

#### 115TH CONGRESS 1ST SESSION

# S. 97

To enable civilian research and development of advanced nuclear energy technologies by private and public institutions, to expand theoretical and practical knowledge of nuclear physics, chemistry, and materials science, and for other purposes.

### IN THE SENATE OF THE UNITED STATES

January 11, 2017

Mr. Crapo (for himself, Mr. Whitehouse, Mr. Booker, Mr. Risch, Mr. Hatch, Ms. Murkowski, and Mr. Durbin) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

# A BILL

To enable civilian research and development of advanced nuclear energy technologies by private and public institutions, to expand theoretical and practical knowledge of nuclear physics, chemistry, and materials science, 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.
- 4 This Act may be cited as the "Nuclear Energy Inno-
- 5 vation Capabilities Act of 2017".

## 1 SEC. 2. NUCLEAR ENERGY INNOVATION CAPABILITIES.

2	(a) Nuclear Energy.—Section 951 of the Energy
3	Policy Act of 2005 (42 U.S.C. 16271) is amended to read
4	as follows:
5	"SEC. 951. NUCLEAR ENERGY.
6	"(a) Mission.—
7	"(1) In general.—The Secretary shall carry
8	out programs of civilian nuclear research, develop-
9	ment, demonstration, and commercial application,
10	including activities under this subtitle.
11	"(2) Considerations.—The programs carried
12	out under paragraph (1) shall take into consider-
13	ation the following objectives:
14	"(A) Providing research infrastructure to
15	promote scientific progress and enable users
16	from academia, the National Laboratories, and
17	the private sector to make scientific discoveries
18	relevant for nuclear, chemical, and materials
19	science engineering.
20	"(B) Maintaining nuclear energy research
21	and development programs at the National
22	Laboratories and institutions of higher edu-
23	cation, including infrastructure at the National
24	Laboratories and institutions of higher edu-
25	cation.

1	"(C) Providing the technical means to re-
2	duce the likelihood of nuclear proliferation.
3	"(D) Increasing confidence margins for
4	public safety of nuclear energy systems.
5	"(E) Reducing the environmental impact
6	of activities relating to nuclear energy.
7	"(F) Supporting technology transfer from
8	the National Laboratories to the private sector.
9	"(G) Enabling the private sector to part-
10	ner with the National Laboratories to dem-
11	onstrate novel reactor concepts for the purpose
12	of resolving technical uncertainty associated
13	with the objectives described in subparagraphs
14	(A) through (F).
15	"(b) Definitions.—In this subtitle:
16	"(1) ADVANCED NUCLEAR REACTOR.—The
17	term 'advanced nuclear reactor' means—
18	"(A) a nuclear fission reactor with signifi-
19	cant improvements over the most recent genera-
20	tion of nuclear fission reactors, which may in-
21	clude—
22	"(i) inherent safety features;
23	"(ii) lower waste yields;
24	"(iii) greater fuel utilization;
25	"(iv) superior reliability;

1	"(v) resistance to proliferation;
2	"(vi) increased thermal efficiency; and
3	"(vii) the ability to integrate into elec-
4	tric and nonelectric applications; or
5	"(B) a nuclear fusion reactor.
6	"(2) Commission.—The term 'Commission'
7	means the Nuclear Regulatory Commission.
8	"(3) Fast neutron.—The term 'fast neutron'
9	means a neutron with kinetic energy above 100
10	kiloelectron volts.
11	"(4) National Laboratory.—
12	"(A) IN GENERAL.—Except as provided in
13	subparagraph (B), the term 'National Labora-
14	tory' has the meaning given the term in section
15	2.
16	"(B) LIMITATION.—With respect to the
17	Lawrence Livermore National Laboratory, the
18	Los Alamos National Laboratory, and the
19	Sandia National Laboratories, the term 'Na-
20	tional Laboratory' means only the civilian ac-
21	tivities of the laboratory.
22	"(5) Neutron flux.—The term 'neutron flux'
23	means the intensity of neutron radiation measured
24	as a rate of flow of neutrons applied over an area.

1	"(6) Neutron source.—The term 'neutron
2	source' means a research machine that provides neu-
3	tron irradiation services for—
4	"(A) research on materials sciences and
5	nuclear physics; and
6	"(B) testing of advanced materials, nuclear
7	fuels, and other related components for reactor
8	systems.".
9	(b) Nuclear Energy Research Programs.—
10	(1) In General.—Section 952 of the Energy
11	Policy Act of 2005 (42 U.S.C. 16272) is amended—
12	(A) by striking subsection (c); and
13	(B) by redesignating subsections (d) and
14	(e) as subsections (c) and (d), respectively.
15	(2) Conforming amendment.—Section
16	641(b)(1) of the Energy Policy Act of $2005$ (42)
17	U.S.C. 16021(b)(1)) is amended by striking "section
18	942(d)" and inserting "section 952(c)".
19	(c) Advanced Fuel Cycle Initiative.—Section
20	953(a) of the Energy Policy Act of 2005 (42 U.S.C.
21	16273(a)) is amended by striking ", acting through the
22	Director of the Office of Nuclear Energy, Science and
23	Technology,".
24	(d) University Nuclear Science and Engineer-
25	ING SUPPORT.—Section 954(d)(4) of the Energy Policy

1	Act of 2005 (42 U.S.C. 16274(d)(4)) is amended by strik-
2	ing "as part of a taking into consideration effort that em-
3	phasizes" and inserting "that emphasize".
4	(e) Department of Energy Civilian Nuclear
5	Infrastructure and Facilities.—Section 955 of the
6	Energy Policy Act of 2005 (42 U.S.C. 16275) is amend-
7	$\operatorname{ed}$ —
8	(1) by striking subsections (c) and (d); and
9	(2) by adding at the end the following:
10	"(c) Versatile Neutron Source.—
11	"(1) Mission need.—
12	"(A) In general.—Not later than De-
13	cember 31, 2017, the Secretary shall determine
14	the mission need for a versatile reactor-based
15	fast neutron source, which shall operate as a
16	national user facility.
17	"(B) Consultations required.—In car-
18	rying out subparagraph (A), the Secretary shall
19	consult with the private sector, institutions of
20	higher education, the National Laboratories,
21	and relevant Federal agencies to ensure that
22	the user facility described in subparagraph (A)
23	will meet the research needs of the largest prac-
24	ticable majority of prospective users.

1	"(2) Establishment.—As soon as practicable
2	after determining the mission need under paragraph
3	(1)(A), the Secretary shall submit to the appropriate
4	committees of Congress a detailed plan for the es-
5	tablishment of the user facility.
6	"(3) Facility requirements.—
7	"(A) Capabilities.—The Secretary shall
8	ensure that the user facility will provide, at a
9	minimum, the following capabilities:
10	"(i) Fast neutron spectrum irradia-
11	tion capability.
12	"(ii) Capacity for upgrades to accom-
13	modate new or expanded research needs.
14	"(B) Considerations.—In carrying out
15	the plan submitted under paragraph (2), the
16	Secretary shall consider the following:
17	"(i) Capabilities that support experi-
18	mental high-temperature testing.
19	"(ii) Providing a source of fast neu-
20	trons at a neutron flux, higher than that
21	at which current research facilities operate,
22	sufficient to enable research for an optimal
23	base of prospective users

1	"(iii) Maximizing irradiation flexibility
2	and irradiation volume to accommodate as
3	many concurrent users as possible.
4	"(iv) Capabilities for irradiation with
5	neutrons of a lower energy spectrum.
6	"(v) Multiple loops for fuels and ma-
7	terials testing in different coolants.
8	"(vi) Additional pre-irradiation and
9	post-irradiation examination capabilities.
10	"(vii) Lifetime operating costs and
11	lifecycle costs.
12	"(4) Deadline for establishment.—The
13	Secretary shall, to the maximum extent practicable,
14	complete construction of, and approve the start of
15	operations for, the user facility by not later than De-
16	cember 31, 2025.
17	"(5) Reporting.—The Secretary shall include
18	in the annual budget request of the Department an
19	explanation for any delay in the progress of the De-
20	partment in completing the user facility by the dead-
21	line described in paragraph (4).
22	"(6) Coordination.—The Secretary shall le-
23	verage the best practices for management, construc-
24	tion, and operation of national user facilities from
25	the Office of Science.".

- 1 (f) SECURITY OF NUCLEAR FACILITIES.—Section 956 of the Energy Policy Act of 2005 (42 U.S.C. 16276) is amended by striking ", acting through the Director of the Office of Nuclear Energy, Science and Technology,". 5 (g) High-Performance Computation and Sup-PORTIVE RESEARCH.—Section 957 of the Energy Policy Act of 2005 (42 U.S.C. 16277) is amended to read as 8 follows: "SEC. 957. HIGH-PERFORMANCE COMPUTATION AND SUP-10 PORTIVE RESEARCH. 11 "(a) Modeling and Simulation.—The Secretary 12 shall carry out a program to enhance the capabilities of 13 the United States to develop new reactor technologies through high-performance computation modeling and sim-14 15 ulation techniques. 16 "(b) Coordination.—In carrying out the program under subsection (a), the Secretary shall coordinate with 18 relevant Federal agencies as described by the National Strategic Computing Initiative established by Executive 19 20 Order 13702 (80 Fed. Reg. 46177 (July 29, 2015)), while 21 taking into account the following objectives:
- "(1) Using expertise from the private sector, institutions of higher education, and the National Laboratories to develop computational software and capabilities that prospective users may access to ac-

1	celerate research and development of advanced nu-
2	clear reactor systems and reactor systems for space
3	exploration.
4	"(2) Developing computational tools to simulate
5	and predict nuclear phenomena that may be vali-
6	dated through physical experimentation.
7	"(3) Increasing the utility of the research infra-
8	structure of the Department by coordinating with
9	the Advanced Scientific Computing Research pro-
10	gram within the Office of Science.
11	"(4) Leveraging experience from the Energy In-
12	novation Hub for Modeling and Simulation.
13	"(5) Ensuring that new experimental and com-
14	putational tools are accessible to relevant research
15	communities, including private sector entities en-
16	gaged in nuclear energy technology development.
17	"(c) Supportive Research Activities.—The Sec-
18	retary shall consider support for additional research activi-
19	ties to maximize the utility of the research facilities of the
20	Department, including physical processes—
21	"(1) to simulate degradation of materials and
22	behavior of fuel forms; and
23	"(2) for validation of computational tools.".
24	(h) Enabling Nuclear Energy Innovation.—

 $25\,$  Subtitle E of title IX of the Energy Policy Act of  $2005\,$ 

1	(42 U.S.C. 16271 et seq.) is amended by adding at the	
2	end the following:	
3	"SEC. 958. ENABLING NUCLEAR ENERGY INNOVATION.	
4	"(a) National Reactor Innovation Center.—	
5	There is authorized a program to enable the testing and	
6	demonstration of reactor concepts to be proposed and	
7	funded, in whole or in part, by the private sector.	
8	"(b) Technical Expertise.—In carrying out the	
9	program under subsection (a), the Secretary shall leverage	
10	the technical expertise of relevant Federal agencies and	
11	the National Laboratories in order to minimize the time	
12	required to enable construction and operation of privately	
13	funded experimental reactors at National Laboratories or	
14	other Department-owned sites.	
15	"(c) Objectives.—The reactors described in sub-	
16	section (b) shall operate to meet the following objectives:	
17	"(1) Enabling physical validation of advanced	
18	nuclear reactor concepts.	
19	"(2) Resolving technical uncertainty and in-	
20	creasing practical knowledge relevant to safety, resil-	
21	ience, security, and functionality of advanced nuclear	
22	reactor concepts.	

"(3) General research and development to im-

prove nascent technologies.

23

1	"(d) Sharing Technical Expertise.—In carrying
2	out the program under subsection (a), the Secretary may
3	enter into a memorandum of understanding with the
4	Chairman of the Commission in order to share technical
5	expertise and knowledge through—
6	"(1) enabling the testing and demonstration of
7	advanced nuclear reactor concepts to be proposed
8	and funded, in whole or in part, by the private sec-
9	tor;
10	"(2) operating a database to store and share
11	data and knowledge relevant to nuclear science and
12	engineering between Federal agencies and the pri-
13	vate sector;
14	"(3) developing and testing electric and non-
15	electric integration and energy conversion systems
16	relevant to advanced nuclear reactors;
17	"(4) leveraging expertise from the Commission
18	with respect to safety analysis; and
19	"(5) enabling technical staff of the Commission
20	to actively observe and learn about technologies de-
21	veloped under the program.
22	"(e) AGENCY COORDINATION.—The Chairman of the
23	Commission and the Secretary shall enter into a memo-
24	randum of understanding regarding the following:
25	"(1) Ensuring that—

1	"(A) the Department has sufficient tech-
2	nical expertise to support the timely research,
3	development, demonstration, and commercial
4	application by the civilian nuclear industry of
5	safe and innovative advanced nuclear reactor
6	technology; and

"(B) the Commission has sufficient technical expertise to support the evaluation of applications for licenses, permits, and design certifications and other requests for regulatory approval for advanced nuclear reactors.

"(2) The use of computers and software codes to calculate the behavior and performance of advanced nuclear reactors based on mathematical models of the physical behavior of advanced nuclear reactors.

### "(3) Ensuring that—

"(A) the Department maintains and develops the facilities necessary to enable the timely research, development, demonstration, and commercial application by the civilian nuclear industry of safe and innovative reactor technology; and

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

1	"(B) the Commission has access to the fa-
2	cilities described in subparagraph (A), as need-
3	ed.
4	"(f) Reporting Requirements.—
5	"(1) In general.—Not later than 180 days
6	after the date of enactment of the Nuclear Energy
7	Innovation Capabilities Act of 2017, the Secretary,
8	in consultation with the National Laboratories, rel-
9	evant Federal agencies, and other stakeholders, shall
10	submit to the appropriate committees of Congress a
11	report assessing the capabilities of the Department
12	to authorize, host, and oversee privately funded ex-
13	perimental advanced nuclear reactors as described in
14	subsection (b).
15	"(2) Contents.—The report submitted under
16	paragraph (1) shall address—
17	"(A) the safety review and oversight capa-
18	bilities of the Department, including options to
19	leverage expertise from the Commission and the
20	National Laboratories;
21	"(B) options to regulate privately proposed
22	and funded experimental reactors hosted by the
23	Department;

1	"(C) potential sites capable of hosting pri-
2	vately funded experimental advanced nuclear re-
3	actors;
4	"(D) the efficacy of the available contrac-
5	tual mechanisms of the Department to partner
6	with the private sector and Federal agencies
7	including cooperative research and development
8	agreements, strategic partnership projects, and
9	agreements for commercializing technology;
10	"(E) the liability of the Federal Govern-
11	ment with respect to the disposal of low-level
12	radioactive waste, spent nuclear fuel, or high-
13	level radioactive waste (as those terms are de-
14	fined in section 2 of the Nuclear Waste Policy
15	Act of 1982 (42 U.S.C. 10101));
16	"(F) the impact on the aggregate inven-
17	tory in the United States of low-level radio-
18	active waste, spent nuclear fuel, or high-level
19	radioactive waste (as those terms are defined in
20	section 2 of the Nuclear Waste Policy Act of
21	1982 (42 U.S.C. 10101));
22	"(G) potential cost structures relating to
23	physical security, decommissioning, liability
24	and other long-term project costs; and

- "(H) other challenges or considerations
  identified by the Secretary.
- "(3) UPDATES.—Once every 2 years, the Sectretary shall update relevant provisions of the report submitted under paragraph (1) and submit to the appropriate committees of Congress the update.
- 7 "(g) Savings Clauses.—
- "(1) LICENSING REQUIREMENT.—Nothing in 8 9 this section authorizes the Secretary or any person 10 to construct or operate a nuclear reactor for the pur-11 pose of demonstrating the suitability for commercial 12 application of the nuclear reactor unless licensed by 13 the Commission in accordance with section 202 of 14 the Energy Reorganization Act of 1974 (42 U.S.C. 15 5842).
  - "(2) FINANCIAL PROTECTION.—Any activity carried out under this section that involves the risk of public liability shall be subject to the financial protection or indemnification requirements of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) (commonly known as the 'Price-Anderson Act')."
- 23 (i) BUDGET PLAN.—Subtitle E of title IX of the En-24 ergy Policy Act of 2005 (42 U.S.C. 16271 et seq.) (as

16

17

18

19

20

21

- 1 amended by subsection (h)) is amended by adding at the
- 2 end the following:
- 3 "SEC. 959. BUDGET PLAN.
- 4 "(a) IN GENERAL.—Not later than 1 year after the
- 5 date of enactment of the Nuclear Energy Innovation Ca-
- 6 pabilities Act of 2017, the Secretary shall submit to the
- 7 Committee on Energy and Natural Resources of the Sen-
- 8 ate and the Committee on Science, Space, and Technology
- 9 of the House of Representatives 2 alternative 10-year
- 10 budget plans for civilian nuclear energy research and de-
- 11 velopment by the Secretary, as described in subsections
- 12 (b) through (d).
- 13 "(b) BUDGET PLAN ALTERNATIVE 1.—One of the
- 14 budget plans submitted under subsection (a) shall assume
- 15 constant annual funding for 10 years at the appropriated
- 16 level for the civilian nuclear energy research and develop-
- 17 ment of the Department for fiscal year 2016.
- 18 "(c) BUDGET PLAN ALTERNATIVE 2.—One of the
- 19 budget plans submitted under subsection (a) shall be an
- 20 unconstrained budget.
- 21 "(d) Inclusions.—Each alternative budget plan
- 22 submitted under subsection (a) shall include—
- 23 "(1) a prioritized list of the programs, projects,
- and activities of the Department to best support the

- development of advanced nuclear reactor technologies;
- 3 "(2) realistic budget requirements for the De-4 partment to implement sections 955(c), 957, and 5 958; and
  - "(3) the justification of the Department for continuing or terminating existing civilian nuclear energy research and development programs.".

### (j) REPORT ON FUSION INNOVATION.—

- (1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report identifying engineering designs for innovative fusion energy systems that have the potential to demonstrate net energy production not later than 15 years after the start of construction.
- (2) Inclusions.—The report submitted under paragraph (1) shall identify budgetary requirements that would be necessary for the Department of Energy to carry out a fusion innovation initiative to accelerate research and development of the engineering designs identified in the report.

- 1 (k) Conforming Amendments.—The table of contents for the Energy Policy Act of 2005 is amended by striking the item relating to section 957 and inserting the following: 4 "957. High-performance computation and supportive research. "958. Enabling nuclear energy innovation. "959. Budget plan.". 5 SEC. 3. ADVANCED NUCLEAR ENERGY LICENSING COST-6 SHARE GRANT PROGRAM. 7 (a) Definitions.—In this section: (1) Commission.—The term "Commission" 8 9 means the Nuclear Regulatory Commission. (2) Program.—The term "program" means 10 11 the Advanced Nuclear Energy Cost-Share Grant 12 Program established under subsection (b). (3) Secretary.—The term "Secretary" means 13 14 the Secretary of Energy. 15 (b) Establishment.—The Secretary shall establish a grant program, to be known as the "Advanced Nuclear 16 Energy Cost-Share Grant Program", under which the Secretary shall make cost-share grants to applicants for the 18 purpose of funding a portion of the Commission fees of 20 the applicant for pre-application review activities and application review activities.
- (c) REQUIREMENT.—The Secretary shall seek outtechnology diversity in making grants under the program.

1	(d) Cost-Share Amount.—The Secretary shall de-
2	termine the cost-share amount for each grant under the
3	program.
4	(e) Use of Funds.—A recipient of a grant under
5	the program may use the grant funds to cover Commission
6	fees, including those fees associated with—
7	(1) developing a licensing project plan;
8	(2) obtaining a statement of licensing feasi-
9	bility;
10	(3) reviewing topical reports; and
11	(4) other—
12	(A) pre-application review activities;
13	(B) application review activities; and
14	(C) interactions with the Commission.
15	(f) Authorization of Appropriations.—There
16	are authorized to be appropriated to the Secretary to carry
17	out this section such sums as are necessary

 $\bigcirc$