111TH CONGRESS
1ST SESSION

S. 2776

To amend the Energy Policy Act of 2005 to create the right business environment for doubling production of clean nuclear energy and other clean energy and to create mini-Manhattan projects for clean energy research and development.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 2009

Mr. ALEXANDER (for himself and Mr. WEBB) 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 Policy Act of 2005 to create the right business environment for doubling production of clean nuclear energy and other clean energy and to create mini-Manhattan projects for clean energy research and development.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Clean Energy Act of 2009''.

SEC. 2. FINDINGS.

Congress finds that—

(1) nuclear energy provides—

(A) approximately 19 percent of the electricity of the United States; and

(B) approximately 70 percent of the carbon-dioxide free electricity of the United States;

(2) nuclear energy has the lowest land-use requirements per megawatt of any electricity generating source;

(3) the majority of the 104 operating reactors located in the United States were constructed during a 20-year time period beginning in 1970 and ending in 1990; and

(4) a broader deployment of nuclear energy (including novel methods such as the development of small reactors and advanced fuel cycles) would greatly improve the ability of the United States—

(A) to reduce greenhouse gas emissions; and

(B) to maintain low electricity prices.

SEC. 3. REVISIONS TO LOAN GUARANTEE PROGRAM AUTHORITY.

(a) DEFINITION OF COMMERCIAL TECHNOLOGY.—Section 1701(1) of the Energy Policy Act of 2005 (42 U.S.C. 16511(1)) is amended by striking subparagraph (B) and inserting the following:

''(B) EXCLUSION.—The term 'commercial technology' does not include a technology if the sole use of the technology is in connection with—

''(i) a demonstration project; or

''(ii) a project for which the Secretary approved a loan guarantee.''.

(b) SUBROGATION.—Section 1702(g)(2) of the Energy Policy Act of 2005 (42 U.S.C. 16512(g)(2)) is amended by striking subparagraphs (B) and (C) and inserting the following:

''(B) SUPERIORITY OF RIGHTS.—Except as provided in subparagraph (C), the rights of the Secretary, with respect to any property acquired pursuant to a guarantee or related agreements, shall be superior to the rights of any other person with respect to the property.

''(C) TERMS AND CONDITIONS.—A guarantee agreement shall include such detailed terms and conditions as the Secretary determines appropriate to—

''(i) protect the interests of the United States in the case of default;

''(ii) have available all the patents and technology necessary for any person se-

lected, including the Secretary, to complete and operate the project;

''(iii) provide for sharing the proceeds received from the sale of project assets with other creditors or control the disposition of project assets if necessary to protect the interests of the United States in the case of default; and

''(iv) provide such lien priority in project assets as necessary to protect the interests of the United States in the case of a default.''.

(c) FEES.—Section 1702(h) of the Energy Policy Act of 2005 (42 U.S.C. 16512(h)) is amended by striking paragraph (2) and inserting the following:

''(2) AVAILABILITY.—Fees collected under this subsection shall remain available to the Secretary for expenditure, without further appropriation or fiscal year limitation, for administrative expenses incurred in carrying out this title.

''(3) ADJUSTMENT.—The Secretary may adjust the amount or manner of collection of fees under this title as the Secretary determines is necessary to promote, to the maximum extent practicable, eligible projects under this title.

''(4) EXCESS FEES.—Of the amount of a fee imposed on an applicant at the conditional commitment stage, 75 percent of the amount shall be refundable to the applicant if there is no financial close on the application, unless the Secretary determines that the administrative costs of the Department have exceeded the amount retained.

''(5) CREDIT REPORT.—If, in the opinion of the Secretary, the credit rating of an applicant is not relevant to the determination of whether or not support will be provided and the applicant agrees to accept the credit rating assigned to the applicant by the Secretary, the Secretary may waive any requirement to provide a third-party credit report.''.

(d) PROCESSING.—Section 1702 of the Energy Policy Act of 2005 (42 U.S.C. 16512) is amended by adding at the end the following:

''(k) ACCELERATED REVIEWS.—To the maximum extent practicable and consistent with sound business practices, the Secretary shall seek to conduct necessary reviews concurrently of an application for a loan guarantee under this title such that decisions as to whether to enter into a commitment on the application can be issued not later than 180 days after the date of submission of a completed application.''.

(e) ELIGIBLE PROJECTS.—Section 1703(b)(4) of the Energy Policy Act of 2005 (42 U.S.C. 16513(b)(4)) is amended by inserting ''(including nuclear power parts, services, and fuel suppliers)'' after ''energy facilities''.

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 1704 of the Energy Policy Act of 2005 (42 U.S.C. 16514) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

''(b) USE OF FUNDS.—Of the funds made available under subsection (a), not less than $10,000,000,000 shall be used to cover the costs of subsidies under this title.''.

SEC. 4. NUCLEAR REGULATORY COMMISSION.

(a) SENSE OF CONGRESS REGARDING BLUE-RIBBON PANEL FOR DEVELOPMENT OF FEDERAL NUCLEAR WASTE POLICY.—It is the sense of Congress that Congress supports the convening by the President of a blue-ribbon panel for the development of a Federal nuclear waste policy.

(b) SMALL NUCLEAR REACTOR DESIGN DEVELOPMENT.—Section 952(c) of the Energy Policy Act of 2005 (42 U.S.C. 16272(c)) is amended by adding at the end the following:

''(3) SMALL NUCLEAR REACTOR DESIGN DEVELOPMENT.—

''(A) IN GENERAL.—In carrying out the Program, in accordance with subparagraph (B), the Secretary shall offer to enter into cooperative agreements with reactor manufacturers and electric utilities to license nuclear reactors—

''(i) the electrical power capacity of which are less than 350 megawatts per unit; or

''(ii) the thermal power capacity of which are less than 900 megawatts per unit.

''(B) REQUIREMENTS.—In carrying out subparagraph (A), the Secretary shall—

''(i) ensure that not more than 3 of the most technically and economically feasible designs will be submitted to the Nuclear Regulatory Commission for design certification and licensing; and

''(ii) with respect to a reactor, pay to the Nuclear Regulatory Commission 50 percent of any fees arising from—

''(I) the design certification of the reactor;

"(II) the first early site permit for the reactor; and

"(III) the first combined operating license for the reactor.

"(C) RESPONSIBILITY OF NUCLEAR REGULATORY COMMISSION.—Not later than 90 days after the date of receipt of an application for a design certification, early site permit, or combined operating license, the Nuclear Regulatory Commission shall submit to the appropriate committees of Congress a report regarding the status of the application.

"(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this paragraph $200,000,000 for each of fiscal years 2011 through 2015, to remain available until expended.".

(c) CONSTRUCTION AND OPERATING LICENCES.—Section 182 of the Atomic Energy Act of 1954 (42 U.S.C. 2232) is amended by adding at the end the following:

"e. NUCLEAR WASTE CONFIDENCE.—In considering applications for the construction and operation of a nuclear facility submitted to the Commission under section 103 or 104, the Commission shall consider that sufficient

capacity will be available in a timely manner to dispose of spent nuclear fuel and high-level radioactive waste resulting from the operation of the nuclear facility that is the subject of the application.''.

SEC. 5. FUNDING FOR WORKFORCE DEVELOPMENT AND RESEARCH.

(a) NUCLEAR WORKFORCE EDUCATION.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Education to carry out the education of a nuclear workforce $100,000,000 for each of fiscal years 2011 through 2020, to remain available until expended.

(2) USE OF FUNDS.—In using funds made available under paragraph (1), the Secretary of Education, in consultation with the Secretary of Labor and the Secretary of Energy, shall—

(A) carry out activities to educate and train craftsmen, engineers, operators, and other appropriate workers as determined to be necessary by the Secretary of Education to ensure an adequate nuclear workforce; and

(B) make grants to develop educational and cooperative programs at—

(i) secondary schools, as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801); and

(ii) postsecondary institutions.

(b) NUCLEAR REACTOR LIFETIME-EXTENSION RESEARCH.—There is authorized to be appropriated to the Secretary of Energy to carry out nuclear reactor uprate and lifetime-extension research $50,000,000 for each of fiscal years 2011 through 2020, to remain available until expended.

(c) CLEAN ENERGY RESEARCH AND DEVELOPMENT.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Energy to carry out research and development activities to advance clean energy $750,000,000 for each of fiscal years 2011 through 2020, to remain available until expended.

(2) USE OF FUNDS.—Of the funds made available under paragraph (1) for each of fiscal years 2011 through 2020—

(A) $150,000,000 shall be used for the research and development of liquid transportation biofuels other than ethanol;

(B) $150,000,000 shall be used for the research and development of marketable—

(i) carbon dioxide capture, storage, or conversion; or

(ii) beneficial reuses of carbon dioxide;

(C) $150,000,000 shall be used for research and development to reduce the cost of batteries for electric vehicles;

(D) $150,000,000 shall be used for research and development to make solar electricity cost-competitive with respect to traditional sources of electricity generation (including coal); and

(E) $150,000,000 shall be used for research and development to recycle used nuclear fuel (including the research and development of Generation IV nuclear reactors that are designed to consume recycled nuclear fuel).

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