

117TH CONGRESS
1ST SESSION

H. R. 4960

To direct the Secretary of Energy to establish a civil nuclear credit program,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 2021

Mr. KINZINGER (for himself and Mr. MICHAEL F. DOYLE of Pennsylvania) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Transportation and Infrastructure, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of Energy to establish a civil nuclear
credit 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; DEFINITIONS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Preserving Existing Nuclear Energy Generation Act”.

6 (b) DEFINITIONS.—In this Act:

1 (1) APPROPRIATE COMMITTEES OF CON-
2 GRESS.—The term “appropriate committees of Con-
3 gress” means—

4 (A) the Committee on Energy and Natural
5 Resources of the Senate; and

6 (B) the Committee on Energy and Com-
7 merce of the House of Representatives.

8 (2) COMMISSION.—The term “Commission”
9 means the Nuclear Regulatory Commission.

10 (3) SECRETARY.—The term “Secretary” means
11 the Secretary of Energy.

12 **SEC. 2. CIVIL NUCLEAR CREDIT PROGRAM.**

13 (a) DEFINITIONS.—In this section:

14 (1) CERTIFIED NUCLEAR REACTOR.—The term
15 “certified nuclear reactor” means a nuclear reactor
16 that—

17 (A) competes in a competitive electricity
18 market; and

19 (B) is certified under subsection
20 (c)(2)(A)(i) to submit a sealed bid in accord-
21 ance with subsection (d).

22 (2) CREDIT.—The term “credit” means a credit
23 allocated to a certified nuclear reactor under sub-
24 section (e)(2).

1 (b) ESTABLISHMENT OF PROGRAM.—The Secretary
2 shall establish a civil nuclear credit program—

3 (1) to evaluate nuclear reactors that are pro-
4 jected to cease operations due to economic factors;
5 and

6 (2) to allocate credits to certified nuclear reac-
7 tors that are selected under paragraph (1)(B) of
8 subsection (e) to receive credits under paragraph (2)
9 of that subsection.

10 (c) CERTIFICATION.—

11 (1) APPLICATION.—

12 (A) IN GENERAL.—In order to be certified
13 under paragraph (2)(A)(i), the owner or oper-
14 ator of a nuclear reactor that is projected to
15 cease operations due to economic factors shall
16 submit to the Secretary an application at such
17 time, in such manner, and containing such in-
18 formation as the Secretary determines to be ap-
19 propriate, including—

20 (i) information on the operating costs
21 necessary to make the determination de-
22 scribed in paragraph (2)(A)(ii)(I), includ-
23 ing—

24 (I) the average projected annual
25 operating loss in dollars per mega-

1 watt-hour, inclusive of the cost of
2 operational and market risks, ex-
3 pected to be incurred by the nuclear
4 reactor over the 4-year period for
5 which credits would be allocated;

6 (II) any private or publicly avail-
7 able data with respect to current or
8 projected bulk power market prices;

9 (III) out-of-market revenue
10 streams;

11 (IV) operations and maintenance
12 costs;

13 (V) capital costs, including fuel;
14 and

15 (VI) operational and market
16 risks;

17 (ii) an estimate of the potential incre-
18 mental air pollutants that would result if
19 the nuclear reactor were to cease oper-
20 ations;

21 (iii) known information on the source
22 of produced uranium and the location
23 where the uranium is converted, enriched,
24 and fabricated into fuel assemblies for the

1 nuclear reactor for the 4-year period for
2 which credits would be allocated; and

3 (iv) a detailed plan to sustain oper-
4 ations at the conclusion of the applicable
5 4-year period for which credits would be
6 allocated—

7 (I) without receiving additional
8 credits; or

9 (II) with the receipt of additional
10 credits of a lower amount than the
11 credits allocated during that 4-year
12 credit period.

13 (B) TIMELINE.—The Secretary shall ac-
14 cept applications described in subparagraph
15 (A)—

16 (i) until the date that is 120 days
17 after the date of enactment of this Act;
18 and

19 (ii) not less frequently than every year
20 thereafter.

21 (C) PAYMENTS FROM STATE PROGRAMS.—

22 (i) IN GENERAL.—The owner or oper-
23 ator of a nuclear reactor that receives a
24 payment from a State zero-emission credit,
25 a State clean energy contract, or any other

1 State program with respect to that nuclear
2 reactor shall be eligible to submit an appli-
3 cation under subparagraph (A) with re-
4 spect to that nuclear reactor during any
5 application period beginning after the 120-
6 day period beginning on the date of enact-
7 ment of this Act.

8 (ii) REQUIREMENT.—An application
9 submitted by an owner or operator de-
10 scribed in clause (i) with respect to a nu-
11 clear reactor described in that clause shall
12 include all projected payments from State
13 programs in determining the average pro-
14 jected annual operating loss described in
15 subparagraph (A)(i)(I), unless the credits
16 allocated to the nuclear reactor pursuant
17 to that application will be used to reduce
18 those payments.

19 (2) DETERMINATION TO CERTIFY.—

20 (A) DETERMINATION.—

21 (i) IN GENERAL.—Not later than 60
22 days after the applicable date under sub-
23 paragraph (B) of paragraph (1), the Sec-
24 retary shall determine whether to certify,
25 in accordance with clauses (ii) and (iii),

1 each nuclear reactor for which an applica-
2 tion is submitted under subparagraph (A)
3 of that paragraph.

4 (ii) MINIMUM REQUIREMENTS.—To
5 the maximum extent practicable, the Sec-
6 retary shall only certify a nuclear reactor
7 under clause (i) if—

8 (I) after considering the informa-
9 tion submitted under paragraph
10 (1)(A)(i), the Secretary determines
11 that the nuclear reactor is projected
12 to cease operations due to economic
13 factors;

14 (II) after considering the esti-
15 mate submitted under paragraph
16 (1)(A)(ii), the Secretary determines
17 that pollutants would increase if the
18 nuclear reactor were to cease oper-
19 ations and be replaced with other
20 types of power generation; and

21 (III) the Nuclear Regulatory
22 Commission has reasonable assurance
23 that the nuclear reactor—

24 (aa) will continue to be oper-
25 ated in accordance with the cur-

1 rent licensing basis (as defined in
2 section 54.3 of title 10, Code of
3 Federal Regulations (or successor
4 regulations)) of the nuclear reac-
5 tor; and

6 (bb) poses no significant
7 safety hazards.

8 (iii) PRIORITY.—In determining
9 whether to certify a nuclear reactor under
10 clause (i), the Secretary shall give priority
11 to a nuclear reactor that uses, to the max-
12 imum extent available, uranium that is
13 produced, converted, enriched, and fab-
14 ricated into fuel assemblies in the United
15 States.

16 (B) NOTICE.—For each application re-
17 ceived under paragraph (1)(A), the Secretary
18 shall provide to the applicable owner or oper-
19 ator, as applicable—

20 (i) a notice of the certification of the
21 applicable nuclear reactor; or

22 (ii) a notice that describes the reasons
23 why the certification of the applicable nu-
24 clear reactor was denied.

25 (d) BIDDING PROCESS.—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 the Secretary shall establish a deadline by which
3 each certified nuclear reactor shall submit to the
4 Secretary a sealed bid that—

5 (A) describes the price per megawatt-hour
6 of the credits desired by the certified nuclear
7 reactor, which shall not exceed the average pro-
8 jected annual operating loss described in sub-
9 section (c)(1)(A)(i)(I); and

10 (B) includes a commitment, subject to the
11 receipt of credits, to provide a specific number
12 of megawatt-hours of generation during the 4-
13 year period for which credits would be allocated.

14 (2) REQUIREMENT.—The deadline established
15 under paragraph (1) shall be not later than 30 days
16 after the first date on which the Secretary has made
17 the determination described in paragraph (2)(A)(i)
18 of subsection (c) with respect to each application
19 submitted under paragraph (1)(A) of that sub-
20 section.

21 (e) ALLOCATION.—

22 (1) AUCTION.—Notwithstanding section 169 of
23 the Atomic Energy Act of 1954 (42 U.S.C. 2209),
24 the Secretary shall—

1 (A) in consultation with the heads of appli-
2 cable Federal agencies, establish a process for
3 evaluating bids submitted under subsection
4 (d)(1) through an auction process; and

5 (B) select certified nuclear reactors to be
6 allocated credits.

7 (2) CREDITS.—Subject to subsection (f)(2), on
8 selection under paragraph (1), a certified nuclear re-
9 actor shall be allocated credits for a 4-year period
10 beginning on the date of the selection.

11 (3) REQUIREMENT.—To the maximum extent
12 practicable, the Secretary shall use the amounts
13 made available for credits under this section to allo-
14 cate credits to as many certified nuclear reactors as
15 possible.

16 (f) RENEWAL.—

17 (1) IN GENERAL.—The owner or operator of a
18 certified nuclear reactor may seek to recertify the
19 nuclear reactor in accordance with this section.

20 (2) LIMITATION.—Notwithstanding any other
21 provision of this section, the Secretary may not allo-
22 cate any credits after September 30, 2031.

23 (g) ADDITIONAL REQUIREMENTS.—

24 (1) AUDIT.—During the 4-year period begin-
25 ning on the date on which a certified nuclear reactor

1 first receives a credit, the Secretary shall periodically
2 audit the certified nuclear reactor.

3 (2) RECAPTURE.—The Secretary shall, by regu-
4 lation, provide for the recapture of the allocation of
5 any credit to a certified nuclear reactor that, during
6 the period described in paragraph (1)—

7 (A) terminates operations; or

8 (B) does not operate at an annual loss in
9 the absence of an allocation of credits to the
10 certified nuclear reactor.

11 (3) CONFIDENTIALITY.—The Secretary shall es-
12 tablish procedures to ensure that any confidential,
13 private, proprietary, or privileged information that is
14 included in a sealed bid submitted under this section
15 is not publicly disclosed or otherwise improperly
16 used.

17 (h) REPORT.—Not later than January 1, 2024, the
18 Comptroller General of the United States shall submit to
19 Congress a report with respect to the credits allocated to
20 certified nuclear reactors, which shall include—

21 (1) an evaluation of the effectiveness of the
22 credits in avoiding air pollutants while ensuring grid
23 reliability;

24 (2) a quantification of the ratepayer savings
25 achieved under this section; and

1 (3) any recommendations to renew or expand
2 the credits.

3 (i) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to the Secretary to carry
5 out this section \$6,000,000,000 for the period of fiscal
6 years 2022 through 2026.

7 **SEC. 3. NUCLEAR CLOSURE COMMUNITIES.**

8 (a) DEFINITIONS.—In this section:

9 (1) COMMUNITY ADVISORY BOARD.—The term
10 “community advisory board” means a community
11 committee or other advisory organization that aims
12 to foster communication and information exchange
13 between a licensee planning for and involved in de-
14 commissioning activities and members of the com-
15 munity that decommissioning activities may affect.

16 (2) DECOMMISSION.—The term “decommis-
17 sion” has the meaning given the term in section
18 50.2 of title 10, Code of Federal Regulations (or
19 successor regulations).

20 (3) ELIGIBLE RECIPIENT.—The term “eligible
21 recipient” has the meaning given the term in section
22 3 of the Public Works and Economic Development
23 Act of 1965 (42 U.S.C. 3122).

24 (4) LICENSEE.—The term “licensee” has the
25 meaning given the term in section 50.2 of title 10,

1 Code of Federal Regulations (or successor regula-
2 tions).

3 (5) NUCLEAR CLOSURE COMMUNITY.—The
4 term “nuclear closure community” means a unit of
5 local government, including a county, city, town, vil-
6 lage, school district, or special district that has been
7 impacted, or reasonably demonstrates to the satis-
8 faction of the Secretary of Commerce, that it will be
9 impacted, by a nuclear power plant licensed by the
10 Commission that has ceased operation or has pro-
11 vided a written notification to the Commission that
12 it will cease operations as of the date of enactment
13 of this Act.

14 (b) ESTABLISHMENT.—Not later than 90 days after
15 the date of enactment of this Act, the Secretary of Com-
16 merce shall establish a grant program to provide grants
17 to eligible recipients—

18 (1) to provide financial assistance to local gov-
19 ernments who have experienced, or are anticipating,
20 major revenue shortfalls due to the closure, or an-
21 nounced closure, of a nuclear power plant;

22 (2) to assist with economic development in nu-
23 clear closure communities; and

24 (3) to fund community advisory boards in nu-
25 clear closure communities.

1 (c) REQUIREMENT.—In carrying out this section, to
2 the maximum extent practicable, the Secretary of Com-
3 merce shall implement the recommendations described in
4 the report submitted to Congress under section 108 of the
5 Nuclear Energy Innovation and Modernization Act (Public
6 Law 115–439; 132 Stat. 5577) entitled “Best Practices
7 for Establishment and Operation of Local Community Ad-
8 visory Boards Associated with Decommissioning Activities
9 at Nuclear Power Plants”.

10 (d) DISTRIBUTION OF FUNDS.—The Secretary of
11 Commerce shall establish a formula to ensure, to the max-
12 imum extent practicable, geographic diversity among
13 grant recipients under this section.

14 (e) AUTHORIZATION OF APPROPRIATIONS.—

15 (1) IN GENERAL.—There are authorized to be
16 appropriated to the Secretary of Commerce—

17 (A) to carry out subsection (b)(1),
18 \$30,000,000 for each of fiscal years 2022
19 through 2027;

20 (B) to carry out subsection (b)(2),
21 \$30,000,000 for each of fiscal years 2022
22 through 2027; and

23 (C) to carry out subsection (b)(3),
24 \$5,000,000 for each of fiscal years 2022
25 through 2024.

1 porary suspension of a process, procedure, or other
2 regulatory policy identified under paragraph (1) may
3 or may not have compromised the ability of the
4 Commission to license and regulate the civilian use
5 of radioactive materials in the United States to pro-
6 tect public health and safety, promote the common
7 defense and security, and protect the environment;

8 (3) a description of any process efficiencies or
9 challenges that resulted from the matters identified
10 under paragraph (1);

11 (4) a discussion of lessons learned from the
12 matters described in paragraphs (1), (2), and (3);

13 (5) a list of actions that the Commission may
14 take to incorporate into the licensing activities and
15 regulations of the Commission, without compro-
16 mising the mission of the Commission—

17 (A) the lessons described in paragraph (4);

18 and

19 (B) the information provided under para-
20 graphs (2) and (3); and

21 (6) a description of when the actions described
22 in paragraph (5) may be implemented.

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