

AMENDMENT TO H.R. 5116, AS REPORTED
OFFERED BY MR. MARKEY OF MASSACHUSETTS

Page 195, after line 11, insert the following new section:

1 **SEC. 504. CLEAN ENERGY CONSORTIUM.**

2 (a) **PURPOSE.**—The Secretary shall carry out a pro-
3 gram to establish a Clean Energy Consortium to enhance
4 the Nation's economic, environmental, and energy security
5 by promoting commercial application of clean energy tech-
6 nology and ensuring that the United States maintains a
7 technological lead in the development and commercial ap-
8 plication of state-of-the-art energy technologies. To
9 achieve these purposes the program shall leverage the ex-
10 pertise and resources of the university and private re-
11 search communities, industry, venture capital, national
12 laboratories, and other participants in energy innovation
13 to support collaborative, cross-disciplinary research and
14 development in areas not being served by the private sec-
15 tor in order to develop and accelerate the commercial ap-
16 plication of innovative clean energy technologies.

17 (b) **DEFINITIONS.**—For purposes of this section:

1 (1) CLEAN ENERGY TECHNOLOGY.—The term
2 “clean energy technology” means a technology
3 that—

4 (A) produces energy from solar, wind, geo-
5 thermal, biomass, tidal, wave, ocean, and other
6 renewable energy resources (as such term is de-
7 fined in section 610 of the Public Utility Regu-
8 latory Policies Act of 1978);

9 (B) more efficiently transmits, distributes,
10 or stores energy;

11 (C) enhances energy efficiency for build-
12 ings and industry, including combined heat and
13 power;

14 (D) enables the development of a Smart
15 Grid (as described in section 1301 of the En-
16 ergy Independence and Security Act of 2007
17 (42 U.S.C. 17381)), including integration of re-
18 newable energy resources and distributed gen-
19 eration, demand response, demand side man-
20 agement, and systems analysis;

21 (E) produces an advanced or sustainable
22 material with energy or energy efficiency appli-
23 cations; or

24 (F) improves energy efficiency for trans-
25 portation, including electric vehicles.

1 (2) CLUSTER.—The term “cluster” means a
2 network of entities directly involved in the research,
3 development, finance, and commercial application of
4 clean energy technologies whose geographic prox-
5 imity facilitates utilization and sharing of skilled
6 human resources, infrastructure, research facilities,
7 educational and training institutions, venture cap-
8 ital, and input suppliers.

9 (3) CONSORTIUM.—The term “Consortium”
10 means a Clean Energy Consortium established in ac-
11 cordance with this section.

12 (4) PROJECT.—The term “project” means an
13 activity with respect to which a Consortium provides
14 support under subsection (e).

15 (5) QUALIFYING ENTITY.—The term “quali-
16 fying entity” means each of the following:

17 (A) A research university.

18 (B) A State or Federal institution with a
19 focus on the advancement of clean energy tech-
20 nologies.

21 (C) A nongovernmental organization with
22 research or technology transfer expertise in
23 clean energy technology development.

24 (6) SECRETARY.—The term “Secretary” means
25 the Secretary of Energy.

1 (7) TECHNOLOGY DEVELOPMENT FOCUS.—The
2 term “technology development focus” means the
3 unique clean energy technology or technologies in
4 which a Consortium specializes.

5 (8) TRANSLATIONAL RESEARCH.—The term
6 “translational research” means coordination of basic
7 or applied research with technical applications to en-
8 able promising discoveries or inventions to achieve
9 commercial application of energy technology.

10 (c) ROLE OF THE SECRETARY.—The Secretary
11 shall—

12 (1) have ultimate responsibility for, and over-
13 sight of, all aspects of the program under this sec-
14 tion;

15 (2) select a recipient of a grant for the estab-
16 lishment and operation of a Consortium through a
17 competitive selection process;

18 (3) coordinate the innovation activities of the
19 Consortium with those occurring through other De-
20 partment of Energy entities, including the National
21 Laboratories, the Advanced Research Projects Agen-
22 cy—Energy, Energy Innovation Hubs, and Energy
23 Frontier Research Collaborations, and within indus-
24 try, including by annually—

1 (A) issuing guidance regarding national
2 energy research and development priorities and
3 strategic objectives; and

4 (B) convening a conference of staff of the
5 Department of Energy and representatives from
6 such other entities to share research results,
7 program plans, and opportunities for collabora-
8 tion.

9 (d) ENTITIES ELIGIBLE FOR SUPPORT.—A consor-
10 tium shall be eligible to receive support under this section
11 if—

12 (1) it is composed of—

13 (A) 2 research universities with a com-
14 bined annual research budget of \$500,000,000;
15 and

16 (B) 1 or more additional qualifying enti-
17 ties;

18 (2) its members have established a binding
19 agreement that documents—

20 (A) the structure of the partnership agree-
21 ment;

22 (B) a governance and management struc-
23 ture to enable cost-effective implementation of
24 the program;

1 (C) a conflicts of interest policy consistent
2 with subsection (e)(1)(B);

3 (D) an accounting structure that meets the
4 requirements of the Department of Energy and
5 can be audited under subsection (f)(4); and

6 (E) that it has an External Advisory Com-
7 mittee consistent with subsection (e)(3);

8 (3) it receives funding from States, consortium
9 participants, or other non-Federal sources, to be
10 used to support project awards pursuant to sub-
11 section (e);

12 (4) it is part of an existing cluster or dem-
13 onstrates high potential to develop a new cluster;
14 and

15 (5) it operates as a nonprofit organization.

16 (e) CLEAN ENERGY CONSORTIUM.—

17 (1) ROLE.—The Consortium shall support
18 translational research activities leading to commer-
19 cial application of clean energy technologies, in ac-
20 cordance with the purposes of this section, through
21 issuance of awards to projects managed by quali-
22 fying entities and other entities meeting the Consor-
23 tium's project criteria, including national labora-
24 tories. The Consortium shall—

1 (A) develop and make available to the pub-
2 lic through the Department of Energy's Web
3 site proposed plans, programs, project selection
4 criteria, and terms for individual project awards
5 under this subsection;

6 (B) establish conflict of interest proce-
7 dures, consistent with those of the Department
8 of Energy, to ensure that employees and des-
9 ignees for Consortium activities who are in deci-
10 sionmaking capacities disclose all material con-
11 flicts of interest, including financial, organiza-
12 tional, and personal conflicts of interest;

13 (C) establish policies—

14 (i) to prevent resources provided to
15 the Consortium from being used to dis-
16 place private sector investment otherwise
17 likely to occur, including investment from
18 private sector entities that are members of
19 the Consortium;

20 (ii) to facilitate the participation of
21 private entities that invest in clean energy
22 technologies to perform due diligence on
23 award proposals, to participate in the
24 award review process, and to provide guid-

1 ance to projects supported by the Consor-
2 tium; and

3 (iii) to facilitate the participation of
4 parties with a demonstrated history of
5 commercial application of clean energy
6 technologies in the development of Consor-
7 tium projects;

8 (D) oversee project solicitations, review
9 proposed projects, and select projects for
10 awards; and

11 (E) monitor project implementation.

12 (2) DISTRIBUTION OF AWARDS.—The Consor-
13 tium, with prior approval of the Secretary, shall dis-
14 tribute awards under this subsection to support
15 clean energy technology projects conducting
16 translational research, provided that at least 50 per-
17 cent of such support shall be provided to projects re-
18 lated to the Consortium's clean energy technology
19 development focus. Upon approval by the Secretary,
20 all remaining funds shall be available to support any
21 clean energy technology projects conducting
22 translational research.

23 (3) EXTERNAL ADVISORY COMMITTEE.—

24 (A) IN GENERAL.—The Consortium shall
25 establish an External Advisory Committee, the

1 members of which shall have extensive and rel-
2 evant scientific, technical, industry, financial, or
3 research management expertise. The External
4 Advisory Committee shall review the Consor-
5 tium's proposed plans, programs, project selec-
6 tion criteria, and projects and shall ensure that
7 projects selected for awards meet the conflict of
8 interest policies of the Consortium. External
9 Advisory Committee members other than those
10 representing Consortium members shall serve
11 for no more than 3 years. All External Advisory
12 Committee members shall comply with the Con-
13 sortium's conflict of interest policies and proce-
14 dures.

15 (B) MEMBERS.—The External Advisory
16 Committee shall consist of—

17 (i) 5 members selected by the Consor-
18 tium's research universities;

19 (ii) 2 members selected by the Consor-
20 tium's other qualifying entities;

21 (iii) 2 members selected at large by
22 other External Advisory Committee mem-
23 bers to represent the entrepreneur and
24 venture capital communities; and

1 (iv) 1 member appointed by the Sec-
2 retary.

3 (4) CONFLICT OF INTEREST.—The Secretary
4 may disqualify an application or revoke funds dis-
5 tributed to the Consortium if the Secretary discovers
6 a failure to comply with conflict of interest proce-
7 dures established under paragraph (1)(B).

8 (f) GRANT.—

9 (1) IN GENERAL.—The Secretary shall make a
10 grant under this section in accordance with section
11 989 of the Energy Policy Act of 2005 (42 U.S.C.
12 16353). The Secretary shall award the grant, on a
13 competitive basis, to 1 regional Consortium, for a
14 term of 3 years.

15 (2) AMOUNT.—A grant under this subsection
16 shall be in an amount not greater than \$10,000,000
17 per fiscal year over the 3 years of the term of the
18 grant.

19 (3) USE.—The grant distributed under this sec-
20 tion shall be used exclusively to support project
21 awards pursuant to subsection (e)(1) and (2), pro-
22 vided that the Consortium may use not more than
23 10 percent of the amount of such grant for its ad-
24 ministrative expenses related to making such
25 awards. The grant made under this section shall not

1 be used for construction of new buildings or facili-
2 ties, and construction of new buildings or facilities
3 shall not be considered as part of the non-Federal
4 share of a cost sharing agreement under this section.

5 (4) AUDIT.—The Consortium shall conduct, in
6 accordance with such requirements as the Secretary
7 may prescribe, an annual audit to determine the ex-
8 tent to which a grant distributed to the Consortium
9 under this subsection, and awards under subsection
10 (e), have been utilized in a manner consistent with
11 this section. The auditor shall transmit a report of
12 the results of the audit to the Secretary and to the
13 Government Accountability Office. The Secretary
14 shall include such report in an annual report to Con-
15 gress, along with a plan to remedy any deficiencies
16 cited in the report. The Government Accountability
17 Office may review such audits as appropriate and
18 shall have full access to the books, records, and per-
19 sonnel of the Consortium to ensure that the grant
20 distributed to the Consortium under this subsection,
21 and awards made under subsection (e), have been
22 utilized in a manner consistent with this section.

23 (5) REVOCATION OF AWARDS.—The Secretary
24 shall have authority to review awards made under
25 this subsection and to revoke such awards if the Sec-

1 retary determines that the Consortium has used the
2 award in a manner not consistent with the require-
3 ments of this section.

