

117TH CONGRESS
2D SESSION

S. 3987

To require the Secretary of Energy to provide grants and loan guarantees for commercial-scale implementation of transformative industrial technologies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 31, 2022

Mr. HEINRICH (for himself and Mr. CASEY) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To require the Secretary of Energy to provide grants and loan guarantees for commercial-scale implementation of transformative industrial technologies, 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 “First Three Act of
5 2022”.

6 **SEC. 2. COMMERCIAL-SCALE IMPLEMENTATION OF TRANS-**
7 **FORMATIVE INDUSTRIAL TECHNOLOGIES.**

8 (a) **DEFINITIONS.**—In this section:

1 (1) ELIGIBLE ENTITY.—The term “eligible enti-
2 ty” means any of the following entities:

3 (A) An owner of an industrial plant at
4 which an eligible technology would be imple-
5 mented.

6 (B)(i) A provider that—

7 (I) manufactures an eligible tech-
8 nology; or

9 (II) implements or integrates an eligi-
10 ble technology at an industrial plant; or

11 (ii) any other entity involved in the imple-
12 mentation of eligible technology at an industrial
13 plant.

14 (C) A consortium or partnership of 1 or
15 more entities described in subparagraphs (A)
16 and (B).

17 (2) ELIGIBLE PROJECT.—The term “eligible
18 project” means the implementation of an eligible
19 technology at an industrial plant in a State.

20 (3) ELIGIBLE PROJECT COSTS.—The term “eli-
21 gible project costs” means any capital, installation,
22 engineering, construction, and permitting costs re-
23 lated to carrying out an eligible project.

1 (4) ELIGIBLE TECHNOLOGY.—The term “eligi-
2 ble technology” means any technology that, as deter-
3 mined by the Secretary—

4 (A) is an innovative technology (as de-
5 scribed in section 454(b)(1) of the Energy Inde-
6 pendence and Security Act of 2007 (42 U.S.C.
7 17113(b)(1)));

8 (B) is demonstrated to be technically viable
9 at pilot scale and ready for commercial-scale
10 implementation;

11 (C) is able to significantly reduce the en-
12 ergy use or greenhouse gas emissions of the
13 process with respect to which the eligible tech-
14 nology is implemented, relative to the tech-
15 nology available on the date of enactment of
16 this Act; and

17 (D) has the potential to significantly re-
18 duce annual United States industrial energy use
19 or greenhouse gas emissions, relative to the
20 United States industrial energy use or green-
21 house gas emissions in calendar year 2021, if
22 the eligible technology is widely implemented at
23 the appropriate industrial plants in the United
24 States.

1 (5) PROGRAM.—The term “program” means
2 the program established under subsection (b).

3 (6) SECRETARY.—The term “Secretary” means
4 the Secretary of Energy.

5 (7) STATE.—The term “State” means—

6 (A) a State;

7 (B) the District of Columbia; and

8 (C) any territory or possession of the
9 United States.

10 (b) ESTABLISHMENT.—Subject to the availability of
11 appropriations, the Secretary shall establish a program
12 under which the Secretary shall provide grants and loan
13 guarantees to eligible entities to carry out eligible projects.

14 (c) APPLICATIONS.—

15 (1) IN GENERAL.—To apply for a grant or loan
16 guarantee under the program, an eligible entity shall
17 submit to the Secretary an application at such time,
18 in such manner, and containing such information as
19 the Secretary may require.

20 (2) SELECTION.—In evaluating applications
21 submitted under paragraph (1), the Secretary shall
22 select applications that will result in the greatest—

23 (A) improvement to the competitiveness of
24 United States industry in global markets;

25 (B) reduction in energy use; or

1 (C) reduction in greenhouse gas emissions.

2 (3) CONSULTATION.—In evaluating applications
3 submitted under paragraph (1), the Secretary shall
4 solicit input from outside technical and industry ex-
5 perts on the specific industry sectors in which the el-
6 igible technologies would be implemented.

7 (d) GRANTS AND LOAN GUARANTEES.—

8 (1) IN GENERAL.—In carrying out the program,
9 the Secretary—

10 (A) shall provide grants or loan guarantees
11 to carry out not more than 3 eligible projects
12 in each category of eligible technology; and

13 (B) may provide a grant and a loan guar-
14 antee to the same eligible entity.

15 (2) GRANT AMOUNTS.—The amount of a grant
16 that may be provided under the program to carry
17 out an eligible project in each category of eligible
18 technology shall be not more than the following:

19 (A) 60 percent of the total eligible project
20 costs for the first eligible project awarded a
21 grant in that category.

22 (B) 45 percent of the total eligible project
23 costs for the second eligible project awarded a
24 grant in that category.

1 (C) 30 percent of the total eligible project
2 costs for the third eligible project awarded a
3 grant in that category.

4 (3) LOAN GUARANTEE AMOUNTS.—

5 (A) IN GENERAL.—The Secretary may not
6 provide a loan guarantee under the program for
7 an amount that is greater than 80 percent of
8 the eligible project costs.

9 (B) GRANT AND LOAN GUARANTEE.—If an
10 eligible entity is provided a grant and a loan
11 guarantee under the program, the loan guar-
12 antee may not exceed the amount that is equal
13 to 80 percent of the amount that is equal to the
14 difference between—

15 (i) the eligible project cost; and

16 (ii) the amount of the grant.

17 (4) PROJECT MILESTONES.—The Secretary
18 shall—

19 (A) work with each grant or loan guar-
20 antee recipient under the program to develop
21 project milestones; and

22 (B) issue the grant amount or loan guar-
23 antee, as applicable, after that recipient has
24 demonstrated that the eligible project has
25 reached those project milestones.

1 (e) MONITORING AND REPORTING.—

2 (1) IN GENERAL.—The Secretary shall annually
3 submit to Congress a report describing the eligible
4 projects that were carried out using grants and loan
5 guarantees provided under the program.

6 (2) PROPRIETARY AND COMPETITIVE INFORMA-
7 TION.—The Secretary shall exclude from each report
8 submitted under paragraph (1) any proprietary or
9 competitive information relating to the eligible enti-
10 ties that were provided a grant or loan guarantee,
11 or eligible technologies that were implemented,
12 under the program.

13 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
14 authorized to be appropriated to the Secretary to carry
15 out this section, to remain available until expended—

16 (1) \$500,000,000 for fiscal year 2022; and

17 (2) \$1,000,000,000 for each of fiscal years
18 2023 through 2031.

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