AMERICAN ENERGY SOLUTIONS GROUP

The American Energy Act

An "All-of-the-Above" Solution for Energy Independence

- **Increase production of American-made energy** in an environmentally-sound manner.
- **Promote new, clean and renewable sources of energy** such as nuclear, clean-coal-technology, wind and solar energy.
- **Encourage greater efficiency and conservation** by extending tax incentives for energy efficiency and rewarding development of greater conservation techniques and new energy sources.
- **Cut red-tape and reduce frivolous litigation.**

The American Energy Act is an "all-of-the-above" solution that offers more affordable energy, more well-paying jobs, energy independence, and a cleaner environment.

PROMOTING NEW, CLEAN AND RELIABLE SOURCES OF ENERGY

Nuclear: The 104 nuclear reactors in America today provide the United States with 20 percent of its electricity and 73 percent of its CO_2-free electricity, yet no new reactors have been ordered since 1978. This bill establishes a national goal to bring 100 new nuclear reactors online over the next 20 years to strengthen America's commitment to clean, reliable energy.

The bill reinforces a commitment to protect public health and safety while providing for an accelerated regulatory process for new nuclear applications where there is a design already certified by the Nuclear Regulatory Commission (NRC); a site already licensed for operating reactors; an operator in good standing with the NRC; and a full and complete Combined Operations and Construction License application. This bill also lowers construction costs by suspending import tariffs and duties on imported nuclear components for five years if there is no domestic manufacturer.

The bill also provides a long-term solution for spent nuclear fuel. The legislation allows the NRC to finish its review of the Yucca Mountain repository without political interference, and repeals its 70,000 metric ton limitation, letting science and technology dictate how much the repository can safely hold. The bill also provides for recycling of spent nuclear fuel, thereby decreasing the demand for storage space at Yucca Mountain and amounts accumulating at sites across the country. The NRC would have two years to establish a process to license such recycling facilities.

New and Expanded Technologies: The bill creates a Renewable and Alternative Energy Trust Fund to provide funding for energy programs authorized by federal law, such as biomass, hydroelectric, clean coal, solar, wind, geothermal and other forms of renewable energy. The fund will encourage the development of renewable, alternative and unconventional fuels, and new energy sources, using receipts from the new federal and oil gas leasing in the Arctic Coastal Plain and the Outer Continental Shelf (OCS).

Alternative Fuels: The bill spurs the development of America's alternative fuels by repealing the "Section 526" prohibition on government purchasing fuels derived from sources such as oil shale, tar sands and coal-to liquid technology. The bill also encourages the use of clean coal-to-liquid technology by allowing federal agencies to enter into long-term contracts to buy coal-derived fuel and by authorizing the Secretary of Energy to enter into loan agreements with coal-to-liquid projects.

Tax Provisions for New and Expanding Technology: The bill encourages new and expanding energy technologies by making permanent tax credits for the production of renewable electricity, like wind, solar, and biomass. The bill also makes permanent investment tax credits for solar energy and for fuel cell properties and extends the biodiesel and renewable diesel tax credits.

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Outer Continental Shelf: The Interior Department estimates that the OCS holds up to 86 billion barrels of oil and 420 trillion cubic feet of natural gas. Significant portions of the OCS remain unavailable because the current Administration continues to delay leasing activities.

The bill increases the supply of American energy by immediately moving forward with a leasing program on the already open OCS. The bill also simplifies and harmonizes the OCS mileage restrictions, expanding state territorial waters to 12 miles offshore (most state borders stop at three miles) and gives coastal states a share of the receipts from such energy exploration. A portion of the revenues created by OCS exploration would go to a renewable energy trust fund to pay for a variety of renewable, alternative and advanced energy programs.

Arctic Coastal Plain: The bill increases American energy by opening the Arctic Coastal Plain to exploration in an environmentally-sound manner, which could provide an additional 1 million barrels of oil per day. The bill requires timely lease sales, provides for revenue sharing with the State, designates a fund to mitigate the effects of exploration and development and provide for local community support, and devotes a portion of the revenues for a renewable energy trust fund to pay for renewable, alternative and advanced energy programs.

Oil Shale: It is estimated that more than 70 percent of American oil shale lies on federal lands which contain an estimated 1.23 trillion barrels of oil, more than 50 times the nation's proven conventional oil reserves. The bill codifies the oil shale lease program and restores leasing activities that were already underway prior to being halted in February 2009, by the current Administration. The bill mandates that a lease sale be held within 180 days of enactment.

CUTTING RED TAPE AND REDUCING FRIVOLOUS LAWSUITS

Legal Reform: The bill curtails dilatory lawsuits that are designed to obstruct American energy exploration. While ensuring people a day in court, it expedites judicial review by imposing a 60-day deadline on legal challenges and requires cases to be filed in the District Court for the District of Columbia, to prevent forum shopping.

Refineries: The newest significant refinery began operating in 1977. The bill increases American supplies of gasoline and diesel by encouraging greater refinery capacity by streamlining and accelerating the refinery permitting process. The bill also requires the President to designate at least three closed military installations as potentially suitable for construction of a refinery, including at least one suitable for refining biomass to produce biofuel.

Environmental Review: The bill reduces red-tape and cost to the Environmental Protection Agency arising from having to needlessly identify alternative locations for renewable energy projects, while ensuring a proper environmental review for the proposed action and no-action.

CONSERVATION AND EFFICENCY

Tax Incentives and Prizes: The bill encourages American ingenuity by providing for competitive award cash prizes to advance the research, development, demonstration and commercial application of innovative energy technologies and new energy sources, including a $500 million prize to the first U.S. automobile manufacturer to sell 50,000 economically feasible, super fuel-efficient vehicles that get 100 mpg.

The bill provides tax incentives for businesses and homeowners who improve their energy efficiency. It also extends tax credits for using energy efficient appliances and energy efficient upgrades made to existing homes, a tax credit for individuals who purchase a new energy efficient home and a tax credit for energy efficient commercial buildings, home energy audits and smart meters.