2001 and such sums as are necessary for each subsequent fiscal year.

(2) Limitation on planning and administrative expenses

Not more than 4 percent of the amounts made available under paragraph (1) may be used for planning and administrative expenses.

(May 20, 1936, ch. 432, title I, §19, as added Pub. L. 106–472, title III, §301, Nov. 9, 2000, 114 Stat. 2069.)

References in Text

The Denali Commission Act of 1998, referred to in subsec. (a)(2), is title III of div. C of Pub. L. 105–277, Oct. 21, 1998, 112 Stat. 2681–637, which is set out as a note under section 3121 of Title 42, The Public Health and Welfare

§ 918b. Acquisition of existing systems in rural communities with high energy costs

On and after November 28, 2001, notwithstanding any other provision of law, the Administrator of the Rural Utilities Service shall use the authorities provided in the Rural Electrification Act of 1936 [7 U.S.C. 901 et seq.] to finance the acquisition of existing generation, transmission and distribution systems and facilities serving high cost, predominantly rural areas by entities capable of and dedicated to providing or improving service in such areas in an efficient and cost effective manner.

(Pub. L. 107–76, title VII, $\S748$, Nov. 28, 2001, 115 Stat. 738.)

REFERENCES IN TEXT

The Rural Electrification Act of 1936, referred to in text, is act May 20, 1936, ch. 432, 49 Stat. 1363, as amended, which is classified generally to this chapter (§901 et seq.). For complete classification of this Act to the Code, see section 901 of this title and Tables.

CODIFICATION

Section was enacted as part of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002, and not as part of the Rural Electrification Act of 1936 which comprises this chapter.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in the following prior appropriation act:

Pub. L. 106-387, \$1(a) [title I, \$771], Oct. 28, 2000, 114 Stat. 1549, 1549A-45.

\S 918c. Rural and remote communities electrification grants

(a) Definitions

In this section:

- (1) The term "eligible grantee" means a local government or municipality, peoples' utility district, irrigation district, and cooperative, nonprofit, or limited-dividend association in a rural area.
- (2) The term "incremental hydropower" means additional generation achieved from increased efficiency after January 1, 2005, at a hydroelectric dam that was placed in service before January 1, 2005.
- (3) The term "renewable energy" means electricity generated from—
 - (A) a renewable energy source; or

- (B) hydrogen, other than hydrogen produced from a fossil fuel, that is produced from a renewable energy source.
- (4) The term "renewable energy source" means—
 - (A) wind;
 - (B) ocean waves;
 - (C) biomass;
 - (D) solar;
 - (E) landfill gas;
 - (F) incremental hydropower;
 - (G) livestock methane; or
 - (H) geothermal energy.
- (5) The term "rural area" means a city, town, or unincorporated area that has a population of not more than 10,000 inhabitants.

(b) Grants

The Secretary, in consultation with the Secretary of Agriculture and the Secretary of the Interior, may provide grants under this section to eligible grantees for the purpose of—

- (1) increasing energy efficiency, siting or upgrading transmission and distribution lines serving rural areas; or
- (2) providing or modernizing electric generation facilities that serve rural areas.

(c) Grant administration

- (1) The Secretary shall make grants under this section based on a determination of cost-effectiveness and the most effective use of the funds to achieve the purposes described in subsection (b) of this section.
- (2) For each fiscal year, the Secretary shall allocate grant funds under this section equally between the purposes described in paragraphs (1) and (2) of subsection (b) of this section.
- (3) In making grants for the purposes described in subsection (b)(2) of this section, the Secretary shall give preference to renewable energy facilities.

(d) Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out this section \$20,000,000 for each of fiscal years 2006 through 2012.

(Pub. L. 95–617, title VI, §609, as added Pub. L. 109–58, title II, §209, Aug. 8, 2005, 119 Stat. 657.)

CODIFICATION

Section was enacted as part of the Public Utility Regulatory Policies Act of 1978, and not as part of the Rural Electrification Act of 1936 which comprises this chapter.

DEFINITIONS

Secretary means the Secretary of Energy, see section 2602(14) of Title 16, Conservation.

SUBCHAPTER II—RURAL TELEPHONE SERVICE

§921. Congressional declaration of policy

It is declared to be the policy of the Congress that adequate telephone service be made generally available in rural areas through the improvement and expansion of existing telephone facilities and the construction and operation of such additional facilities as are required to assure the availability of adequate telephone serv-