AMENDMENT NO._____ Calendar No._____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—113th Cong., 2d Sess.

S. 1419

To promote research, development, and demonstration of marine and hydrokinetic renewable energy technologies, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by _____

Viz:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Marine and Hydrokinetic Renewable Energy Act of 2014''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—MARINE AND HYDROKINETIC RENEWABLE ENERGY TECHNOLOGIES

SEC. 101. DEFINITION OF MARINE AND HYDROKINETIC RENEWABLE ENERGY.

Section 632 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17211) is amended in the matter preceding paragraph (1) by striking ''electrical''.

SEC. 102. MARINE AND HYDROKINETIC RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

Section 633 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17212) is amended to read as follows:

''SEC. 633. MARINE AND HYDROKINETIC RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

''The Secretary, in consultation with the Secretary of the Interior, the Secretary of Commerce, and the Federal Energy Regulatory Commission, shall carry out a program of research, development, demonstration, and commercial application to accelerate the introduction of marine and hydrokinetic renewable energy production into the United States energy supply, giving priority to fostering acceler-

ated research, development, and commercialization of technology, including programs—

''(1) to assist technology development to improve the components, processes, and systems used for power generation from marine and hydrokinetic renewable energy resources;

''(2) to establish critical testing infrastructure necessary—

''(A) to cost effectively and efficiently test and prove marine and hydrokinetic renewable energy devices; and

''(B) to accelerate the technological readiness and commercialization of those devices;

''(3) to support efforts to increase the efficiency of energy conversion, lower the cost, increase the use, improve the reliability, and demonstrate the applicability of marine and hydrokinetic renewable energy technologies by participating in demonstration projects;

''(4) to investigate variability issues and the efficient and reliable integration of marine and hydrokinetic renewable energy with the utility grid;

''(5) to identify and study critical short- and long-term needs to create a sustainable marine and

hydrokinetic renewable energy supply chain based in the United States;

''(6) to increase the reliability and survivability of marine and hydrokinetic renewable energy technologies;

''(7) to verify the performance, reliability, maintainability, and cost of new marine and hydrokinetic renewable energy device designs and system components in an operating environment;

''(8) to coordinate and avoid duplication of activities across programs of the Department and other applicable Federal agencies, including National Laboratories and to coordinate public-private collaboration in all programs under this section;

''(9) to identify opportunities for joint research and development programs and development of economies of scale between—

''(A) marine and hydrokinetic renewable energy technologies; and

''(B) other renewable energy and fossil energy programs, offshore oil and gas production activities, and activities of the Department of Defense; and

''(10) to support in-water technology development with international partners using existing co-

operative procedures (including memoranda of understanding)—

"(A) to allow cooperative funding and other support of value to be exchanged and leveraged; and

"(B) to encourage the participation of international research centers and companies within the United States and the participation of United States research centers and companies in international projects.".

SEC. 103. NATIONAL MARINE RENEWABLE ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION CENTERS.

Section 634 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17213) is amended by striking subsection (b) and inserting the following:

"(b) PURPOSES.—A Center (in coordination with the Department and National Laboratories) shall—

"(1) advance research, development, demonstration, and commercial application of marine and hydrokinetic renewable energy technologies;

"(2) support in-water testing and demonstration of marine and hydrokinetic renewable energy technologies, including facilities capable of testing—

''(A) marine and hydrokinetic renewable energy systems of various technology readiness levels and scales;

''(B) a variety of technologies in multiple test berths at a single location; and

''(C) arrays of technology devices; and

''(3) serve as information clearinghouses for the marine and hydrokinetic renewable energy industry by collecting and disseminating information on best practices in all areas relating to developing and managing marine and hydrokinetic renewable energy resources and energy systems.''.

SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

Section 636 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17215) is amended by striking ''2008 through 2012'' and inserting ''2015 through 2018''.

TITLE II—MARINE AND HYDROKINETIC RENEWABLE ENERGY REGULATORY EFFICIENCY

SEC. 201. MARINE AND HYDROKINETIC RENEWABLE ENERGY PROJECTS AND FACILITIES.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.) is amended by adding at the end the following:

"SEC. 34. PILOT LICENSE FOR MARINE AND HYDROKINETIC RENEWABLE ENERGY PROJECTS.

''(a) DEFINITION OF HYDROKINETIC PILOT PROJECT.—

''(1) IN GENERAL.—In this section, the term 'hydrokinetic pilot project' means a facility that generates energy from—

''(A) waves, tides, or currents in an ocean, estuary, or tidal area; or

''(B) free-flowing water in a river, lake, or stream.

''(2) EXCLUSIONS.—The term 'hydrokinetic pilot project' does not include a project that uses a dam or other impoundment for electric power purposes.

''(b) PILOT LICENSES AUTHORIZED.—The Commission may issue a pilot license to construct, operate, and maintain a hydrokinetic pilot project that meets the criteria listed in subsection (c).

''(c) LICENSE CRITERIA.—The Commission may issue a pilot license for a hydrokinetic pilot project if the project—

''(1) will have an installed capacity of not more than 10 megawatts;

''(2) is for a term of not more than 10 years;

''(3) will not cause a significant adverse environmental impact or interfere with navigation;

''(4) is removable and can shut down on reasonable notice in the event of a significant adverse safety, navigation, or environmental impact;

''(5) can be removed, and the site can be restored, by the end of the license term, unless the project has obtained a new license or the Commission has determined, based on substantial evidence, that the project should not be removed because it would be preferable for environmental or other reasons not to; and

''(6) is primarily for the purpose of—

''(A) testing new hydrokinetic technologies, both single devices and in arrays of devices;

''(B) locating appropriate sites for new hydrokinetic technologies; or

''(C) determining the environmental and other effects of a hydrokinetic technology.

''(d) LEAD AGENCY.—In carrying out this section, the Commission shall act as the lead agency—

''(1) to coordinate all applicable Federal authorizations; and

''(2) to comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(e) SCHEDULE GOALS.—

''(1) IN GENERAL.—Not later than 30 days after the date on which the Commission receives a completed application, and following consultation with Federal, State, and local agencies with jurisdiction over the hydrokinetic pilot project, the Commission shall develop and issue pilot license approval process scheduling goals that cover all Federal, State, and local permits required by law.

''(2) COMPLIANCE.—Applicable Federal, State, and local agencies shall comply with the goals established under paragraph (1) to the maximum extent practicable, consistent with applicable law.

''(3) 1-YEAR GOAL.—It shall be the goal of the Commission and the other applicable agencies to complete the pilot license process by not later than 1 year after the date on which the Commission receives the completed application.

''(f) SIZE LIMITATION.—For proposed projects located in an estuary, tidal area, river, lake, or stream, the Commission shall determine the size limit on a case-by-case basis, taking into account all relevant factors.

''(g) EXTENSIONS AUTHORIZED.—On application by a project, the Commission may make a 1-time extension of a pilot license for a term not to exceed 5 years.''.