

112th CONGRESS

1st Session

S. 1603

To enable transportation fuel competition, consumer choice, and greater use of domestic energy sources in order to reduce our Nation's dependence on foreign oil.

IN THE SENATE OF THE UNITED STATES

September 22, 2011

Ms. CANTWELL (for herself and Mr. LUGAR) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To enable transportation fuel competition, consumer choice, and greater use of domestic energy sources in order to reduce our Nation's dependence on foreign oil.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Open Fuels Standard Act of 2011'.

SEC. 2. OPEN FUELS STANDARD.

(a) In General- Chapter 329 of title 49, United States Code, is amended by adding at the end the following:

'Sec. 32920. Open fuels standard

'(a) Definitions- In this section:

'(1) ADVANCED ALTERNATIVE FUEL BLEND- The term 'advanced alternative fuel blend' means--

'(A) a mixture containing--

'(i) at least 85 percent denatured ethanol, by volume, or a lower percentage prescribed by the Secretary pursuant to section 32901(b); and

'(ii) gasoline or drop-in fuel;

`(B) a mixture containing--

`(i) at least 70 percent methanol, by volume; and

`(ii) gasoline or drop-in fuel; and

`(C) any other mixture of alcohols or liquid fuels certified by the Secretary pursuant to subsection (b)(2).

`(2) ANNUAL COVERED INVENTORY- The term `annual covered inventory' means the number of automobiles (as defined in section 32901(a)(3)) that a manufacturer, during a given calendar year, manufactures in the United States or imports from outside of the United States, for sale in the United States.

`(3) FUEL CHOICE-ENABLING VEHICLE- The term `fuel choice-enabling vehicle' means a automobile warranted by its manufacturer--

`(A)(i) absent certification authorizing the use of an advanced alternative fuel blend under subsection (b)(2), to operate on a mixture containing--

`(I) at least 85 percent denatured ethanol, by volume, or a lower percentage prescribed by the Secretary pursuant to section 32901(b); and

`(II) gasoline or drop-in fuel; and

`(ii) after certification under subsection (b)(2), to operate on an advanced alternative fuel blend; or

`(B) to operate on--

`(i) natural gas;

`(ii) hydrogen;

`(iii) electricity;

`(iv) a hybrid electric engine;

`(v) a mixture of biodiesel and diesel fuel meeting the standard established by the American Society for Testing and Materials or under section 211(u) of the Clean Air Act (42 U.S.C. 7545(u)) for fuel containing 5 percent biodiesel; or

`(vi) any other fuel or means of powering covered automobiles prescribed by the Secretary, by regulation, that contains not more than 10 percent petroleum, by volume.

`(b) Open Fuels Standard-

`(1) IN GENERAL- Each automobile manufacturer's annual covered inventory shall be comprised of--

`(A) not less than 50 percent fuel choice-enabling vehicles in model years 2015, 2016, and 2017; and

`(B) not less than 80 percent fuel choice-enabling vehicles in model year 2018 and each subsequent model year.

`(2) CERTIFICATIONS- Not later than 2 years after the date of the enactment of the Open Fuels Standard Act of 2011, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall certify--

`(A) the use of advanced alternative fuel blends in fuel choice-enabling vehicles unless the Secretary determines that such certification--

`(i) is not technologically feasible;

`(ii) would result in burdensome consumer costs;

`(iii) negatively impacts automobile safety;

`(iv) negatively impacts air quality;

`(v) would not increase the use of domestic feedstock sources; or

`(vi) is unlikely to enable reductions in foreign oil imports;

`(B) the type and blend of advanced alternative fuel blend that can be utilized by specific automobiles in use on such date of enactment; and

`(C) the type and blend of advanced alternative fuel blend that can be utilized by new and existing components of the Nation's transportation fueling infrastructure for fuel choice-enabled vehicles.

`(3) SMALL MANUFACTURER EXEMPTION- At the request of a manufacturer, the Secretary of Transportation shall exempt the manufacturer from the requirement described in paragraph (1) if the manufacturer's annual covered inventory is fewer than 10,000.

`(4) CREDIT TRADING AMONG MANUFACTURERS-

`(A) IN GENERAL- The Secretary may establish, by regulation, an open fuels standard credit trading program to allow manufacturers whose annual covered inventory exceeds the requirement described in paragraph (1) to earn credits, which may be sold to manufacturers that are unable to achieve such requirement.

`(B) DUAL FUEL CREDIT- Beginning in model year 2018, any automobile used to qualify for the open fuels standard under this subsection cannot be used to receive the dual fuel credit under section 32903.

`(c) Fuel Choice Comparison Tool- The Secretary of Transportation, in consultation with the Secretary of Energy, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Federal Trade Commission, shall--

`(1) develop a model label for pumps in the United States dispensing advanced alternative fuels to consumers that--

`(A) identifies a single, readily comprehensible metric that allows consumers to evaluate the relative value, energy density, and expected automobile performance of any particular advanced alternative fuel blend; and

`(B) includes appropriate warnings against the use of such fuels in unwarranted engines, including nonautomobile engines; and

`(2) make the label described in paragraph (1) available for voluntary reproduction and adoption.

`(d) Study of Fuel Dispensing Infrastructure for Advanced Alternative Fuel Blends- Not later than 2 years after the date of the enactment of the Open Fuels Standard Act of 2011, the Secretary of Transportation shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that evaluates the need for standardized fueling equipment that facilitates the dispensing of advanced alternative fuel blends to fuel choice-enabling vehicles and prevents such fuel blends from being dispensed to incompatible automobiles.'.

(b) Clerical Amendment- The table of section for chapter 329 of title 49, United States Code, is amended by adding at the end the following:

`32920. Open fuels standard.'.

(c) Rulemaking- Not later than 1 year after the date of the enactment of this Act, the Secretary shall promulgate regulations to carry out the amendment made by subsection (a).

END