation with federal and state resource agencies and Native American tribes, to exempt any existing dam that has not previously been developed for energy production from regulation under the Federal Power Act (FPA) (including assignment of mandatory conditions). The bill limits terms and conditions of an exemption to only those:

necessary to protect public safety or reasonable, economically feasible, and essential to prevent loss of or damage to, or to mitigate adverse effects on, fish and wildlife resources directly caused by the construction and operation of the qualifying facility, as compared to the environmental baseline existing at the time the Commission grants the exemption.

Additionally, the bill limits environmental review under the National Environmental Policy Act of 1969. It also creates a fund for environmental enhancement projects within an associated watershed paid for by user fees.

III. H.R. 2880, THE “PROMOTING CLOSED-LOOP PUMPED STORAGE HYDROPOWER ACT”

H.R. 2880 would exempt closed-looped pumped storage hydropower projects from the mandatory conditions and associated protections contained in sections 4 and 10 of the FPA. The legislation would limit conditions that are necessary to protect public safety or the environment to those that are “reasonable, economically feasible, and essential to prevent loss of or damage to, or to mitigate adverse effects on, fish and wildlife resources directly caused by the construction and operation of the project.” The bill would also, for the first time, allow private entities that partner with or jointly file for a license with a municipality to take advantage of the preference afforded to municipalities (municipal preference) in current law. That preference would continue for such a private-public partnership even if the municipality does not retain a majority ownership interest.