

117TH CONGRESS  
2D SESSION

# S. 4566

To amend the Energy Independence and Security Act of 2007 to establish a regional clean energy innovation program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 20, 2022

Ms. CORTEZ MASTO (for herself and Mr. LUJÁN) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To amend the Energy Independence and Security Act of 2007 to establish a regional clean energy innovation program, 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 “Regional Clean Energy  
5 Innovation Act of 2022”.

6 **SEC. 2. REGIONAL CLEAN ENERGY INNOVATION PROGRAM.**

7 (a) IN GENERAL.—Subtitle C of title IX of the En-  
8 ergy Independence and Security Act of 2007 (42 U.S.C.

1 17371 et seq.) is amended by adding at the end the fol-  
 2 lowing:

3 **“SEC. 936. REGIONAL CLEAN ENERGY INNOVATION PRO-**  
 4 **GRAM.**

5 “(a) DEFINITIONS.—In this section:

6 “(1) COVERED ENTITY.—The term ‘covered en-  
 7 tity’ means any of the following:

8 “(A) An institution of higher education or  
 9 a consortium of institutions of higher education.

10 “(B) A workforce training provider, includ-  
 11 ing a vocational school and community college.

12 “(C) A private sector entity or group of  
 13 private sector entities, including a trade or in-  
 14 dustry association.

15 “(D) A nonprofit organization.

16 “(E) A community group.

17 “(F) A labor group.

18 “(G) A National Laboratory.

19 “(H) A venture development organization.

20 “(I) A community development financial  
 21 institution.

22 “(J) A minority depository institution.

23 “(K) A worker cooperative membership as-  
 24 sociation.

1           “(L) A State or local employee ownership  
2 or cooperative development center.

3           “(M) An organization focused on clean en-  
4 ergy technology innovation or entrepreneurship.

5           “(N) A business accelerator or incubator.

6           “(O) An economic development organiza-  
7 tion.

8           “(P) A manufacturing facility or organiza-  
9 tion.

10          “(Q) A clean energy incubator or clean en-  
11 ergy accelerator.

12          “(R) A multi-institutional collaboration of  
13 at least 3 institutions.

14          “(S) Any other entity that the Secretary  
15 determines to be relevant.

16          “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
17 tity’ means—

18           “(A) a partnership of not less than 2 cov-  
19 ered entities; and

20           “(B) a regional clean energy innovation  
21 partnership in existence as of the date of enact-  
22 ment of the Regional Clean Energy Innovation  
23 Act of 2022.

1           “(3) PROGRAM.—The term ‘program’ means  
2           the Regional Clean Energy Innovation Program es-  
3           tablished under subsection (b).

4           “(4) REGIONAL CLEAN ENERGY INNOVATION  
5           PARTNERSHIP.—The term ‘regional clean energy in-  
6           novation partnership’ means a partnership—

7                   “(A) among—

8                           “(i) a government entity, including a  
9                           unit of State, local, or Tribal government;  
10                          and

11                           “(ii) not less than 2 covered entities;  
12                          and

13                          “(B) that carries out or coordinates activi-  
14                          ties or programs that further the purposes of  
15                          the program described in subsection (c), includ-  
16                          ing the activities described in subsection (f).

17           “(b) ESTABLISHMENT.—The Secretary shall estab-  
18           lish a research, development, demonstration, and commer-  
19           cial application program, to be known as the ‘Regional  
20           Clean Energy Innovation Program’, to enhance the eco-  
21           nomic, environmental, and energy security of the United  
22           States and accelerate the pace of innovation of diverse  
23           clean energy technologies through the formation of new,  
24           or support of existing, regional clean energy innovation  
25           partnerships that—

1           “(1) account for the diverse domestic energy re-  
2 sources available in the United States;

3           “(2) are responsive to the needs of industry,  
4 workforce, policy landscape, and clean energy inno-  
5 vation capabilities of the region served by a regional  
6 clean energy innovation partnership;

7           “(3) enhance and accelerate clean energy inno-  
8 vation;

9           “(4) are located in diverse geographic regions of  
10 the United States, including United States terri-  
11 tories; and

12           “(5) maximize the opportunities for cooperation  
13 between institutions of higher education, industry,  
14 State and local governments, and nonprofit research  
15 institutions with shared areas of energy expertise.

16           “(c) PURPOSES.—The purposes of the program are—

17           “(1) to improve the competitiveness of the  
18 United States in clean energy technology research,  
19 development, demonstration, and commercial appli-  
20 cation; and

21           “(2) to support the development of clean energy  
22 tools and technologies best suited for use in diverse  
23 regions of the United States, including in rural, trib-  
24 al, and low-income communities.

25           “(d) GRANTS.—

1           “(1) IN GENERAL.—Under the program, the  
2 Secretary shall competitively award grants to—

3           “(A) eligible entities described in sub-  
4 section (a)(2)(A) to establish new regional clean  
5 energy innovation partnerships; and

6           “(B) eligible entities described in sub-  
7 section (a)(2)(B) to support ongoing activities  
8 of those eligible entities, in accordance with the  
9 requirements of the program.

10          “(2) GRANT AMOUNT.—The amount of a grant  
11 awarded to an eligible entity under the program in  
12 a calendar year—

13           “(A) shall not exceed \$10,000,000; and

14           “(B) shall be, subject to a waiver by the  
15 Secretary, less than the amount of a grant  
16 awarded to the eligible entity under the pro-  
17 gram the previous calendar year, if applicable.

18          “(3) ADMINISTRATIVE COSTS.—The Secretary  
19 may allow an eligible entity awarded a grant under  
20 the program to allocate a portion of the grant funds  
21 for administrative or indirect costs.

22          “(4) NON-FEDERAL COST SHARE.—In the case  
23 of a grant awarded under the program that has a  
24 term of 3 or more years, the Secretary shall require,  
25 as a condition of receipt of the grant funds, that the

1 non-Federal share of the cost of activities carried  
2 out using the grant funds shall be not less than 50  
3 percent of the cost of the activities during the third,  
4 fourth, and fifth year of the grant, as applicable.

5 “(5) DURATION.—

6 “(A) IN GENERAL.—The term of a grant  
7 awarded under the program shall not exceed 5  
8 years.

9 “(B) RENEWAL.—A grant awarded to an  
10 eligible entity under the program may be re-  
11 newed for a period of not more than 5 years,  
12 subject to a rigorous merit review based on the  
13 progress of the regional clean energy innovation  
14 partnership in achieving the purposes of the  
15 program described in subsection (c) and the  
16 metrics developed under subsection (h)(2).

17 “(6) TERMINATION.—The Secretary may termi-  
18 nate grant funding under the program to an eligible  
19 entity during the performance period if the Sec-  
20 retary determines that the applicable regional clean  
21 energy innovation partnership is underperforming.

22 “(e) APPLICATIONS.—

23 “(1) IN GENERAL.—An eligible entity shall sub-  
24 mit to the Secretary an application to receive a  
25 grant under the program at such time, in such man-

1 ner, and containing such information as the Sec-  
2 retary may require, including—

3 “(A) a list of members of the proposed or  
4 existing regional clean energy innovation part-  
5 nership, the roles of those members, and any  
6 other relevant stakeholders;

7 “(B) a description of—

8 “(i) the geographical region served, or  
9 to be served, by the regional clean energy  
10 innovation partnership;

11 “(ii)(I) the activities that the pro-  
12 posed or existing regional clean energy in-  
13 novation partnership intends to undertake;  
14 and

15 “(II) the manner in which those ac-  
16 tivities will achieve the purposes of the pro-  
17 gram described in subsection (c) and the  
18 proposed outcomes described in clause (iii);  
19 and

20 “(iii) the proposed outcomes of the re-  
21 gional clean energy innovation partnership;

22 “(C) an assessment of—

23 “(i) the relevant clean energy innova-  
24 tion assets needed in the geographical re-  
25 gion identified under subparagraph (B)(i)



1 to achieve the proposed outcomes described  
2 in subparagraph (B)(iii), such as education  
3 and training programs, research facilities,  
4 infrastructure or site development, access  
5 to capital, manufacturing capabilities, or  
6 other assets; and

7 “(ii) the clean energy resource poten-  
8 tial of that geographical region;

9 “(D) a plan for attracting additional  
10 funds, including identification of non-Federal  
11 funding sources, to deliver the proposed out-  
12 comes described in subparagraph (B)(iii);

13 “(E) a plan for partnering and collabo-  
14 rating with community development financial  
15 institutions, minority depository institutions,  
16 labor and community groups, worker coopera-  
17 tive membership associations, local and State  
18 employee ownership and cooperative develop-  
19 ment centers, and other local institutions—

20 “(i) to promote employee, community,  
21 and public ownership in the clean energy  
22 sector; and

23 “(ii) to advance models of local eco-  
24 nomic development that build and retain  
25 wealth in the region;

1           “(F) a plan for sustaining the activities of  
2           the regional clean energy innovation partnership  
3           after funds received under the program have  
4           been expended; and

5           “(G) a proposed budget, including finan-  
6           cial contributions from non-Federal sources.

7           “(2) SELECTION CONSIDERATIONS.—In award-  
8           ing grants under the program, the Secretary shall,  
9           to the maximum extent practicable—

10           “(A) give special consideration to applica-  
11           tions from eligible entities located in rural, trib-  
12           al, and low-income communities; and

13           “(B) ensure geographic diversity among  
14           the eligible entities awarded grants.

15           “(f) PERMISSIBLE ACTIVITIES.—Activities that may  
16           be carried out by a regional clean energy innovation part-  
17           nership established or supported using a grant awarded  
18           under the program shall include—

19           “(1) facilitating the commercial application of  
20           clean energy products, processes, and services, in-  
21           cluding through research, development, demonstra-  
22           tion, or technology transfer;

23           “(2) improving strategic and cost-effective co-  
24           ordination among the partners of the regional clean  
25           energy innovation partnership;

1           “(3) improving stakeholder involvement in de-  
2           veloping the goals and activities of the regional clean  
3           energy innovation partnership;

4           “(4) assessing different incentive mechanisms  
5           for clean energy development and commercial appli-  
6           cation in the region served by the regional clean en-  
7           ergy innovation partnership;

8           “(5) hosting events and conferences;

9           “(6) establishing and updating roadmaps to  
10          measure progress on relevant goals, including goals  
11          relevant to metrics developed under subsection  
12          (h)(2); and

13          “(7) any other activity determined appropriate  
14          by the Secretary to achieve the purposes of the pro-  
15          gram described in subsection (c).

16          “(g) PLANNING AWARDS.—The Secretary may com-  
17          petitively award grants to a covered entity or a govern-  
18          ment entity, including a State, local, or tribal government,  
19          or unit of such government, in an amount not greater than  
20          \$2,000,000, for a term of not more than 2 years, to con-  
21          duct planning for the purpose of establishing a regional  
22          clean energy innovation partnership.

23          “(h) ADMINISTRATION.—

24                 “(1) BEST PRACTICES.—As part of the pro-  
25                 gram, the Secretary shall support the gathering,

1 analysis, and dissemination of information on best  
2 practices for developing and operating successful re-  
3 gional clean energy innovation partnerships.

4 “(2) METRICS.—The Secretary shall collaborate  
5 with program evaluation experts to develop and  
6 make publicly available metrics by which to measure  
7 the progress of a regional clean energy innovation  
8 partnership in achieving the purposes of the pro-  
9 gram described in subsection (c), including, as a re-  
10 sult of activities carried out under the regional clean  
11 energy innovation partnership—

12 “(A) the number and quality of—

13 “(i) new clean energy companies cre-  
14 ated in the region, including clean energy  
15 companies created or preserved through  
16 employee ownership and cooperative devel-  
17 opment;

18 “(ii) new or expanded workforce devel-  
19 opment or training programs in the region;  
20 and

21 “(iii) support services provided to  
22 clean energy technology developers in the  
23 region;

24 “(B) changes in clean energy employment  
25 in the region;

1           “(C) the amount of capital investment in  
2 clean energy companies in the region; and

3           “(D) the completion of new or updated  
4 clean energy resource assessments in the re-  
5 gion.

6           “(3) COORDINATION.—In carrying out the pro-  
7 gram, the Secretary shall coordinate with, and avoid  
8 unnecessary duplication of—

9           “(A) activities under other research enti-  
10 ties of the Department, including the National  
11 Laboratories, the Office of Science, the Ad-  
12 vanced Research Projects Agency—Energy, the  
13 Office of Technology Transitions, Energy Inno-  
14 vation Hubs, and Energy Frontier Research  
15 Centers; and

16           “(B) relevant programs at other Federal  
17 agencies, including—

18           “(i) programs under the Office of In-  
19 novation and Entrepreneurship of the Eco-  
20 nomic Development Administration;

21           “(ii) the regional innovation program  
22 established under section 27 of the Steven-  
23 son-Wydler Technology Innovation Act of  
24 1980 (15 U.S.C. 3722);

1           “(iii) the Hollings Manufacturing Ex-  
2           tension Partnership established under sec-  
3           tion 25 of the National Institute of Stand-  
4           ards and Technology Act (15 U.S.C.  
5           278k);

6           “(iv) the Manufacturing USA Pro-  
7           gram established under section 34 of the  
8           National Institute of Standards and Tech-  
9           nology Act (15 U.S.C. 278s);

10          “(v) the Defense Manufacturing Com-  
11          munity Support Program established under  
12          section 846 of the John S. McCain Na-  
13          tional Defense Authorization Act for Fiscal  
14          Year 2019 (10 U.S.C. 2501 note; Public  
15          Law 115–232);

16          “(vi) the Office of Economic Adjust-  
17          ment of the Department of Defense;

18          “(vii) programs under the rural devel-  
19          opment mission area of the Department of  
20          Agriculture; and

21          “(viii) programs under the energy and  
22          mineral resources mission area of the De-  
23          partment of the Interior.

24          “(4) CONFLICTS OF INTEREST.—In carrying  
25          out the program, the Secretary shall maintain con-

1       flict of interest procedures consistent with the con-  
2       flict of interest procedures of the Department.

3       “(i) REPORTS AND PLAN.—

4             “(1) ANNUAL REPORT.—As part of the annual  
5       budget of the Department submitted to Congress for  
6       a fiscal year, the Secretary shall annually submit to  
7       Congress a report that describes the activities car-  
8       ried out by each regional clean energy innovation  
9       partnership established or supported using grants  
10      awarded under the program during the fiscal year  
11      covered by the report.

12            “(2) STRATEGIC PLAN.—Not later than 1 year  
13      after the date of enactment of the Regional Clean  
14      Energy Innovation Act of 2022, and not less fre-  
15      quently than once every 5 years thereafter, the Sec-  
16      retary shall submit to Congress a 5-year strategic  
17      plan describing how the Secretary shall utilize re-  
18      gional clean energy innovation partnerships to de-  
19      ploy clean energy technologies.

20            “(3) EVALUATION BY COMPTROLLER GEN-  
21      ERAL.—Not later than 3 years after the date of en-  
22      actment of the Regional Clean Energy Innovation  
23      Act of 2022, and every 3 years thereafter, the  
24      Comptroller General of the United States shall sub-  
25      mit to the Committee on Science, Space, and Tech-

1 nology of the House of Representatives and the  
2 Committee on Energy and Natural Resources of the  
3 Senate an evaluation of the operation of the pro-  
4 gram during the most recent 3-year period, includ-  
5 ing—

6 “(A) an assessment of the progress made  
7 in achieving the purposes described in sub-  
8 section (c) based on the metrics developed  
9 under subsection (h)(2);

10 “(B) the short-term and long-term metrics  
11 used to determine the success of the program  
12 under subsection (h)(2), and any recommended  
13 changes to those metrics;

14 “(C) the regional clean energy innovation  
15 partnerships established or supported by grants  
16 received under the program; and

17 “(D) any recommendations for improve-  
18 ment to the program.

19 “(j) SECURITY.—In carrying out this section, the  
20 Secretary shall ensure that proper security controls are  
21 in place to protect sensitive information, as appropriate.

22 “(k) FUNDING.—

23 “(1) AUTHORIZATION OF APPROPRIATIONS.—  
24 There is authorized to be appropriated to the Sec-



1       retary to carry out this section \$50,000,000 for each  
2       of fiscal years 2022 through 2026.

3               “(2) ADDITIONAL FUNDING.—The Secretary  
4       may accept funds from other Federal agencies to  
5       support funding and activities under the program.

6               “(3) NO FUNDS FOR CONSTRUCTION.—None of  
7       the funds made available to carry out the program  
8       may be used for construction.”.

9       (b) CLERICAL AMENDMENT.—The table of contents  
10   in section 1(b) of the Energy Independence and Security  
11   Act of 2007 (Public Law 110–140; 121 Stat. 1497) is  
12   amended by adding at the end of the items relating to  
13   subtitle C of title IX the following:

“Sec. 936. Regional Clean Energy Innovation Program.”.

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