

AMENDMENT TO H.R. 3607

OFFERED BY M____.

Page and line numbers refer to CP_H3607 with timestamp of July 18, 2019 (3:12 p.m.) as forwarded by the Subcommittee on Energy of the Committee on Science, Space, and Technology.

Insert after section 4 the following (and make such conforming changes as may be necessary):

1 **SEC. 5. NATURAL GAS CARBON CAPTURE RESEARCH, DE-**
2 **VELOPMENT, AND DEMONSTRATION PRO-**
3 **GRAM.**

4 (a) IN GENERAL.—Subtitle F of title IX of the En-
5 ergy Policy Act of 2005 (42 U.S.C. 16291 et seq.) is
6 amended by adding at the end the following:

7 **“SEC. 969. NATURAL GAS CARBON CAPTURE RESEARCH,**
8 **DEVELOPMENT, AND DEMONSTRATION PRO-**
9 **GRAM.**

10 “(a) DEFINITIONS.—In this section:

11 “(1) NATURAL GAS.—The term ‘natural gas’
12 includes any fuel consisting in whole or in part of—

13 “(A) natural gas;

14 “(B) liquid petroleum gas;

15 “(C) synthetic gas derived from petroleum
16 or natural gas liquids;

1 “(D) any mixture of natural gas and syn-
2 thetic gas; or

3 “(E) any product derived directly from
4 natural gas, including hydrogen.

5 “(2) QUALIFYING ELECTRIC GENERATION FA-
6 CILITY.—The term ‘qualifying electric generation fa-
7 cility’ means a facility that generates electric energy
8 through the use of natural gas.

9 “(3) QUALIFYING TECHNOLOGY.—The term
10 ‘qualifying technology’ means any technology to cap-
11 ture carbon dioxide produced during the generation
12 of electricity from natural gas power systems

13 “(b) ESTABLISHMENT OF RESEARCH, DEVELOP-
14 MENT, AND DEMONSTRATION PROGRAM.—

15 “(1) IN GENERAL.—The Secretary shall estab-
16 lish a program under which the Secretary shall,
17 through a competitive, merit-reviewed process, award
18 grants to eligible entities to conduct research, devel-
19 opment, and demonstration of qualifying tech-
20 nologies.

21 “(2) OBJECTIVES.—The objectives of the pro-
22 gram established under paragraph (1) shall be—

23 “(A) to conduct research to accelerate the
24 development of qualifying technologies to reduce
25 the quantity of carbon dioxide emissions re-

1 leased from qualifying electric generation facili-
2 ties, including—

3 “(i) pre- and post-combustion capture
4 technologies; and

5 “(ii) technologies to improve the ther-
6 modynamics, kinetics, scalability, dura-
7 bility, and flexibility of carbon capture
8 technologies for use during the generation
9 of electricity from natural gas power sys-
10 tems;

11 “(B) to expedite and carry out demonstra-
12 tion projects (including pilot projects) for quali-
13 fying technologies in partnership with quali-
14 fying electric generation facilities in order to
15 demonstrate the technical feasibility and eco-
16 nomic potential for commercial deployment of
17 technologies developed pursuant to subpara-
18 graph (A); and

19 “(C) to identify any barriers to the com-
20 mercial deployment of any qualifying tech-
21 nologies under development pursuant to re-
22 search conducted pursuant to subparagraph
23 (A).

24 “(3) ELIGIBLE ENTITIES.— An entity eligible
25 to receive a grant under this subsection is—

- 1 “(A) a National Laboratory;
- 2 “(B) an institution of higher education;
- 3 “(C) a research facility;
- 4 “(D) a multi-institutional collaboration; or
- 5 “(E) another appropriate entity or com-
- 6 bination of any of the entities specified in sub-
- 7 paragraphs (A) through (D).

8 “(c) CARBON CAPTURE FACILITIES DEMONSTRATION

9 PROGRAM.—

10 “(1) ESTABLISHMENT.—As part of the pro-

11 gram established under paragraph (1), the Secretary

12 shall establish a demonstration program under which

13 the Secretary shall, through a competitive, merit-re-

14 viewed process, enter into cooperative agreements

15 with entities that submit applications pursuant to

16 paragraph (4) for demonstration or pilot projects to

17 construct and operate, by not later than September

18 30, 2025, up to five facilities to capture carbon diox-

19 ide from qualifying electric generation facilities. The

20 Secretary shall, to the maximum extent practicable,

21 provide technical assistance to any entity seeking to

22 enter into such a cooperative agreement in obtaining

23 any necessary permits and licenses to demonstrate

24 qualifying technologies.

1 “(2) COOPERATIVE AGREEMENTS.—The Sec-
2 retary may enter into a cooperative agreement under
3 this subsection with industry stakeholders, including
4 any such industry stakeholder operating in partner-
5 ship with National Laboratories, institutions of high-
6 er education, multi-institutional collaborations, and
7 other appropriate entities.

8 “(3) GOALS.—Each demonstration or pilot
9 project carried out pursuant to the demonstration
10 program under this subsection shall—

11 “(A) be designed to further the develop-
12 ment of qualifying technologies that may be
13 used by a qualifying electric generation facility;

14 “(B) be financed in part by the private
15 sector;

16 “(C) if necessary, secure agreements for
17 the offtake of carbon dioxide emissions captured
18 by qualifying technologies during the project;
19 and

20 “(D) support energy production in the
21 United States.

22 “(4) REQUEST FOR APPLICATIONS.—Not later
23 than 120 days after the date of enactment of this
24 Act, the Secretary shall solicit applications for coop-
25 erative agreements for projects—

1 “(A) to demonstrate qualifying tech-
2 nologies at up to five qualifying electric genera-
3 tion facilities; and

4 “(B) to construct and operate three or
5 more facilities to capture carbon dioxide from a
6 qualifying electric generation facility.

7 “(5) REVIEW OF APPLICATIONS.—In consid-
8 ering applications submitted under paragraph (4),
9 the Secretary, to the maximum extent practicable,
10 shall—

11 “(A) ensure a broad geographic distribu-
12 tion of project sites;

13 “(B) ensure that a broad selection of
14 qualifying electric generation facilities are rep-
15 resented;

16 “(C) ensure that a broad selection of quali-
17 fying technologies are represented;

18 “(D) require information and knowledge
19 gained by each participant in the demonstration
20 program to be transferred and shared among
21 all participants in the demonstration program;
22 and

23 “(E) leverage existing—

24 “(i) public-private partnerships; and

25 “(ii) Federal resources.

1 “(d) COST SHARING.—In carrying out this section,
2 the Secretary shall require cost sharing in accordance with
3 section 988.

4 “(e) REPORT.—Not later than 180 days after the
5 date on which the Secretary solicits applications under
6 subsection (c)(3), and annually thereafter, the Secretary
7 shall submit to the appropriate committees of jurisdiction
8 of the Senate and the House of Representatives a report
9 that includes—

10 “(1) a detailed description of how applications
11 for cooperative agreements under subsection (b) will
12 be solicited and evaluated, including—

13 “(A) a list of any activities carried out by
14 the Secretary to solicit or evaluate applications;
15 and

16 “(B) a process for ensuring that any
17 projects carried out under a cooperative agree-
18 ment are designed to result in the development
19 or demonstration of qualifying technologies;

20 “(2)(A) in the case of the first report under
21 this subsection, a detailed list of technical milestones
22 for the development and demonstration of each
23 qualifying technology pursued under subsection (b);
24 and

1 “(B) in the case of each subsequent report
2 under this subsection, the progress made towards
3 achieving such technical milestones during the pe-
4 riod covered by the report; and

5 “(3) with respect to the demonstration program
6 established under subsection (c), includes—

7 “(A) an estimate of the cost of licensing,
8 permitting, constructing, and operating each
9 carbon capture facility expected to be con-
10 structed under that demonstration program;

11 “(B) a schedule for the planned construc-
12 tion and operation of each demonstration or
13 pilot project; and

14 “(C) an estimate of any financial assist-
15 ance, compensation, or incentives proposed to
16 be paid by the host State, Indian Tribe, or local
17 government with respect to each facility.

18 “(f) FUNDING.—For each of fiscal years 2020
19 through 2025, out of any amounts appropriated to the De-
20 partment to carry out fossil energy research and develop-
21 ment activities and not otherwise obligated, the Secretary
22 may use to carry out this section not more than
23 \$50,000,000.”.

24 (b) CLERICAL AMENDMENT.—The table of contents
25 for the Energy Policy Act of 2005 (Public Law 109–58;

- 1 119 Stat. 600) is amended by inserting after the item re-
- 2 lating to section 968 the following:

“Sec. 969. Natural gas carbon capture research, development, and demonstra-
tion program.”.

