

energy usage during peak periods conducted by any of the following parties:

- (1) An electric utility.
- (2) An independent system operator.
- (3) A State agency.
- (4) A third party entity (such as a demand response aggregator or curtailment service provider) implementing demand response programs on behalf of an electric utility, independent system operator, or State agency.

(b) TREATMENT OF CERTAIN FINANCIAL INCENTIVES.—Financial incentives received from an entity specified in subsection (a) shall be—

- (1) received as a cost reduction in the utility bill for a facility; or
- (2) deposited into the fund established under subsection (c) for use, to the extent provided for in an appropriations Act, by the military department, Defense Agency, or instrumentality receiving such financial incentive for energy management initiatives.

(c) ENERGY SAVINGS FINANCIAL INCENTIVES FUND.—There is established in the Treasury a fund to be known as the “Energy Savings Financial Incentives Fund”. The Fund shall consist of any amount deposited in the Fund pursuant to subsection (b)(2) and amounts appropriated or otherwise made available to the Fund by law.

(Added Pub. L. 111-84, div. B, title XXVIII, §2843(a), Oct. 28, 2009, 123 Stat. 2681.)

SUBCHAPTER II—ENERGY-RELATED PROCUREMENT

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| Sec. | |
| 2922. | Liquid fuels and natural gas: contracts for storage, handling, or distribution. |
| 2922a. | Contracts for energy or fuel for military installations. |
| 2922b. | Procurement of energy systems using renewable forms of energy. |
| 2922c. | Procurement of gasohol as motor vehicle fuel. |
| 2922d. | Procurement of fuel derived from coal, oil shale, and tar sands. |
| 2922e. | Acquisition of certain fuel sources: authority to waive contract procedures; acquisition by exchange; sales authority. |
| 2922f. | Preference for energy efficient electric equipment. |
| 2922g. | Preference for motor vehicles using electric or hybrid propulsion systems. |

AMENDMENTS

2009—Pub. L. 111-84, div. B, title XXVIII, §2844(b), Oct. 28, 2009, 123 Stat. 2682, added item 2922g.

§ 2922. Liquid fuels and natural gas: contracts for storage, handling, or distribution

(a) AUTHORITY TO CONTRACT.—The Secretary of Defense and the Secretary of a military department may each contract for storage facilities for, or the storage, handling, or distribution of, liquid fuels or natural gas.

(b) PERIOD OF CONTRACT.—The period of a contract entered into under subsection (a) may not exceed 5 years. However, the contract may provide options for the Secretary to renew the contract for additional periods of not more than 5 years each, but not for more than a total of 20 years.

(c) OPTION TO PURCHASE FACILITY.—A contract under this section may contain an option for the

purchase by the United States of the facility covered by the contract at the expiration or termination of the contract, without regard to subsections (a) and (b) of section 3324 of title 31, and before approval of title to the underlying land by the Attorney General.

(Added Pub. L. 85-861, §1(46), Sept. 2, 1958, 72 Stat. 1457, §2388; amended Pub. L. 97-214, §10(a)(3), July 12, 1982, 96 Stat. 175; Pub. L. 97-258, §3(b)(6), Sept. 13, 1982, 96 Stat. 1063; Pub. L. 97-295, §1(27), Oct. 12, 1982, 96 Stat. 1291; Pub. L. 98-525, title XIV, §1405(56)(A), Oct. 19, 1984, 98 Stat. 2626; Pub. L. 101-510, div. A, title XIII, §1322(a)(6), Nov. 5, 1990, 104 Stat. 1671; Pub. L. 103-160, div. A, title VIII, §825, Nov. 30, 1993, 107 Stat. 1711; Pub. L. 103-355, title III, §3064, Oct. 13, 1994, 108 Stat. 3337; renumbered §2922, Pub. L. 109-364, div. B, title XXVIII, §2851(b)(2), Oct. 17, 2006, 120 Stat. 2494.)

HISTORICAL AND REVISION NOTES
1956 ACT

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2388(a)	50:98i (1st sentence).	Aug. 3, 1956, ch. 939, §416, 70 Stat. 1018.
2388(b)	50:98i (2d sentence).	
2388(c)	50:98i (less 1st and 2d sentences and proviso of last sentence).	
2388(d)	50:98i (proviso of last sentence).	

In subsection (b), the words “section applies only” are substituted for the words “authority is limited”. The word “standards” is substituted for the word “criteria”.

In subsection (c), the words “A contract under this section” are substituted for the words “Such contracts”. The last 33 words are substituted for 50:98i (28 words before proviso of last sentence).

1982 ACT

In 10:2388(c), the title 31 citation is substituted on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted title 31.

AMENDMENTS

2006—Pub. L. 109-364 renumbered section 2388 of this title as this section.

1994—Subsec. (a). Pub. L. 103-355 substituted “liquid fuels or natural gas” for “liquid fuels and natural gas”.

1993—Pub. L. 103-160, §825(b), substituted “Liquid fuels and natural gas: contracts for storage, handling, or distribution” for “Liquid fuels: contracts for storage, handling, and distribution” as section catchline.

Subsecs. (a), (b). Pub. L. 103-160, §825(a)(1), added subsecs. (a) and (b) and struck out former subsecs. (a) and (b) which read as follows:

“(a) The Secretary of a military department may contract for the storage, handling, and distribution of liquid fuels for periods of not more than five years, with options to renew for additional periods of not more than five years each, but not for more than a total of 20 years.

“(b) This section applies only to facilities that conform to standards prescribed by the Secretary of Defense for protection, including dispersal, and that are in a program approved by the Secretary of Defense for the protection of petroleum facilities.”

Subsec. (c). Pub. L. 103-160, §825(a)(2), inserted heading.

1990—Subsec. (d). Pub. L. 101-510 struck out subsec. (d) which read as follows: “The Secretary concerned shall report to the Committees on Armed Services of the Senate and the House of Representatives the terms of the contracts made under this section and the names of the contractors. The reports shall be made at such

times and in such form as may be agreed upon by the Secretary and those Committees.”

1984—Subsec. (c). Pub. L. 98-525 substituted “subsections (a) and (b) of section 3324” for “section 3324(a) and (b)”.

1982—Subsec. (c). Pub. L. 97-295, §1(27), substituted “section 3324(a) and (b) of title 31” for “section 3648 of the Revised Statutes (31 U.S.C. 529)”, clarifying the ambiguity created by previous amendments by Pub. L. 97-214 and Pub. L. 97-258.

Pub. L. 97-258, §3(b)(6), directed the substitution of “section 3324(a) and (b) of title 31” for “section 529 of title 31”, which could not be executed in view of prior substitution of language by Pub. L. 97-214.

Pub. L. 97-214, §10(a)(3), substituted “section 3648 of the Revised Statutes (31 U.S.C. 529)” for “section 4774(d) or 9774(d) of this title, section 529 of title 31, or section 259 or 267 of title 40.”

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-214 effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing authorized before, on, or after such date, see section 12(a) of Pub. L. 97-214, set out as an Effective Date note under section 2801 of this title.

NOTICE OF PURCHASE OF DROP-IN FUEL

Pub. L. 113-291, div. A, title III, §316(c), (d), Dec. 19, 2014, 128 Stat. 3339, 3340, provided that:

“(c) NOTICE OF PURCHASE REQUIRED.—If the Secretary of Defense intends to purchase a drop-in fuel intended for operational use with a fully burdened cost in excess of 10 percent more than the fully burdened cost of a traditional fuel available for the same purpose, the Secretary shall provide notice of such intended purchase to the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] by not later than 30 days before the date on which such purchase is intended to be made.

“(d) DEFINITIONS.—In this section [this note]:

“(1) The term ‘drop-in fuel’ means a neat or blended liquid hydrocarbon fuel designed as a direct replacement for a traditional fuel with comparable performance characteristics and compatible with existing infrastructure and equipment.

“(2) The term ‘traditional fuel’ means a liquid hydrocarbon fuel derived or refined from petroleum.

“(3) The term ‘operational purposes’ means for the purposes of conducting military operations, including training, exercises, large scale demonstrations, and moving and sustaining military forces and military platforms. The term does not include research, development, testing, evaluation, fuel certification, or other demonstrations.

“(4) The term ‘fully burdened cost’ means the commodity price of the fuel plus the total cost of all personnel and assets required to move and, when necessary, protect the fuel from the point at which the fuel is received from the commercial supplier to the point of use.”

PURCHASES OF GASOHOL AS FUEL FOR MOTOR VEHICLES

Pub. L. 96-107, title VIII, §815, Nov. 9, 1979, 93 Stat. 817, which had authorized the Secretary of Defense to buy domestically produced alcohol and gasohol for use as fuel in Department of Defense motor vehicles, was repealed and reenacted as section 2398 (now 2922c) of this title by Pub. L. 97-295, §1(29)(A), 6(b), Oct. 12, 1982, 96 Stat. 1293, 1315.

§ 2922a. Contracts for energy or fuel for military installations

(a) Subject to subsection (b), the Secretary of a military department may enter into contracts for periods of up to 30 years—

(1) under section 2917 of this title; and

(2) for the provision and operation of energy production facilities on real property under the Secretary’s jurisdiction or on private property and the purchase of energy produced from such facilities.

(b) A contract may be made under subsection (a) only after the approval of the proposed contract by the Secretary of Defense.

(c) The costs of contracts under this section for any year may be paid from annual appropriations for that year.

(Added Pub. L. 97-214, §6(a)(1), July 12, 1982, 96 Stat. 171, §2394; amended Pub. L. 97-321, title VIII, §805(b)(3), Oct. 15, 1982, 96 Stat. 1573; Pub. L. 100-26, §7(k)(2), Apr. 21, 1987, 101 Stat. 284; Pub. L. 101-510, div. A, title XIII, §1301(12), Nov. 5, 1990, 104 Stat. 1668; renumbered §2922a and amended Pub. L. 109-364, div. B, title XXVIII, §2851(b)(2), (3)(C), Oct. 17, 2006, 120 Stat. 2494.)

AMENDMENTS

2006—Pub. L. 109-364, §2851(b)(2), renumbered section 2394 of this title as this section.

Subsec. (a)(1). Pub. L. 109-364, §2851(b)(3)(C), substituted “section 2917” for “section 2689”.

1990—Subsec. (b). Pub. L. 101-510 substituted “only after the approval of the proposed contract by the Secretary of Defense” for “only—

“(1) after the approval of the proposed contract by the Secretary of Defense; and

“(2) after the Committees on Armed Services and on Appropriations of the Senate and House of Representatives have been notified of the terms of the proposed contract, including the dollar amount of the contract and the amount of energy or fuel to be delivered to the Government under the contract”.

1987—Subsec. (c). Pub. L. 100-26, which directed that “The term” be inserted in each paragraph after the paragraph designation and the first word after the first quotation marks in each paragraph be revised so that the initial letter of such word is lowercase, could not be executed because subsec. (c) contained no paragraphs and no quoted words. The probable intent of Congress was to amend section 2393(c) of this title.

1982—Subsec. (a). Pub. L. 97-321, §805(b)(3)(A), substituted “subsection (b)” for “subsection (c)”.

Subsecs. (c), (d). Pub. L. 97-321, §805(b)(3)(B), redesignated subsec. (d) as (c).

EFFECTIVE DATE

Section effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing authorized before, on, or after such date, see section 12(a) of Pub. L. 97-214, set out as a note under section 2801 of this title.

§ 2922b. Procurement of energy systems using renewable forms of energy

(a) In procuring energy systems the Secretary of a military department shall procure systems that use solar energy or other renewable forms of energy whenever the Secretary determines that such procurement is possible, suited to supplying the energy needs of the military department under the jurisdiction of the Secretary, consistent with the energy performance goals and energy performance plan for the Department of Defense developed under section 2911 of this title, and supported by the special considerations specified in subsection (c) of such section.

(b) The Secretary of Defense shall from time to time study uses for solar energy and other renewable forms of energy to determine what uses