

117TH CONGRESS
2D SESSION

H. R. 9046

To establish a program to issue rebates for energy efficiency improvements at industrial facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2022

Mr. MICHAEL F. DOYLE of Pennsylvania (for himself and Mr. CASTEN) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To establish a program to issue rebates for energy efficiency improvements at industrial facilities, 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; DEFINITIONS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Industrial Efficiency Incentive Act”.

6 (b) DEFINITIONS.—In this Act:

7 (1) CERTIFIED ENERGY EXPERT.—The term
8 “certified energy expert” means an expert that has
9 been identified, through testing and review by an
10 independent, accredited certification body that has

1 been approved by the Secretary of Energy, as meet-
2 ing the Department of Energy’s criteria for pro-
3 viding energy efficiency and carbon reducing services
4 to an eligible facility.

5 (2) ELIGIBLE FACILITY.—The term “eligible fa-
6 cility” means a nonpower industrial facility.

7 (3) INDUSTRIAL ASSESSMENT CENTERS.—The
8 term “Industrial Assessment Centers” means the In-
9 dustrial Assessment Centers of the Department of
10 Energy.

11 (4) QUALIFIED ENTITY.—The term “qualified
12 entity” means the owner or operator of an eligible
13 facility.

14 (5) QUALIFIED TECHNOLOGY.—The term
15 “qualified technology” means any technology—

16 (A) that is used at an eligible facility; and

17 (B) that—

18 (i) the use of which can be dem-
19 onstrated to result in energy efficiency im-
20 provements of at least 20 percent over an
21 eligible facility’s existing technology and
22 does not increase scope 1 greenhouse gas
23 emissions or scope 2 greenhouse gas emis-
24 sions, as such terms are defined by the Ad-

1 administrator of the Environmental Protec-
2 tion Agency, of the eligible facility;

3 (ii) the use of which can be dem-
4 onstrated to reduce the amount of water
5 used by at least 20 percent over an eligible
6 facility's existing technology; or

7 (iii) replaces fossil fuel-fired tech-
8 nology at an eligible facility.

9 (6) UTILITY.—The term “utility” means a reg-
10 ulated entity that provides electricity, natural gas, or
11 water service to an eligible facility.

12 (7) WORKING GROUP.—The term “Working
13 Group” means the Industrial Efficiency Working
14 Group established under section 4(a).

15 **SEC. 2. PURPOSES.**

16 The purposes of this Act are to—

17 (1) reduce greenhouse gas emissions from the
18 industrial sector;

19 (2) maximize the energy efficiency and water
20 use efficiency of United States industrial facilities;

21 (3) make industrial facilities more financially
22 viable by making energy efficiency improvements at
23 such facilities that lower energy costs;

1 (4) create opportunities for energy efficiency
2 manufacturing and installation jobs across the
3 United States; and

4 (5) make the United States industrial sector
5 the cleanest in the world.

6 **SEC. 3. SUSTAINABLE INDUSTRY REBATE PROGRAM.**

7 (a) IN GENERAL.—The Secretary of Energy shall es-
8 tablish a program, to be known as the “Sustainable Indus-
9 try Rebate Program”, under which the Secretary of En-
10 ergy shall issue rebates to qualified entities for purchases
11 of qualified technology.

12 (b) PROCESS.—

13 (1) IN GENERAL.—Not later than 180 days
14 after the date of enactment of this Act, the Sec-
15 retary of Energy, in consultation with the Secretary
16 of the Treasury, shall—

17 (A) develop and make available rebate
18 forms which qualified entities shall use to re-
19 quest a rebate issued under the Sustainable In-
20 dustry Rebate Program; and

21 (B) establish a database and information
22 technology system, to be known as the “Federal
23 Rebate Processing System”, which shall be used
24 by qualified entities to submit forms made
25 available under subparagraph (A) for the pur-

pose of requesting a rebate issued under the Sustainable Industry Rebate Program.

(2) REQUIREMENTS.—To be eligible to receive a rebate issued under the Sustainable Industry Rebate Program, a qualified entity shall submit to the Secretary of Energy a completed form made available under paragraph (1)(A) at such time and containing such information as the Secretary of Energy may require, which at a minimum such form shall—

(A) demonstrate—

(i) that the qualified entity purchased a qualified technology;

(ii) that such qualified technology is eligible for the Sustainable Industry Rebate Program;

(iii) whether such qualified technology is eligible for any of the additional rebate amounts provided in subsection (d)(2); and

(iv) as applicable, whether any technology replaced by the qualified technology has been permanently decommissioned; and

(B) include information on—

(i) the amount of the reduction in energy or water use to be achieved by implementation of the qualified technology; and

1 (ii) the amount of any reduction in
2 greenhouse gas emissions that results from
3 replacing an existing technology with the
4 qualified technology.

5 (c) SUSTAINABLE INDUSTRY DATABASE.—

6 (1) ESTABLISHMENT.—Not later than 90 days
7 after the date of enactment of this Act, the Sec-
8 retary of Energy shall establish and maintain on the
9 website of the Department of Energy a national
10 database, to be known as the “Sustainable Industry
11 Database”, to provide information on the Sustain-
12 able Industry Rebate Program.

13 (2) INCLUSIONS.—The Sustainable Industry
14 Database shall include—

15 (A) a list of the technologies that the
16 Working Group determines are qualified tech-
17 nologies;

18 (B) a list of the qualified technologies that
19 are eligible for the Made in America additional
20 rebate amounts provided in subsection
21 (d)(2)(A);

22 (C) instructions for how a qualified entity
23 may apply for a rebate issued under the Sus-
24 tainable Industry Rebate Program;

1 (D) instructions for how to petition the
2 Working Group to request an addition to a list
3 of qualified technologies included by subpara-
4 graph (A) or subparagraph (B);

5 (E) instructions for how to petition the
6 Working Group to recognize technologies that
7 individually do not qualify for the rebate but
8 can be combined and used to provide a benefit
9 equal to or greater than a qualified technology,
10 such as pumps and pipes used together; and

11 (F) any additional information determined
12 appropriate by the Secretary of Energy.

13 (d) AUTHORIZED AMOUNT OF REBATE.—

14 (1) BASE REBATES.—The base amount of a re-
15 bate issued under the Sustainable Industry Rebate
16 Program shall be equal to the amount that is—

17 (A) for a qualified entity with more than
18 500 employees, 25 percent of the total cost to
19 purchase the qualified technology; and

20 (B) for a qualified entity with fewer than
21 500 employees, 40 percent of the total cost to
22 purchase the qualified technology.

23 (2) ADDITIONAL REBATE AMOUNTS.—In addi-
24 tion to the base amount described in paragraph (1),
25 the total amount of a rebate issued under the Sus-

1 tainable Industry Rebate Program may be increased
2 by—

3 (A) if the majority of the components of
4 the purchased qualified technology were manu-
5 factured in the United States, the amount that
6 is equal to 15 percent of the total cost to pur-
7 chase the qualified technology; and

8 (B) if the qualified technology facilitates a
9 switch from a fossil fuel-fired energy source to
10 a zero-carbon energy source, the amount that is
11 equal to 10 percent of the total cost to purchase
12 the qualified technology.

13 (3) COST TO PURCHASE QUALIFIED TECH-
14 NOLOGY.—For the purpose of determining the
15 amount of a rebate issued under the Sustainable In-
16 dustry Rebate Program, the total cost to purchase
17 the qualified technology shall include all costs associ-
18 ated with—

19 (A) the purchase and installation of the
20 qualified technology; and

21 (B) the removal of any existing technology
22 as a result of such purchase and installation.

23 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
24 authorized to be appropriated to carry out this section

1 \$1,000,000,000 for each of fiscal years 2022 through
2 2031, to remain available until expended.

3 **SEC. 4. INDUSTRIAL EFFICIENCY WORKING GROUP.**

4 (a) ESTABLISHMENT.—Not later than 30 days after
5 the date of enactment of this Act, the Secretary of Energy
6 shall establish the Industrial Efficiency Working Group.

7 (b) MEMBERSHIP.—

8 (1) APPOINTMENT.—The Working Group shall
9 be comprised of members who shall be appointed by
10 the Secretary of Energy, in consultation with the Di-
11 rectors of the Advanced Manufacturing Office, the
12 Building Technology Office, and the Office of En-
13 ergy Efficiency and Renewable Energy of the De-
14 partment of Energy.

15 (2) REPRESENTATION.—Members of the Work-
16 ing group shall include—

17 (A) at least one representative from each
18 relevant Federal agency, as determined by the
19 Secretary of Energy;

20 (B) at least one representative from each
21 relevant office of the Department of Energy;

22 (C) at least one representative from labor
23 groups;

24 (D) representatives from the research com-
25 munity, which shall include at least one rep-

1 representative from academia and at least one rep-
2 representative from any relevant National Labora-
3 tories;

4 (E) at least one representative from non-
5 governmental organizations;

6 (F) representatives from energy efficiency
7 program administrators;

8 (G) representatives from industry and
9 trade associations; and

10 (H) any other individual whom the Sec-
11 retary of Energy determines to be necessary to
12 ensure that the Working Group is comprised of
13 a diverse group of representatives from indus-
14 try, academia, independent researchers, and
15 public and private entities.

16 (3) CHAIR.—The Secretary of Energy shall des-
17 ignate a member of the Working Group to serve as
18 the Chair.

19 (c) DUTIES.—The Working Group shall—

20 (1) develop the list of qualified technologies to
21 be included in the Sustainable Industry Database
22 under section 3(c)(2)(A);

23 (2) develop the list of the qualified technologies
24 that meet the Made in America requirements for ad-
25 ditional rebate amounts to be included in the Sus-

1 tainable Industry Database under section
2 3(c)(2)(B);

3 (3) determine if any technologies for which a
4 petition is submitted pursuant to section 3(c)(2)(D)
5 should be added to the applicable list;

6 (4) periodically revise the lists developed under
7 paragraphs (1) and (2), which includes revising such
8 lists to remove, as necessary, any technology that is
9 no longer determined to be a qualified technology;
10 and

11 (5) identify technology gaps in industrial effi-
12 ciency, and make recommendations to address such
13 gaps.

14 (d) MEETINGS.—

15 (1) FREQUENCY.—The Working Group shall
16 meet not less frequently than twice per year, at the
17 call of the Chair.

18 (2) INITIAL MEETING.—Not later than 60 days
19 after the date on which the members are appointed
20 under subsection (b), the Working Group shall hold
21 its first meeting.

22 (e) REPORT.—Not later than 180 days after the date
23 of enactment of this Act, and not less frequently than once
24 every year thereafter, the Working Group shall submit to
25 the Secretary of Energy a report that includes—

1 (1) the list of qualified technologies developed
2 under subsection (c)(1);

3 (2) the list of the qualified technologies devel-
4 oped under subsection (c)(2); and

5 (3) an identification of which technologies were
6 added or removed from the lists described in para-
7 graphs (1) and (2).

8 (f) COORDINATION.—In carrying out this section, the
9 Secretary of Energy shall, to the maximum extent pos-
10 sible—

11 (1) coordinate and seek to avoid duplication
12 with other programs of the Department of Energy;

13 (2) coordinate and collaborate with the Indus-
14 trial Technology Innovation Advisory Committee (es-
15 tablished under section 455 of the Energy Independ-
16 ence and Security Act of 2007 (42 U.S.C. 17114));
17 and

18 (3) leverage existing resources and programs of
19 the Department of Energy.

20 **SEC. 5. SAVE CARBON NOW PROGRAM.**

21 (a) IN GENERAL.—

22 (1) IDENTIFICATION OF FACILITIES.—The Sec-
23 retary of Energy shall, after consultation with the
24 Administrator of the Environmental Protection

1 Agency, identify the 3,000 eligible facilities in the
2 United States that emit the most greenhouse gases.

3 (2) ASSESSMENTS AND TECHNICAL ASSIST-
4 ANCE.—With respect to each facility identified in
5 paragraph (1), the Secretary of Energy shall offer
6 to—

7 (A) carry out an assessment of such facil-
8 ity in accordance with subsection (b); and

9 (B) provide technical assistance to such fa-
10 cility to assist with developing and carrying out
11 a plan, in accordance with subsection (c), to im-
12 plement recommendations provided by the as-
13 sessment carried out under subparagraph (A).

14 (b) ASSESSMENTS.—

15 (1) REQUIREMENTS.—Assessments carried out
16 under subsection (a)(2)(A) shall—

17 (A) analyze the energy use and costs of the
18 facility; and

19 (B) provide recommendations to—

20 (i) maximize the energy efficiency of
21 industrial processes and cross-cutting sys-
22 tems at the facility;

23 (ii) reduce greenhouse gas emissions
24 of the facility;

1 (iii) improve the efficient use of water
2 in manufacturing or industrial processes at
3 the facility;

4 (iv) prevent air and water pollution
5 and minimize waste from the facility; and

6 (v) reduce energy and water use, and
7 greenhouse gas emissions, of the facility,
8 including by making—

9 (I) motor system improvements,
10 including to fan, pump, compressed
11 air, and other motor-driven equip-
12 ment;

13 (II) steam system improvements;

14 (III) heating, ventilating, and
15 air-conditioning system improvements;

16 (IV) lighting system improve-
17 ments;

18 (V) process equipment or oper-
19 ational improvements; or

20 (VI) water system improvements.

21 (2) ASSESSMENT TEAMS.—The assessments
22 carried out under subsection (a)(2)(A) shall be con-
23 ducted by teams of experts made up of—

24 (A) staff of the Department of Energy;

1 (B) experts from the National Labora-
2 tories;

3 (C) experts from the Manufacturing USA
4 Program established under section 34 of the
5 National Institute of Standards and Technology
6 Act (15 U.S.C. 278s);

7 (D) faculty and staff from the Industrial
8 Assessment Centers; and

9 (E) other certified energy experts con-
10 tracted by the Department of Energy.

11 (c) IMPLEMENTATION PLANS.—

12 (1) REQUIREMENTS.—Implementation plans de-
13 veloped pursuant to subsection (a)(2)(B) shall, with
14 respect to the recommendations included in the as-
15 sessment—

16 (A) include information on any assistance
17 or training needs necessary to implement such
18 recommendations;

19 (B) include information on any new or up-
20 graded equipment necessary to implement such
21 recommendations;

22 (C) include information on research and
23 development activities that would assist with
24 implementing such recommendations;

1 (D) identify local partners that can be le-
2 veraged to implement such recommendations;

3 (E) identify steps needed to implement a
4 strategic energy management program at the
5 facility; and

6 (F) identify Federal, State, and utility as-
7 sistence programs that may be used to imple-
8 ment such recommendations.

9 (2) COORDINATION.—In providing technical as-
10 sistence to carry out an implementation plan under
11 this section, the Secretary of Energy shall coordi-
12 nate, as appropriate, with—

13 (A) relevant Federal agencies; and

14 (B) private and public sector entities, in-
15 cluding State energy offices, utility regulatory
16 agencies, Indian Tribes, economic development
17 authorities, and utilities.

18 (d) LIMITATIONS.—The Secretary of Energy may
19 not, with respect to a facility identified under subsection
20 (a)(1), expend more than \$500,000 in carrying out an as-
21 sessment and providing technical assistance to such facil-
22 ity under this section.

23 (e) REPORTING.—

24 (1) IN GENERAL.—The Secretary of Energy
25 shall submit to Congress a report on the assess-

1 ments carried out and the technical assistance pro-
2 vided under this section by not later than one year
3 after the date of enactment of this Act, and every
4 two years thereafter.

5 (2) INCLUSION.—The report submitted under
6 paragraph (1) shall include information on—

7 (A) the number of facilities assessed under
8 this section;

9 (B) the total number of recommendations
10 provided pursuant to this section and the ex-
11 pected effect of such recommendations, if imple-
12 mented, on energy and water use and green-
13 house gas emissions of such facilities;

14 (C) the amount of any reductions in en-
15 ergy use of such facilities achieved by imple-
16 menting such recommendations;

17 (D) the amount of any reductions in green-
18 house gas emissions of such facilities achieved
19 by implementing such recommendations;

20 (E) the amount of any reductions in water
21 use of such facilities achieved by implementing
22 such recommendations; and

23 (F) the amount of any reductions in costs
24 to such facilities achieved by implementing such
25 recommendations.

1 (3) CONFIDENTIAL INFORMATION.—The Sec-
2 retary of Energy may not include any confidential
3 information relating to such facilities in any report
4 under this subsection.

5 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
6 authorized to be appropriated to carry out this section
7 \$750,000,000 for fiscal years 2022 through 2026, to re-
8 main available until expended.

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