BRUCE WESTERMAN OF ARKANSAS CHAIRMAN

> VIVIAN MOEGLEIN STAFF DIRECTOR

#### JARED HUFFMAN OF CALIFORNIA RANKING DEMOCRAT

ANA UNRUH COHEN DEMOCRATIC STAFF DIRECTOR

# **H.S.** House of Representatives

# Committee on Natural Resources Washington, DC 20515

June 30, 2025

The Honorable Brett Guthrie Chairman Committee on Energy and Commerce 2515 Rayburn House Office Building Washington, DC 20515

Dear Mr. Chairman:

I write regarding H.R. 3062, the *Promoting Cross-border Energy Infrastructure Act*. The bill was referred primarily to the Committee on Energy and Commerce, with additional referrals to the Committee on Natural Resources and the Committee on Transportation and Infrastructure. Specifically, there are certain provisions of H.R. 3062 that fall within the Rule X jurisdiction of the Committee on Natural Resources.

I recognize and appreciate your desire to bring this legislation before the House of Representatives in an expeditious manner, and accordingly, agree that the Committee on Natural Resources shall be discharged from further consideration of the bill. However, this is conditional on our mutual understanding that by forgoing consideration of H.R. 3062 at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation that falls within the Committee on Natural Resources' Rule X jurisdiction, and that the Committee will be appropriately consulted and involved on this or similar legislation as it moves forward. Further, this does not prejudice the Committee on Natural Resources with respect to the appointment of conferees and should a conference on the bill be necessary, I appreciate your agreement to support my request to have the Committee represented on the conference committee.

Finally, I would ask that a copy of this letter and your response acknowledging the jurisdictional interest of the Committee on Natural Resources in the bill be included in the Committee Report and *Congressional Record* during consideration of H.R. 3062 on the House floor.

Sincerely,

Bruce Westerman Chairman Committee on Natural Resources

Page 1 of 2

cc: The Honorable Mike Johnson, Speaker of the House The Honorable Frank Pallone, Ranking Member, Committee on Energy and Commerce The Honorable Jared Huffman, Ranking Member, Committee on Natural Resources The Honorable Jason Smith, Parliamentarian, U.S. House of Representatives



Committee on Transportation and Infrastructure U.S. House of Representatives Washington, DC 20515

Sam Graves Chairman

Nick Christensen, Staff Director

Rick Larsen Ranking Member

Katherine W. Dedrick, Democratic Staff Director

June 30, 2025

The Honorable Brett Guthrie Chairman Committee on Energy and Commerce 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Guthrie:

I am writing to you concerning H.R. 3062, the *Promoting Cross-border Energy Infrastructure Act.* The bill was referred primarily to the Committee on Energy and Commerce, with additional referral to the Committee on Transportation and Infrastructure and the Committee on Natural Resources. Specifically, there are provisions of H.R. 3062 that fall within the Rule X jurisdiction of the Committee on Transportation and Infrastructure.

I recognize and appreciate your desire to bring this legislation before the House of Representatives in an expeditious manner, and accordingly, agree the Committee on Transportation and Infrastructure shall be discharged from further consideration of the bill. However, this is conditional on our mutual understanding that by foregoing consideration of H.R. 3062 at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation that falls within the Committee on Transportation and Infrastructure's Rule X jurisdiction, and the Committee will be appropriately consulted and involved on this or similar legislation as it moves forward. Further, this does not prejudice the Committee on Transportation and Infrastructure with respect to the appointment of conferees and should a conference on the bill be necessary, I would appreciate your agreement to support my request to have the Committee represented on the conference committee. Finally, I would ask that a copy of this letter and your response acknowledging our jurisdictional interest in the bill be included in the Committee Report and *Congressional Record* during consideration of H.R. 3062 on the House floor.

Sincerely,

Sam Graves Chairman Committee on Transportation and Infrastructure

cc: The Honorable Mike Johnson, Speaker
 The Honorable Rick Larsen, Ranking Member, Committee on Transportation and
 Infrastructure
 The Honorable Frank Pallone, Ranking Member, Committee on Energy and Commerce
 The Honorable Jason Smith, Parliamentarian

# **Committee on Energy and Commerce**

# MINORITY VIEWS H.R. 3062, the Promoting Cross-border Energy Infrastructure Act

H.R. 3062 continues a decade-long Republican effort to relitigate decisions made with respect to the Keystone XL pipeline, a pipeline that ceased development over four years ago.<sup>1</sup> This bill represents the second time this Congress that Republicans have attempted to move the legislation through the Committee—during consideration of the committee print for reconciliation legislation for Fiscal Year 2025, Republicans proposed a provision that would have mandated the approval of cross-border energy infrastructure for a fee of \$50,000.<sup>2</sup>

Ostensibly, the bill is focused on transforming the current permitting process created and authorized by executive orders into one authorized by statute.<sup>3</sup> That is a laudable goal, assuming the statutory provisions do not undermine environmental laws. Unfortunately, the bill focuses on protecting crude oil and refined petroleum pipelines in particular from the full scope of environmental reviews under the National Environmental Policy Act (NEPA) by narrowing the scope of Federal authorization to solely the first 1,000 feet of the pipeline after the border, and excluding consideration of the rest of the pipeline. This is particularly egregious, as the environmental review of the entirety of the Keystone XL pipeline was vital in then-Secretary of State John Kerry's recommendation to President Obama that the issuance of a Presidential Permit would not serve the national interest.<sup>4</sup>

Furthermore, the bill forces the Federal Energy Regulatory Commission (FERC) and the Department of Energy (DOE) to become experts in matters of foreign affairs and diplomacy by not specifying which agencies they must consult before making a determination on whether or not a border-crossing facility is in the public interest. This is a major departure from current procedures, which require DOE and FERC to obtain favorable recommendations from the State Department and Department of Defense in order to move forward with border-crossing permits for natural gas and electric transmission lines (crude oil and refined petroleum product pipeline approvals are already handled by the State Department).<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Developer Abandons Keystone XL Pipeline Project, Ending Decade-Long Battle, NPR (June 9, 2021).

<sup>&</sup>lt;sup>2</sup> House Committee on Energy and Commerce, *Committee Print, Title IV, Committee on Energy and Commerce*, Dissenting Views, 119th Cong. (May, 16, 2025).

<sup>&</sup>lt;sup>3</sup> Exec. Order No. 10485, 18 Fed. Reg. 5397 (Sep. 3, 1953); Exec. Order No. 12038, 43 Fed. Reg. 4957 (Feb. 7, 1978); Exec. Order No. 13867, 84 Fed. Reg. 15491 (Apr. 15, 2019).

<sup>&</sup>lt;sup>4</sup> Department of State, *Record of Decision and National Interest Determination: TransCanada Keystone Pipeline, L.P. Application for Presidential Permit* (Nov. 6, 2015).

<sup>&</sup>lt;sup>5</sup> See note 3.

July 2, 2025 Page 2

The bill also severely curtails the power of DOE to condition and regulate the imports and exports of electricity to Canada and Mexico. Section 202(e) of the Federal Power Act currently requires DOE to grant orders authorizing the transmission of electricity between the U.S. and a foreign nation unless it finds that the "proposed transmission would impair the sufficiency of electric supply within the United States or would impede or tend to impede the coordination in the public interest of facilities subject to the Commission."<sup>6</sup> However, the law also gives DOE the authority to attach any condition to its approvals that it deems necessary or appropriate. Section 2(a)(2)(C) of H.R. 3062 would completely repeal section 202(e) of the Federal Power Act, and only allow DOE to condition its approval of electric transmission bordercrossing facilities on those facilities' compliance with reliability and grid operator requirements, giving up any ability to engage in economic regulation.

In the 118<sup>th</sup> Congress, at a legislative hearing on February 7, 2023, the Subcommittees on Energy, Climate, and Grid Security and Environment, Manufacturing, and Critical Materials heard testimony from Mr. Tyson Slocum, Director of the Energy Program at Public Citizen, on legislative text nearly-identical to H.R. 3062. Mr. Slocum testified that the provisions in the bill relating to natural gas pipelines would allow companies to dodge the requirements of section 3 of the Natural Gas Act, and easily export natural gas to Mexico, where it could then be re-exported anywhere in the world in the form of liquified natural gas (LNG).<sup>7</sup> He also testified—and DOE has since found—that increased LNG exports lead to higher domestic natural gas prices.<sup>8,9</sup> Given the correlation between domestic natural gas and electricity prices, this bill will likely lead to Americans paying more for power, heating, and cooking all at once.

During the markup of the bill in the Energy Subcommittee, Representative Fedorchak (R-ND) stated that "The underlying legislation does nothing to alter the environmental review of these projects."<sup>10</sup> The majority's report similarly states that "The legislation would also have no effect on any other Federal statute that would apply to a project for which a Certificate of Crossing is required, including any requirements of NEPA." Unfortunately, the legislative history indicates that the majority is mistaken. In the 115<sup>th</sup> Congress, a nearly identical piece of legislation, H.R. 2883, came to the floor, and the House adopted an amendment authored by Rep. Marc Veasey (D-TX) by voice vote clarifying that nothing in the bill shall affect the scope of any environmental review required by NEPA.<sup>11</sup> When this legislation was re-introduced in the 117<sup>th</sup>

<sup>&</sup>lt;sup>6</sup> 16 U.S.C. 824a(e).

<sup>&</sup>lt;sup>7</sup> House Committee on Energy and Commerce, Testimony of Tyson Slocum, Director of the Energy Program, Public Citizen, *Hearing on Unleashing American Energy, Lowering Energy Costs, and Strengthening Supply Chains*, 118th Cong. (Feb. 7, 2023).

<sup>&</sup>lt;sup>8</sup> Id.

<sup>&</sup>lt;sup>9</sup> Department of Energy, Statement from U.S. Secretary of Energy Jennifer M. Granholm on Updated Final Analysis (Dec. 2024).

<sup>&</sup>lt;sup>10</sup> House Committee on Energy and Commerce, Subcommittee on Energy, *Markup of 13 Bills*, 119<sup>th</sup> Cong. (June 5, 2025).

<sup>&</sup>lt;sup>11</sup> H.Amdt. 209, 115<sup>th</sup> Cong. (2017).

July 2, 2025 Page 3

Congress and in this Congress, the only substantive change from the language that passed the House in the 115<sup>th</sup> Congress was that Rep. Veasey's amendment had been removed.<sup>12</sup> An amendment adding identical language back into the bill was offered by Rep. Veasey during the Energy Subcommittee's markup of the bill was defeated on a recorded vote.

For the reasons stated above, I oppose this legislation.

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Frank Pallone, Jr. Ranking Member Committee on Energy and Commerce

<sup>&</sup>lt;sup>12</sup> H.R. 1058, 118<sup>th</sup> Cong. (2023).

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

## NATURAL GAS ACT

#### \* \* \* \* \* \* \*

### EXPORTATION OR IMPORTATION OF NATURAL GAS; LNG TERMINALS

SEC. 3. (a) After six months from the date on which this act takes effect no person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest. The Commission may by its order grant such application, in whole or in part, with such modification and upon such terms and conditions as the Commission may find necessary or appropriate, and may from time to time, after opportunity for hearing, and for good cause shown, make such supplemental order in the premises as it may find necessary or appropriate.

(b) With respect to natural gas which is imported into the United States from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, and with respect to liquefied natural gas—

(1) the importation of such natural gas shall be treated as a "first sale" within the meaning of section 2(21) of the Natural Gas Policy Act of 1978; and

(2) the Commission shall not, on the basis of national origin, treat any such imported natural gas on an unjust, unreasonable, unduly discriminatory, or preferential basis.

(c) For purposes of subsection (a), the importation of the natural gas referred to in subsection (b), or the exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such importation or exportation shall be granted without modification or delay. In the case of an application for the importation of natural gas from, or the exportation of natural gas to, Canada or Mexico, the Commission shall grant the application not later than 30 days after the date on which the Commission receives the complete application.

(d) Except as specifically provided in this Act, nothing in this Act affects the rights of States under—

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(1) the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(2) the Clean Air Act (42 U.S.C. 7401 et seq.); or

(3) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(e)(1) The Commission shall have the exclusive authority to approve or deny an application for the siting, construction, expansion, or operation of an LNG terminal. Except as specifically provided in this Act, nothing in this Act is intended to affect otherwise applicable law related to any Federal agency's authorities or responsibilities related to LNG terminals.

(2) Upon the filing of any application to site, construct, expand, or operate an LNG terminal, the Commission shall—

(A) set the matter for hearing:

(B) give reasonable notice of the hearing to all interested persons, including the State commission of the State in which the LNG terminal is located and, if not the same, the Gov-ernor-appointed State agency described in section 3A;

(C) decide the matter in accordance with this subsection; and

(D) issue or deny the appropriate order accordingly.

(3)(A) Except as provided in subparagraph (B), the Commission may approve an application described in paragraph (2), in whole or part, with such modifications and upon such terms and conditions as the Commission find necessary or appropriate.

(B) Before January 1, 2015, the Commission shall not—
(i) deny an application solely on the basis that the applicant proposes to use the LNG terminal exclusively or partially for gas that the applicant or an affiliate of the applicant will supply to the facility; or

(ii) condition an order on-

(I) a requirement that the LNG terminal offer service to customers other than the applicant, or any affiliate of the applicant, securing the order;

(II) any regulation of the rates, charges, terms, or conditions of service of the LNG terminal; or

(III) a requirement to file with the Commission schedules or contracts related to the rates, charges, terms, or conditions of service of the LNG terminal.

(C) Subparagraph (B) shall cease to have effect on January 1, 2030

(4) An order issued for an LNG terminal that also offers service to customers on an open access basis shall not result in subsidization of expansion capacity by existing customers, degradation of service to existing customers, or undue discrimination against existing customers as to their terms or conditions of service at the facility, as all of those terms are defined by the Commission.

(f)(1) In this subsection, the term "military installation".

(A) means a base, camp, post, range, station, yard, center, or homeport facility for any ship or other activity under the ju-risdiction of the Department of Defense, including any leased facility, that is located within a State, the District of Columbia, or any territory of the United States; and

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(B) does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects, as determined by the Secretary of Defense.

(2) The Commission shall enter into a memorandum of understanding with the Secretary of Defense for the purpose of ensuring that the Commission coordinate and consult with the Secretary of Defense on the siting, construction, expansion, or operation of liquefied natural gas facilities that may affect an active military installation.

(3) The Commission shall obtain the concurrence of the Secretary of Defense before authorizing the siting, construction, expansion, or operation of liquefied natural gas facilities affecting the training or activities of an active military installation.

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## FEDERAL POWER ACT

\* \* \* \* \* \* \* \* \* PART II—REGULATION OF ELECTRIC UTILITY COMPANIES ENGAGED IN INTERSTATE COMMERCE

## INTERCONNECTION AND COORDINATION OF FACILITIES; EMERGENCIES; TRANSMISSION TO FOREIGN COUNTRIES

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SEC. 202. (a) For the purpose of assuring an abundant supply of electric energy throughout the United States with the greatest possible economy and with regard to the proper utilization and conservation of natural resources, the Commission is empowered and directed to divide the country into regional districts for the voluntary interconnection and coordination of facilities for the generation, transmission, and sale of electric energy, and it may at any time thereafter, upon its own motion or upon application, make such modifications thereof as in its judgment will promote the public interest. Each such district shall embrace an area which, in the judgment of the Commission, can economically be served by such interconnected and coordinated electric facilities. It shall be the duty of the Commission to promote and encourage such inter-connection and coordination within each such district and between such districts. Before establishing any such district and fixing or modifying the boundaries thereof the Commission shall give notice to the State commission of each State situated wholly or in part within such district, and shall afford each such State commission reasonable opportunity to present its views and recommendations, and shall receive and consider such views and recommendations.

(b) Whenever the Commission, upon application of any State commission or of any person engaged in the transmission or sale of electric energy, and after notice to each State commission and public utility affected and after opportunity for hearing, finds such action necessary or appropriate in the public interest it may by

order direct a public utility (if the Commission finds that no undue burden will be placed upon such public utility thereby) to establish physical connection of its transmission facilities with the facilities of one or more other persons engaged in the transmission or sale of electric energy, to sell energy to or exchange energy with such persons: *Provided*, That the Commission shall have no authority to compel the enlargement of generating facilities for such purposes, nor to compel such public utility to sell or exchange energy when to do so would impair its ability to render adequate service to its customers. The Commission may prescribe the terms and conditions of the arrangement to be made between the persons affected by any such order, including the apportionment of cost between them and the compensation or reimbursement reasonably due to any of them.

(c)(1) During the continuance of any war in which the United States is engaged, or whenever the Commission determines that an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy, or of fuel or water for generating facilities, or other causes, the Commission shall have authority, either upon its own motion or upon complaint, with or without notice, hearing, or report, to require by order such temporary connections of facilities and such generation, delivery, interchange, or transmission of electric energy as in its judgment will best meet the emergency and serve the public interest. If the parties affected by such order fail to agree upon the terms of any arrangement between them in carrying out such order, the Commission, after hearing held either before or after such order takes effect, may prescribe by supplemental order such terms as it finds to be just and reasonable, including the compensation or reimbursement which should be paid to or by any such party.

(2) With respect to an order issued under this subsection that may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation, the Commission shall ensure that such order requires generation, delivery, interchange, or transmission of electric energy only during hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation and minimizes any adverse environmental impacts.

(3) To the extent any omission or action taken by a party, that is necessary to comply with an order issued under this subsection, including any omission or action taken to voluntarily comply with such order, results in noncompliance with, or causes such party to not comply with, any Federal, State, or local environmental law or regulation, such omission or action shall not be considered a violation of such environmental law or regulation, or subject such party to any requirement, civil or criminal liability, or a citizen suit under such environmental law or regulation.

(4)(A) An order issued under this subsection that may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation shall expire not later than 90 days after it is issued. The Commission may renew or reissue such order

pursuant to paragraphs (1) and (2) for subsequent periods, not to exceed 90 days for each period, as the Commission determines necessary to meet the emergency and serve the public interest.

(B) In renewing or reissuing an order under subparagraph (A), the Commission shall consult with the primary Federal agency with expertise in the environmental interest protected by such law or regulation, and shall include in any such renewed or reissued order such conditions as such Federal agency determines necessary to minimize any adverse environmental impacts to the extent practicable. The conditions, if any, submitted by such Federal agency shall be made available to the public. The Commission may exclude such a condition from the renewed or reissued order if it determines that such condition would prevent the order from adequately addressing the emergency necessitating such order and provides in the order, or otherwise makes publicly available, an explanation of such determination.

(5) If an order issued under this subsection is subsequently stayed, modified, or set aside by a court pursuant to section 313 or any other provision of law, any omission or action previously taken by a party that was necessary to comply with the order while the order was in effect, including any omission or action taken to voluntarily comply with the order, shall remain subject to paragraph (3).

(d) During the continuance of any emergency requiring immediate action, any person or municipality engaged in the transmission or sale of electric energy and not otherwise subject to the jurisdiction of the Commission may make such temporary connections with any public utility subject to the jurisdiction of the Commission or may construct such temporary facilities for the transmission of electric energy in interstate commerce as may be necessary or appropriate to meet such emergency, and shall not become subject to the jurisdiction of the Commission by reason of such temporary connection or temporary construction: *Provided*, That such temporary connection shall be discontinued or such temporary construction removed or otherwise disposed of upon the termination of such emergency: *Provided further*, That upon approval of the Commission permanent connections for emergency use only may be made hereunder.

[(e) After six months from the date on which this Part takes effect, no person shall transmit any electric energy from the United States to a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application unless, after opportunity for hearing, it finds that the proposed transmission would impair the sufficiency of electric supply within the United States or would impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Commission. The Commission may by its order grant such application in whole or in part, with such modifications and upon such terms and conditions as the Commission may find necessary or appropriate, and may from time to time, after opportunity for hearing and for good cause shown, make such supplemental orders in the premises as it may find necessary or appropriate.]

(f) The ownership or operation of facilities for the transmission or sale at wholesale of electric energy which is (a) generated within a State and transmitted from that State across an international boundary and not thereafter transmitted into any other State, or (b) generated in a foreign country and transmitted across an international boundary into a State and not thereafter transmitted into any other State, shall not make a person a public utility subject to regulation as such under other provisions of this part. The State within which any such facilities are located may regulate any such transaction [insofar as such State regulation does not conflict with the exercise of the Commission's powers under or relating to subsection 202(e)].

(g) In order to insure continuity of service to customers of public utilities, the Commission shall require by rule, each public utility to—

(1) report promptly to the Commission and any appropriate State regulatory authorities any anticipated shortage of electric energy or capacity which would affect such utility's capability of serving its wholesale customers,
(2) submit to the Commission, and to any appropriate

(2) submit to the Commission, and to any appropriate State regulatory authority, and periodically revise, contingency plans respecting—

(A) shortages of electric energy or capacity, and

(B) circumstances which may result in such shortages, and

(3) accommodate any such shortages or circumstances in a manner which shall—

 $\left( A\right)$  give due consideration to the public health, safety, and welfare, and

(B) provide that all persons served directly or indirectly by such public utility will be treated, without undue prejudice or disadvantage.

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## **PUBLIC UTILITY REGULATORY POLICIES ACT OF 1978**

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# TITLE VI—MISCELLANEOUS PROVISIONS

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### SEC. 602. SEASONAL DIVERSITY ELECTRICITY EXCHANGE.

(a) AUTHORITY.—The Secretary may acquire rights-of-way by purchase, including eminent domain, through North Dakota, South Dakota, and Nebraska for transmission facilities for the seasonal diversity exchange of electric power to and from Canada if he determines—

(1) after opportunity for public hearing—

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(A) that the exchange is in the public interest and would further the purposes referred to in section 101 (1) and (2) of this Act and that the acquisition of such rightsof-way and the construction and operation of such transmission facilities for such purposes is otherwise in the public interest,

(B) that a permit has been issued in accordance with subsection (b) for such construction, operation, maintenance, and connection of the facilities at the border for the transmission of electric energy between the United States and Canada as is necessary for such exchange of electric power, and

(C) that each affected State has approved the portion of the transmission route located in each State in accordance with applicable State law, or if there is no such applicable State law in such State, the Governor has approved such portion; and
(2) after consultation with the Secretary of the Interior

(2) after consultation with the Secretary of the Interior and the heads of other affected Federal agencies, that the Secretary of the Interior and the heads of such, other agencies concur in writing in the location of such portion of the transmission facilities as crosses Federal land under the jurisdiction of such Secretary or such other Federal agency, as the case may be.

The Secretary shall provide to any State such cooperation and technical assistance as the State may request and as he determines appropriate in the selection of a transmission route. If the transmission route approved by any State does not appear to be feasible and in the public interest, the Secretary shall encourage such State to review such route and to develop a route that is feasible and in the public interest. Any exercise by the Secretary of the power of eminent domain under this section shall be in accordance with other applicable provisions of Federal law. The Secretary shall provide public notice of his intention to acquire any right-of-way before exercising such power of eminent domain with respect to such right-of-way.

(b) PERMIT.—Notwithstanding any transfer of functions under the first sentence of section 301(b) of the Department of Energy Organization Act, no permit referred to in subsection (a)(1)(B) may be issued unless [the Commission has conducted hearings and made the findings required under section 202(e) of the Federal Power Act and under the applicable execution order respecting the construction, operation, maintenance, or connection at the borders of the United States of facilities for the transmission of electric energy between the United States and a foreign country. Any finding of the Commission under an applicable executive order referred to in this subsection shall be treated for purposes of judicial review as an order issued under section 202(e) of the Federal Power Act.] the Secretary has conducted hearings and finds that the proposed transmission facilities would not impair the sufficiency of electric supply within the United States or would not impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Secretary.

(c) TIMELY ACQUISITION BY OTHER MEANS.—The Secretary may not acquire any rights-of-day under this section unless he determines that the holder or holders of a permit referred to in subsection (a)(1)(B) are unable to acquire such rights-of-way under State condemnation authority, or after reasonable opportunity for negotiation, without unreasonably delaying construction, taking into consideration the impact of such delay on completion of the facilities in a timely fashion.

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(d) PAYMENTS BY PERMITTEES.—(1) The property interest acquired by the Secretary under this section (whether by eminent domain or other purchase) shall be transferred by the Secretary to the holder of a permit referred to in subsection (b) if such holder has made payment to the Secretary of the entire costs of the acquisition of such property interest, including administrative costs. The Secretary may accept, and expend, for purposes of such acquisition, amounts from any such person before acquiring a property interest to be transferred to such person under this section.

(2) If no payment is made by a permit holder under paragraph (1), within a reasonable time, the Secretary shall offer such rightsof-way to the original owner for reacquisition at the original price paid by the Secretary. If such original owner refuses to reacquire such property after a reasonable period, the Secretary shall dispose of such property in accordance with applicable provisions of law governing disposal of property of the United States.

(e) FEDERAL LAW GOVERNING FEDERAL LANDS.—This section shall not affect any Federal law governing Federal lands.

(f) REPORTS.—The Secretary shall report annually to the Congress on the actions, if any, taken pursuant to this section.

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