

117TH CONGRESS
1ST SESSION

S. 3205

To establish an advanced industrial facilities deployment program and a State flex-tech energy program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 15, 2021

Mr. OSSOFF introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To establish an advanced industrial facilities deployment program and a State flex-tech energy 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 “Industrial Energy-Effi-
5 cient Technology Act of 2021”.

6 **SEC. 2. ADVANCED INDUSTRIAL FACILITIES DEPLOYMENT**
7 **PROGRAM.**

8 (a) APPROPRIATION.—In addition to amounts other-
9 wise available, there is appropriated to the Secretary for
10 fiscal year 2022, out of any money in the Treasury not

1 otherwise appropriated, \$4,000,000,000, to remain avail-
2 able until September 30, 2026, to carry out this section.

3 (b) PROGRAM.—The Secretary shall use funds appro-
4 priated by subsection (a) to establish a program to provide
5 financial assistance, on a competitive basis, to eligible enti-
6 ties to carry out projects for—

7 (1) the purchase and installation, or implemen-
8 tation, of advanced industrial technology at an eligi-
9 ble facility;

10 (2) retrofits, upgrades to, or operational im-
11 provements at an eligible facility to install or imple-
12 ment advanced industrial technology; or

13 (3) engineering studies and other work needed
14 to prepare an eligible facility for activities described
15 in paragraph (1) or (2).

16 (c) APPLICATION.—To be eligible to receive financial
17 assistance under the program established under subsection
18 (b), an eligible entity shall submit to the Secretary an ap-
19 plication at such time, in such manner, and containing
20 such information as the Secretary may require, including
21 the expected greenhouse gas emissions reductions to be
22 achieved by carrying out the proposed project.

23 (d) PRIORITY.—In providing financial assistance
24 under the program established under subsection (b), the

1 Secretary shall give priority consideration to projects on
2 the basis of, as determined by the Secretary—

3 (1) the expected greenhouse gas emissions re-
4 ductions to be achieved by the project;

5 (2) the extent to which the project would pro-
6 vide the greatest benefit for the greatest number of
7 people within the area in which the eligible facility
8 is located; and

9 (3) whether the eligible entity participates or
10 would participate in a partnership with purchasers
11 of the output of the eligible facility.

12 (e) COST SHARE.—The Federal share of the cost of
13 a project carried out using financial assistance provided
14 under this section shall not exceed 50 percent.

15 (f) ADMINISTRATIVE COSTS.—Of amounts made
16 available under subsection (a), the Secretary shall reserve
17 \$200,000,000 for the administrative costs of carrying out
18 this section.

19 (g) DEFINITIONS.—In this section:

20 (1) ADVANCED INDUSTRIAL TECHNOLOGY.—

21 The term “advanced industrial technology” means
22 technology or processes designed to accelerate green-
23 house gas emissions reduction progress to net-zero
24 at an eligible facility, as determined by the Sec-
25 retary, including—

1 (A) industrial energy efficiency tech-
2 nologies;

3 (B) equipment to electrify industrial proc-
4 esses;

5 (C) equipment to utilize low- or zero-car-
6 bon fuels, feedstocks, and energy sources;

7 (D) low- or zero-carbon process heat sys-
8 tems; and

9 (E) carbon capture, transport, utilization,
10 and storage systems.

11 (2) ELIGIBLE ENTITY.—The term “eligible enti-
12 ty” means the owner or operator of an eligible facil-
13 ity.

14 (3) ELIGIBLE FACILITY.—The term “eligible fa-
15 cility” means a domestic, non-Federal, nonpower in-
16 dustrial or manufacturing facility engaged in energy-
17 intensive industrial processes, including production
18 processes for iron, steel, steel mill products, alu-
19 minum, cement, concrete, glass, pulp, paper, and in-
20 dustrial ceramics.

21 (4) FINANCIAL ASSISTANCE.—The term “finan-
22 cial assistance” means a grant, rebate, direct loan,
23 or cooperative agreement.

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

1 **SEC. 3. STATE FLEX-TECH ENERGY PROGRAM.**

2 (a) IN GENERAL.—Part D of title III of the Energy
3 Policy and Conservation Act (42 U.S.C. 6321 et seq.) is
4 amended by adding at the end the following:

5 **“SEC. 367. FLEX-TECH ENERGY PROGRAM TO ENHANCE**
6 **MANUFACTURING COMPETITIVENESS.**

7 “(a) FINANCIAL ASSISTANCE.—Upon request from
8 the State energy agency of a State that has an approved
9 State energy conservation plan in effect under this part,
10 or an Indian Tribe, the Secretary shall provide financial
11 assistance to the State energy agency or Indian Tribe to
12 be used for the development, implementation, improve-
13 ment, or expansion of a flex-tech energy program de-
14 scribed in subsection (b) (referred to in this section as a
15 ‘flex-tech energy program’) to enhance manufacturing
16 competitiveness.

17 “(b) FLEX-TECH ENERGY PROGRAM.—

18 “(1) IN GENERAL.—A flex-tech energy program
19 shall include—

20 “(A) provision of technical and administra-
21 tive assistance to manufacturers through quali-
22 fied engineering firms, as determined by the
23 State energy agency or Indian Tribe;

24 “(B) provision of financial assistance to
25 manufacturers for—

1 “(i) energy studies of manufacturing
2 facilities that are conducted by qualified
3 engineering firms, as determined by the
4 State energy agency or Indian Tribe; and

5 “(ii) the implementation of measures
6 and recommendations identified in energy
7 studies conducted under clause (i), includ-
8 ing the design, acquisition, installation,
9 testing, operation, maintenance, and repair
10 of energy- and water-using systems, resil-
11 iency-related measures, emissions reduc-
12 tion-related measures, utility cost savings
13 measures, and measures related to ad-
14 vanced manufacturing technologies and ar-
15 tificial intelligence; and

16 “(C) reporting on the monitoring, tracking,
17 and success metrics of the flex-tech energy pro-
18 gram.

19 “(2) STUDIES.—An energy study of a manufac-
20 turing facility conducted pursuant to paragraph
21 (1)(B)(i) may include—

22 “(A) an evaluation of the energy-using sys-
23 tems of the facility, including an evaluation of
24 the performance of energy-using systems rel-
25 ative to design intent, operational needs of the

1 facility and occupants of the facility, and oper-
2 ation and maintenance procedures;

3 “(B) an evaluation of emissions related to
4 the facility, including greenhouse gas emissions,
5 and recommendations on sustainability planning
6 and practices;

7 “(C) an evaluation of potential energy effi-
8 ciency, water efficiency, greenhouse gas emis-
9 sions mitigation, and load reduction measures
10 for the facility;

11 “(D) an evaluation of potential on-site en-
12 ergy measures, including grid-interactive effi-
13 ciency systems, combined heat and power, effi-
14 cient compressed air systems, energy storage,
15 energy management systems, renewable thermal
16 systems, and electrification or other forms of
17 fuel switching;

18 “(E) recommendations on the use of new
19 technologies at the facility; and

20 “(F) detailed estimates of potential imple-
21 mentation costs, operating cost savings, energy
22 savings, emissions reductions, and simple pay-
23 back periods for measures and recommenda-
24 tions identified as part of the energy study.

25 “(3) USE OF FUNDS.—

1 “(A) IN GENERAL.—Of the amount of fi-
2 nancial assistance received pursuant to this sec-
3 tion for a fiscal year, a State energy agency or
4 Indian Tribe shall use—

5 “(i) not more than 50 percent for en-
6 ergy studies;

7 “(ii) not more than 50 percent to sup-
8 port the implementation of recommenda-
9 tions from those energy studies; and

10 “(iii) not more than 10 percent for
11 administrative expenses, including outreach
12 and technical assistance.

13 “(B) INDIVIDUAL MANUFACTURING FACIL-
14 ITY.—A State energy agency that receives fi-
15 nancial assistance pursuant to this section for
16 a fiscal year may not use more than 5 percent
17 of that financial assistance with respect to a
18 single manufacturing facility.

19 “(C) FINANCING.—To the extent prac-
20 ticable, a State energy agency or Indian Tribe
21 shall implement a flex-tech energy program
22 using funding provided under this Act, public
23 financing, private financing, and any other
24 sources of funds.

1 “(4) DETERMINATION OF QUALIFIED ENGI-
 2 NEERING FIRMS.—A State energy agency or Indian
 3 Tribe administering a flex-tech energy program shall
 4 maintain and regularly update a publicly available
 5 list of qualified engineering firms that are approved
 6 by the State energy agency or Indian Tribe, as ap-
 7 plicable, to provide assistance to manufacturers pur-
 8 suant to this section.

9 “(c) TECHNICAL ASSISTANCE.—

10 “(1) IN GENERAL.—On request of a State en-
 11 ergy agency or Indian Tribe, the Secretary shall pro-
 12 vide information and technical assistance in the de-
 13 velopment, implementation, improvement, or expan-
 14 sion of a flex-tech energy program.

15 “(2) INCLUSIONS.—Technical assistance pro-
 16 vided pursuant to paragraph (1) may include, with
 17 respect to manufacturers that employ fewer than
 18 500 full-time equivalent employees at a manufac-
 19 turing facility, program design options—

20 “(A) to meet the needs of such manufac-
 21 turers; and

22 “(B) to encourage the use of advanced
 23 manufacturing processes by such manufactur-
 24 ers, including use of additive manufacturing,
 25 advanced sensors and controls, techniques to re-

1 duce embedded emissions, and advanced com-
2 posite materials.

3 “(d) FUNDING.—

4 “(1) ALLOCATION.—Except as provided in
5 paragraph (2), to the extent practicable, the Sec-
6 retary shall allocate funding made available to carry
7 out this section for each fiscal year in accordance
8 with the formula used for distribution of Federal fi-
9 nancial assistance provided pursuant to this part to
10 States that have in effect an approved State energy
11 conservation plan under this part.

12 “(2) INDIAN TRIBES.—The Secretary shall set
13 aside and distribute not less than 5 percent of
14 amounts made available for each fiscal year to carry
15 out this section to provide financial assistance—

16 “(A) to Indian Tribes; or

17 “(B) directly to manufacturers located in
18 Indian Country or, in the case of Alaska, an
19 Alaska Native Village Statistical Area, as iden-
20 tified by the Bureau of the Census.

21 “(3) SUPPLEMENT.—Financial assistance pro-
22 vided to a State energy agency or Indian Tribe pur-
23 suant to this section shall be used to supplement,
24 not supplant, any Federal, State, or other funds oth-

1 erwise made available to that State energy agency or
2 Indian Tribe under this part.

3 “(e) DEFINITIONS.—In this section:

4 “(1) INDIAN COUNTRY.—The term ‘Indian
5 Country’ has the meaning given the term in section
6 1151 of title 18, United States Code.

7 “(2) INDIAN TRIBE.—The term ‘Indian Tribe’
8 has the meaning given the term in section 4 of the
9 Indian Self-Determination and Education Assistance
10 Act (25 U.S.C. 5304).

11 “(3) STATE ENERGY AGENCY.—The term ‘State
12 energy agency’ has the meaning given the term in
13 section 391.”.

14 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
15 365(f) of the Energy Policy and Conservation Act (42
16 U.S.C. 6325(f)) is amended—

17 (1) by striking “(f) For the purpose” and in-
18 serting the following:

19 “(f) AUTHORIZATION OF APPROPRIATIONS.—

20 “(1) IN GENERAL.—For the purpose”;

21 (2) in paragraph (1) (as so designated), by
22 striking “2007 through 2012” and inserting “2022
23 through 2026”; and

24 (3) by adding at the end the following:

“Sec. 367. Flex-tech energy program to enhance manufacturing competitiveness.”.

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