

**AMENDMENT TO H.R. 2647, AS REPORTED
OFFERED BY MR. KRATOVIL OF MARYLAND**

At the end of subtitle D of title XXVIII (page 597,
after line 7), add the following new section:

1 **SEC. 2846. DEPARTMENT OF DEFENSE PARTICIPATION IN**
2 **PROGRAMS FOR MANAGEMENT OF ENERGY**
3 **DEMAND OR REDUCTION OF ENERGY USAGE**
4 **DURING PEAK PERIODS.**

5 (a) IN GENERAL.—Subchapter I of chapter 173 of
6 title 10, United States Code, is amended by adding at the
7 end the following new section:

8 **“§ 2919. Participation in programs for management of**
9 **energy demand or reduction of energy**
10 **usage during peak periods**

11 “(a) PARTICIPATION IN DEMAND RESPONSE OR
12 LOAD MANAGEMENT PROGRAMS.—The Secretary of De-
13 fense shall permit and encourage the Secretaries of the
14 military departments, heads of Defense agencies, and the
15 heads of other instrumentalities of the Department of De-
16 fense to participate in demand response programs for the
17 management of energy demand or the reduction of energy
18 usage during peak periods conducted by—

19 “(1) an electric utility;

1 “(2) independent system operator;

2 “(3) State agency; or

3 “(4) third-party entity (such as a demand re-
4 sponse aggregator or curtailment service provider)
5 implementing demand response programs on behalf
6 of an electric utility, independent system operator,
7 or State agency.

8 “(b) TREATMENT OF CERTAIN FINANCIAL INCEN-
9 TIVES.—Financial incentives received from an entity spec-
10 ified in subsection (a) shall be received in cash and depos-
11 ited into the Treasury as a miscellaneous receipt. Amounts
12 received shall be available for obligation only to the extent
13 provided in advance in an appropriations act. The Sec-
14 retary concerned or head of the Defense Agency or other
15 instrumentality shall pay for the cost of the design and
16 implementation of these services in full in the year in
17 which they are received from amounts provided in advance
18 in an appropriations Act.

19 “(c) USE OF CERTAIN FINANCIAL INCENTIVES.—Of
20 the amounts provided in advance in an appropriations Act
21 derived from subsection (b) above, 100 percent shall be
22 available to the military installation where the proceeds
23 were derived, and at least 25 percent of that appropriated
24 amount shall be designated for use in energy management

1 initiatives by the military installation where the proceeds
2 were derived.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of such subchapter is amended by adding
5 at the end the following new item:

“2919. Participation in programs for management of energy demand or reduction of energy usage during peak periods.”.

