

2009, and also as part of the Omnibus Appropriations Act, 2009, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

PART B—CLEAN POWER PROJECTS

**§ 15971. Integrated coal/renewable energy system**

**(a) In general**

Subject to the availability of appropriations, the Secretary may provide loan guarantees for a project to produce energy from coal of less than 7,000 Btu/lb. using appropriate advanced integrated gasification combined cycle technology, including repowering of existing facilities, that—

- (1) is combined with wind and other renewable sources;
- (2) minimizes and offers the potential to sequester carbon dioxide emissions; and
- (3) provides a ready source of hydrogen for near-site fuel cell demonstrations.

**(b) Requirements**

The facility—

- (1) may be built in stages;
- (2) shall have a combined output of at least 200 megawatts at successively more competitive rates; and
- (3) shall be located in the Upper Great Plains.

**(c) Technical criteria**

Technical criteria described in section 15962(b) of this title shall apply to the facility.

**(d) Investment tax credits**

**(1) In general**

The loan guarantees provided under this section do not preclude the facility from receiving an allocation for investment tax credits under section 48A of title 26.

**(2) Other funding**

Use of the investment tax credit described in paragraph (1) does not prohibit the use of other clean coal program funding.

(Pub. L. 109–58, title IV, §411, Aug. 8, 2005, 119 Stat. 754.)

**§ 15972. Loan to place Alaska clean coal technology facility in service**

**(a) Definitions**

In this section:

**(1) Borrower**

The term “borrower” means the owner of the clean coal technology plant.

**(2) Clean coal technology plant**

The term “clean coal technology plant” means the plant located near Healy, Alaska, constructed under Department cooperative agreement number DE-FC-22-91PC90544.

**(3) Cost of a direct loan**

The term “cost of a direct loan” has the meaning given the term in section 661a(5)(B) of title 2.

**(b) Authorization**

Subject to subsection (c), the Secretary shall use amounts made available under subsection (e)

to provide the cost of a direct loan to the borrower for purposes of placing the clean coal technology plant into reliable operation for the generation of electricity.

**(c) Requirements**

**(1) Maximum loan amount**

The amount of the direct loan provided under subsection (b) shall not exceed \$80,000,000.

**(2) Determinations by Secretary**

Before providing the direct loan to the borrower under subsection (b), the Secretary shall determine that—

- (A) the plan of the borrower for placing the clean coal technology plant in reliable operation has a reasonable prospect of success;
- (B) the amount of the loan (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project; and
- (C) there is a reasonable prospect that the borrower will repay the principal and interest on the loan.

**(3) Interest; term**

The direct loan provided under subsection (b) shall bear interest at a rate and for a term that the Secretary determines appropriate, after consultation with the Secretary of the Treasury, taking into account the needs and capacities of the borrower and the prevailing rate of interest for similar loans made by public and private lenders.

**(4) Additional terms and conditions**

The Secretary may require any other terms and conditions that the Secretary determines to be appropriate.

**(d) Use of payments**

The Secretary shall retain any payments of principal and interest on the direct loan provided under subsection (b) to support energy research and development activities, to remain available until expended, subject to any other conditions in an applicable appropriations Act.

**(e) Authorization of appropriations**

There are authorized to be appropriated such sums as are necessary to provide the cost of a direct loan under subsection (b).

(Pub. L. 109–58, title IV, §412, Aug. 8, 2005, 119 Stat. 754.)

**§ 15973. Western integrated coal gasification demonstration project**

**(a) In general**

Subject to the availability of appropriations, the Secretary shall carry out a project to demonstrate production of energy from coal mined in the western United States using integrated gasification combined cycle technology (referred to in this section as the “demonstration project”).

**(b) Components**

The demonstration project—

- (1) may include repowering of existing facilities;
- (2) shall be designed to demonstrate the ability to use coal with an energy content of not more than 9,000 Btu/lb.; and