

## Calendar No. 442

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**H. R. 3301**

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IN THE SENATE OF THE UNITED STATES

JUNE 25, 2014

Received; read the first time

JUNE 26, 2014

Read the second time and placed on the calendar

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**AN ACT**

To require approval for the construction, connection, operation, or maintenance of oil or natural gas pipelines or electric transmission facilities at the national boundary of the United States for the import or export of oil, natural gas, or electricity to or from Canada or Mexico, and for other purposes.

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.**

4       This Act may be cited as the “North American En-  
5       ergy Infrastructure Act”.

1 **SEC. 2. FINDING.**

2 Congress finds that the United States should estab-  
3 lish a more uniform, transparent, and modern process for  
4 the construction, connection, operation, and maintenance  
5 of oil and natural gas pipelines and electric transmission  
6 facilities for the import and export of oil and natural gas  
7 and the transmission of electricity to and from Canada  
8 and Mexico, in pursuit of a more secure and efficient  
9 North American energy market.

10 **SEC. 3. AUTHORIZATION OF CERTAIN ENERGY INFRA-**  
11 **STRUCTURE PROJECTS AT THE NATIONAL**  
12 **BOUNDARY OF THE UNITED STATES.**

13 (a) AUTHORIZATION.—Except as provided in sub-  
14 section (c) and section 7, no person may construct, con-  
15 nect, operate, or maintain a cross-border segment of an  
16 oil pipeline or electric transmission facility for the import  
17 or export of oil or the transmission of electricity to or from  
18 Canada or Mexico without obtaining a certificate of cross-  
19 ing for the construction, connection, operation, or mainte-  
20 nance of the cross-border segment under this section.

21 (b) CERTIFICATE OF CROSSING.—

22 (1) REQUIREMENT.—Not later than 120 days  
23 after final action is taken under the National Envi-  
24 ronmental Policy Act of 1969 (42 U.S.C. 4321 et  
25 seq.) with respect to a cross-border segment for  
26 which a request is received under this section, the

1 relevant official identified under paragraph (2), in  
2 consultation with appropriate Federal agencies, shall  
3 issue a certificate of crossing for the cross-border  
4 segment unless the relevant official finds that the  
5 construction, connection, operation, or maintenance  
6 of the cross-border segment is not in the public in-  
7 terest of the United States.

8 (2) RELEVANT OFFICIAL.—The relevant official  
9 referred to in paragraph (1) is—

10 (A) the Secretary of State with respect to  
11 oil pipelines; and

12 (B) the Secretary of Energy with respect  
13 to electric transmission facilities.

14 (3) ADDITIONAL REQUIREMENT FOR ELECTRIC  
15 TRANSMISSION FACILITIES.—In the case of a request  
16 for a certificate of crossing for the construction, con-  
17 nection, operation, or maintenance of a cross-border  
18 segment of an electric transmission facility, the Sec-  
19 retary of Energy shall require, as a condition of  
20 issuing the certificate of crossing for the request  
21 under paragraph (1), that the cross-border segment  
22 of the electric transmission facility be constructed,  
23 connected, operated, or maintained consistent with  
24 all applicable policies and standards of—

1 (A) the Electric Reliability Organization  
2 and the applicable regional entity; and

3 (B) any Regional Transmission Organiza-  
4 tion or Independent System Operator with  
5 operational or functional control over the cross-  
6 border segment of the electric transmission fa-  
7 cility.

8 (c) EXCLUSIONS.—This section shall not apply to any  
9 construction, connection, operation, or maintenance of a  
10 cross-border segment of an oil pipeline or electric trans-  
11 mission facility for the import or export of oil or the trans-  
12 mission of electricity to or from Canada or Mexico—

13 (1) if the cross-border segment is operating for  
14 such import, export, or transmission as of the date  
15 of enactment of this Act;

16 (2) if a permit described in section 6 for such  
17 construction, connection, operation, or maintenance  
18 has been issued;

19 (3) if a certificate of crossing for such construc-  
20 tion, connection, operation, or maintenance has pre-  
21 viously been issued under this section; or

22 (4) if an application for a permit described in  
23 section 6 for such construction, connection, oper-  
24 ation, or maintenance is pending on the date of en-  
25 actment of this Act, until the earlier of—

1 (A) the date on which such application is  
2 denied; or

3 (B) July 1, 2016.

4 (d) EFFECT OF OTHER LAWS.—

5 (1) APPLICATION TO PROJECTS.—Nothing in  
6 this section or section 7 shall affect the application  
7 of any other Federal statute to a project for which  
8 a certificate of crossing for the construction, connec-  
9 tion, operation, or maintenance of a cross-border  
10 segment is sought under this section.

11 (2) NATURAL GAS ACT.—Nothing in this sec-  
12 tion or section 7 shall affect the requirement to ob-  
13 tain approval or authorization under sections 3 and  
14 7 of the Natural Gas Act for the siting, construc-  
15 tion, or operation of any facility to import or export  
16 natural gas.

17 (3) ENERGY POLICY AND CONSERVATION  
18 ACT.—Nothing in this section or section 7 shall af-  
19 fect the authority of the President under section  
20 103(a) of the Energy Policy and Conservation Act.

21 **SEC. 4. IMPORTATION OR EXPORTATION OF NATURAL GAS**  
22 **TO CANADA AND MEXICO.**

23 Section 3(c) of the Natural Gas Act (15 U.S.C.  
24 717b(c)) is amended by adding at the end the following:  
25 “No order is required under subsection (a) to authorize

1 the export or import of any natural gas to or from Canada  
2 or Mexico.”.

3 **SEC. 5. TRANSMISSION OF ELECTRIC ENERGY TO CANADA**  
4 **AND MEXICO.**

5 (a) REPEAL OF REQUIREMENT TO SECURE  
6 ORDER.—Section 202(e) of the Federal Power Act (16  
7 U.S.C. 824a(e)) is repealed.

8 (b) CONFORMING AMENDMENTS.—

9 (1) STATE REGULATIONS.—Section 202(f) of  
10 the Federal Power Act (16 U.S.C. 824a(f)) is  
11 amended by striking “insofar as such State regula-  
12 tion does not conflict with the exercise of the Com-  
13 mission’s powers under or relating to subsection  
14 202(e)”.

15 (2) SEASONAL DIVERSITY ELECTRICITY EX-  
16 CHANGE.—Section 602(b) of the Public Utility Reg-  
17 ulatory Policies Act of 1978 (16 U.S.C. 824a–4(b))  
18 is amended by striking “the Commission has con-  
19 ducted hearings and made the findings required  
20 under section 202(e) of the Federal Power Act” and  
21 all that follows through the period at the end and  
22 inserting “the Secretary has conducted hearings and  
23 finds that the proposed transmission facilities would  
24 not impair the sufficiency of electric supply within  
25 the United States or would not impede or tend to

1       impede the coordination in the public interest of fa-  
2       cilities subject to the jurisdiction of the Secretary.”.

3 **SEC. 6. NO PRESIDENTIAL PERMIT REQUIRED.**

4       No Presidential permit (or similar permit) required  
5 under Executive Order No. 13337 (3 U.S.C. 301 note),  
6 Executive Order No. 11423 (3 U.S.C. 301 note), section  
7 301 of title 3, United States Code, Executive Order No.  
8 12038, Executive Order No. 10485, or any other Execu-  
9 tive order shall be necessary for the construction, connec-  
10 tion, operation, or maintenance of an oil or natural gas  
11 pipeline or electric transmission facility, or any cross-bor-  
12 der segment thereof.

13 **SEC. 7. MODIFICATIONS TO EXISTING PROJECTS.**

14       No certificate of crossing under section 3, or permit  
15 described in section 6, shall be required for a modification  
16 to the construction, connection, operation, or maintenance  
17 of an oil or natural gas pipeline or electric transmission  
18 facility—

19           (1) that is operating for the import or export  
20 of oil or natural gas or the transmission of elec-  
21 tricity to or from Canada or Mexico as of the date  
22 of enactment of the Act;

23           (2) for which a permit described in section 6 for  
24 such construction, connection, operation, or mainte-  
25 nance has been issued; or

1           (3) for which a certificate of crossing for the  
2           cross-border segment of the pipeline or facility has  
3           previously been issued under section 3.

4 **SEC. 8. EFFECTIVE DATE; RULEMAKING DEADLINES.**

5           (a) **EFFECTIVE DATE.**—Sections 3 through 7, and  
6 the amendments made by such sections, shall take effect  
7 on July 1, 2015.

8           (b) **RULEMAKING DEADLINES.**—Each relevant offi-  
9 cial described in section 3(b)(2) shall—

10           (1) not later than 180 days after the date of  
11 enactment of this Act, publish in the Federal Reg-  
12 ister notice of a proposed rulemaking to carry out  
13 the applicable requirements of section 3; and

14           (2) not later than 1 year after the date of en-  
15 actment of this Act, publish in the Federal Register  
16 a final rule to carry out the applicable requirements  
17 of section 3.

18 **SEC. 9. DEFINITIONS.**

19           In this Act—

20           (1) the term “cross-border segment” means the  
21 portion of an oil or natural gas pipeline or electric  
22 transmission facility that is located at the national  
23 boundary of the United States with either Canada or  
24 Mexico;



1           (2) the term “modification” includes a reversal  
2 of flow direction, change in ownership, volume ex-  
3 pansion, downstream or upstream interconnection,  
4 or adjustment to maintain flow (such as a reduction  
5 or increase in the number of pump or compressor  
6 stations);

7           (3) the term “natural gas” has the meaning  
8 given that term in section 2 of the Natural Gas Act  
9 (15 U.S.C. 717a);

10          (4) the term “oil” means petroleum or a petro-  
11 leum product;

12          (5) the terms “Electric Reliability Organiza-  
13 tion” and “regional entity” have the meanings given  
14 those terms in section 215 of the Federal Power Act  
15 (16 U.S.C. 824o); and

16          (6) the terms “Independent System Operator”  
17 and “Regional Transmission Organization” have the  
18 meanings given those terms in section 3 of the Fed-  
19 eral Power Act (16 U.S.C. 796).

Passed the House of Representatives June 24, 2014.

Attest:

KAREN L. HAAS,

*Clerk.*

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