

U.S. Department of Energy
Washington, D.C.

ORDER

HO 1130.2

11-14-80

SUBJECT: ESTABLISHMENT OF FUEL TECHNOLOGY REVIEW COMMITTEE

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1. PURPOSE. To establish within the Department of Energy a Fuel Technology Review Committee which is responsible for assessing the technical and economic feasibility of alternate fuels, innovative technologies, fuel mixtures and conservation measures for use in implementing the Power-plant and Industrial Fuel Use Act of 1978.
 2. BACKGROUND.
 - a. The Fuel Use Act prohibits the use of petroleum or natural gas by new industrial boiler and powerplants. It also authorizes the Department of Energy (DOE) to prohibit such use in certain existing industrial facilities and powerplants and in new industrial non-boilers.
 - b. The Economic Regulatory Administration (RG) intends to develop guidelines identifying viable alternate fuels, innovative technologies, fuel mixtures and conservation measures that are judged to be ready for use by industrial facilities and powerplants subject to the Fuel Use Act. A primary purpose of the guidelines is to inform owners and operators of the alternatives that they should assess in petitions for exemption from the Fuel Use Act prohibitions on oil and gas use for such facilities.
 - c. The Committee will oversee technical subcommittees that will evaluate the fuel technologies. The Committee will evaluate the subcommittee findings and recommend to the Administrator (RG-1) whether the fuel technology candidates should be included in the guidelines. Guidelines will be published in the "Federal Register" and amended as necessary.
 3. ORGANIZATION.
 - a. Membership. Deputy Assistant Secretary for Industrial and Utility Applications and Operations, Resource Applications (RA-30); Deputy Assistant Secretary for Coal Technology, Fossil Energy (FE-20); Deputy Assistant Secretary for Conservation (CS-10), and the Deputy Deputy Assistant Secretary for Solar Energy (CS-30); Deputy Assistant Secretary for Programs, Environment (EV-2); Assistant Administrator for Fuels Conversion, Economic Regulatory Administration (RG-80); Principal Deputy Assistant Secretary for Policy and Evaluation (PE-2).
 - b. Chairperson. Assistant Administrator for the Office of Regulatory Policy, Economic Regulatory Administration (RG-50).

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All Headquarters Elements
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INITIATED BY:

Economic Regulatory
Administration

- c. Executive Director. Director of Coal and Electricity Regulations, Economic Regulatory Administration (RG-54).
- d. Committee Secretariat. To be provided by the Division of Coal and **Electricity Regulations, Economic Regulatory Administration.**
- e. Technical Subcommittees. Composed of DOE staff that will assess the technical and economic viability of the candidate fuels and technologies.
- f. Attendees. Limited to Committee members or designated alternates and appropriate subcommittee members.
- g. Invitees. Technical experts and others as arranged through the Executive Director may be invited to committee meetings solely for the purpose of offering testimony.

4. FUNCTIONS AND AUTHORITY.

- a. Fuel Technology Review Committee:
 - (1) Assesses the technical and economic feasibility of alternate fuels, innovative technologies (including pollution controls), mixtures conservation measures; recommends to the Administrator (RG-1) which fuel technologies should be included in the guidelines.
 - (2) Determines which fuel technologies should be subject to hearings, workshops, and analysis by a subcommittee.
 - (3) Under the Energy Tax Act of 1978, the Department of the Treasury will consult with DOE on the standards to be used to determine which energy property and equipment receives tax relief. On behalf of DOE, the Committee will assess the performance and quality standards of energy property and equipment to be established in regulations published by the Department of the Treasury under the authority of the Energy Tax Act of 1978 (Section 301 (b) (9) (A).
- b. Chairperson. With Committee consent, establishes technical subcommittees to review all available information on the technical and economic viability of each fuel technology.
- c. Technical Subcommittees.
 - (1) Assess information on the various alternate fuels and technologies and determine the technical viability of each;
 - (2) Evaluate the economic viability of the candidates under the Fuel Use Act cost test;

- (3) Prepare findings and recommendations for consideration by the Committee; and
 - (4) Participate in hearings, panels or workshops on fuels and technologies.
- d. Executive Director.
 - (1) Organizes Committee meetings and prepares agenda in consultation with the Committee;
 - (2) Oversees preparation of issue papers by subcommittees;
 - (3) Supervises the Committee Secretariat;
 - (4) Oversees contracted studies or technical services; and
 - (5) Writes guidelines with assistance of Technical Subcommittees.
- e. Administrator (RG-1).
 - (1) Decides, based on the findings and recommendations of the Committee, whether or not to include fuel technologies in the guidelines;
 - (2) Consults with the Deputy Secretary (DS) when there is substantial disagreement on specific findings and recommendations of the Committee; and
 - (3) Advises the Deputy Secretary on specific Committee findings and recommendations when, in the judgement of the Administrator, it is appropriate.
- f. Committee Secretariat.
 - (1) Assists the technical subcommittee in the preparation of issue papers and assists the Executive Director in preparation of guidelines;
 - (2) Prepares minutes and assists in the preparation of agenda;
 - (3) Arranges meetings, workshops, and hearings; and
 - (4) Provides administrative and other assistance to the Committee and technical subcommittees as needed.
- g. Office of General Counsel. Provides legal advice to the Committee.

5. PROCEDURES.

- a. Meetings. As necessary, meetings are called by the Chairperson to establish procedures initially and review fuel technology candidates.
- b. Agenda and Issue Papers. These are prepared by the Executive Director and technical subcommittees with the assistance of the Committee Secretariat and are distributed before the meeting by the Committee Secretariat.
- c. Minutes. The Committee Secretariat is responsible for providing minutes of meetings.
- d. Sunset Review. The operation and continuance of the Committee will be subject to review two years from the date of establishment.



William S. Heffelfinger
Director of Administration