

**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 CONSORTIA.**

2 (a) PURPOSE.—The Secretary shall carry out a pro-  
3 gram to establish Clean Energy Consortia to enhance the  
4 Nation's economic, environmental, and energy security by  
5 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 recipients of grants for the establish-  
16       ment and operation of Consortia through a competi-  
17       tive selection process;

18           (3) coordinate the innovation activities of Con-  
19       sortia with those occurring through other Depart-  
20       ment of Energy entities, including the National Lab-  
21       oratories, the Advanced Research Projects Agency—  
22       Energy, Energy Innovation Hubs, and Energy Fron-  
23       tier Research Collaborations, and within industry,  
24       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 CONSORTIA.—

17 (1) ROLE.—A 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. Each Consortium shall—

1 (A) develop and make available to the pub-  
2 lie 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.—Consortia,  
13          with prior approval of the Secretary, shall distribute  
14          awards under this subsection to support clean en-  
15          ergy technology projects conducting translational re-  
16          search, provided that at least 50 percent of such  
17          support shall be provided to projects related to a  
18          Consortium's clean energy technology development  
19          focus. Upon approval by the Secretary, all remaining  
20          funds shall be available to support any clean energy  
21          technology projects conducting translational re-  
22          search.

23          (3) EXTERNAL ADVISORY COMMITTEE.—

24          (A) IN GENERAL.—Each 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 a Consortium if the Secretary discovers  
6 a failure to comply with conflict of interest proce-  
7 dures established under paragraph (1)(B).

8 (f) GRANTS.—

9 (1) IN GENERAL.—The Secretary shall make  
10 grants 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 grants, on a  
13 competitive basis, to 3 regional Consortia, each for  
14 a term of 3 years.

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

19 (3) USE.—Grants distributed under this section  
20 shall be used exclusively to support project awards  
21 pursuant to subsection (e)(1) and (2), provided that  
22 a Consortium may use not more than 10 percent of  
23 the amount of its grant for its administrative ex-  
24 penses related to making such awards. Grants made  
25 under this section shall not be used for construction

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

5 (4) AUDIT.—Consortia shall conduct, in accord-  
6 ance with such requirements as the Secretary may  
7 prescribe, annual audits to determine the extent to  
8 which grants distributed to Consortia under this  
9 subsection, and awards under subsection (e), have  
10 been utilized in a manner consistent with this sec-  
11 tion. Auditors shall transmit a report of the results  
12 of each audit to the Secretary and to the Govern-  
13 ment Accountability Office. The Secretary shall in-  
14 clude such reports in an annual report to Congress,  
15 along with a plan to remedy any deficiencies cited in  
16 the reports. The Government Accountability Office  
17 may review such audits as appropriate and shall  
18 have full access to the books, records, and personnel  
19 of Consortia to ensure that grants distributed to  
20 Consortia under this subsection, and awards made  
21 under subsection (e), have been utilized in a manner  
22 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 a Consortium has used the  
2       award in a manner not consistent with the require-  
3       ments of this section.

