A number of recent articles regarding the provision restricting spending on non-petroleum fuels in the recent National Defense Authorization bill passed by the U.S. House of Representatives appear to have gotten the story wrong. It's a pretty confusing story to follow so that's not surprising.

For example, Fred Kaplan writes in Slate : "Republican leaders passed an amendment barring the entire Defense Department from using any alternative fuels, for any purpose, if they're more expensive than oil. But then, in a shameless disclosure of who's paying the tiller, **they tacked on a provision exempting coal and natural gas from this prohibition.** " (emphasis added)
Noah Shachtman wrote in Wired : "House Republicans...last Wednesday voted to impose its ban on alt-fuels that cost more than the traditional stuff....But the armed services committee didn't put limits on all alternative fuels — just the ones with environmental benefits." These quotes imply that the cost restriction measures apply only to particular types of non-petroleum fuels.

This is not correct. Let's go down the legislative rabbit hole to untangle the confusion:

The relevant parts of the National Defense Authorization Act for Fiscal Year 2013 reported in the House are sections 313 and 314.Both are copied below, with the legislative text followed by the associated report language, followed by my comment.

Legislative text :

SEC. 313. EXEMPTION OF DEPARTMENT OF DEFENSE FROM ALTERNATIVE FUEL PROCUREMENT REQUIREMENT.
Section 526 of the Energy Independence and Security Act of 2007 (Public Law 110-140; 42 U.S.C. 17142) is amended by adding at the end the following: `This section shall not apply to the Department of Defense.'.

Report language :

SECTION 313--EXEMPTION OF DEPARTMENT OF DEFENSE FROM ALTERNATIVE FUEL PROCUREMENT REQUIREMENT
This section would amend section 526 of the Energy Independence and Security Act (42 U.S.C. 17142) to exempt the Department of Defense from the requirements related to contracts for alternative or synthetic fuel in that section.

Comment:
Below follows the text of section 526 of the Energy Independence and Security Act (EISA) - 4

2 U.S.C 17142
- which Section 313 would make inapplicable to the DOD:

42 USC § 17142 - Procurement and acquisition of alternative fuels
No Federal agency shall enter into a contract for procurement of an alternative or synthetic fuel, including a fuel produced from nonconventional petroleum sources, for any mobility-related use, other than for research or testing, unless the contract specifies that the lifecycle greenhouse gas emissions associated with the production and combustion of the fuel supplied under the contract must, on an ongoing basis, be less than or equal to such emissions from the equivalent conventional fuel produced from conventional petroleum sources.

Explanation: 42 U.S.C 17142 barred federal purchase of any non-petroleum fuel with higher greenhouse gas emissions than fuel made from conventional oil, which means it barred coal based fuels, fuels produced from unconventional oil such as tar sands, and potentially other types of fuels depending on how exactly lifecycle greenhouse gas emissions are measured (the measurement question is an issue well beyond the scope of this post.) While it would serve to limit greenhouse gas emissions of federally purchased fuels, by its very nature 42 U.S.C 17142 is an option limiting, and thus by definition energy security limiting, measure. (In case you're not clear on why I wrote by definition, let me quote myself : "*When the British Navy made the shift from coal to oil, then Lord of the Admiralty Winston Churchill famously remarked, “safety and certainty in oil lies in variety and variety alone.” To diminish the strategic importance of oil to the international system it is now critical to expand the Churchillian doctrine beyond geographical variety to a variety of fuels and feedstocks.*
") Bottom line, Section 313 would serve to
undo
a limitation on fuel types, at least for the DOD, increasing its spectrum of allowable fuel options.

Forging ahead to Section 314:

Legislative text :

SEC. 314. LIMITATION ON AVAILABILITY OF FUNDS FOR PROCUREMENT OF ALTERNATIVE FUEL.

 (a) Limitation- Except as provided in subsection (b), none of the funds authorized to be appropriated by this Act or otherwise made available during fiscal year 2013 for the Department of Defense may be obligated or expended for the production or purchase of any alternative fuel if the cost of producing or purchasing the alternative fuel exceeds the cost of producing or purchasing a traditional fossil fuel that would be used for the same purpose as the alternative fuel.

(b) Exception- Notwithstanding subsection (a), the Secretary of Defense may purchase such limited quantities of alternative fuels as are necessary to complete fleet certification for 50/50 blends. In such instances, the Secretary shall purchase such alternative fuel using competitive procedures and ensure the best purchase price for the fuel.

Report language:

SECTION 314 --LIMITATION ON AVAILABILITY OF FUNDS FOR PROCUREMENT OF ALTERNATIVE FUEL
This section would prohibit the use of funds for the production or purchase of any alternative fuel if the cost of producing or purchasing the alternative fuel exceeds the cost of producing or purchasing a traditional fossil fuel. ***This section would also provide an exception for the Secretary of Defense to purchase limited quantities of alternative fuels to complete fleet certification of 50/50 alternative fuel blends.*** (emphasis added)

Comment: It seems the exception bolded above is what Fred Kaplan was referring to when writing
"they tacked on a provision exempting coal and natural gas from [the prohibition to buy non-petroleum fuels that are more expensive than petroleum based fuels.]" However, 50/50 blends means blends of 50% non-petroleum fuel (of fossil
or renewable
origin) and 50% petroleum fuel. See many examples of DOD 50/50 blends, listed in the several page Table A-1 (starting on p. 149
at this link
.) So, for example, the exemption would apply to a 50/50 blend of bio-SPK and diesel fuel, whether the origin of the bio-SPK is fats, grease, food oil crops, energy crops, algae, and so on and so forth. The exemption would also apply to a 50/50 blend of bio-SPK and jet fuel, whether the origin of the bio-SPK is fats, grease, food oil crops, energy crops, algae, and so on and so forth. It would apply to a 50/50 blend of PRJ and jet fuel, whether the origin of PRJ is agricultural or forestry residue, energy crops, urban wood/mill waste, and so forth. It would also apply to 50/50 blends where the non-petroleum part is natural gas based, or coal based. I could go on but you get the picture. It's not correct to say there is a restriction in Section 314 that applies only to biofuels nor is it correct to say that the exemption in Section 314 applies only to natural gas or coal based fuels. Both parts of 314 apply to non-petroleum fuels regardless of whether their origin is fossil or renewable.

Hope this clarifies the morass a bit for those interested in this issue.