

which is classified generally to chapter 12 (§791a et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

The Public Utility Regulatory Policies Act of 1978, referred to in subsec. (b), is Pub. L. 95-617, Nov. 9, 1978, 92 Stat. 3117, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 16, Conservation, and Tables.

§ 16423. Advanced Power System Technology Incentive Program

(a) Program

The Secretary is authorized to establish an Advanced Power System Technology Incentive Program to support the deployment of certain advanced power system technologies and to improve and protect certain critical governmental, industrial, and commercial processes. Funds provided under this section shall be used by the Secretary to make incentive payments to eligible owners or operators of advanced power system technologies to increase power generation through enhanced operational, economic, and environmental performance. Payments under this section may only be made upon receipt by the Secretary of an incentive payment application establishing an applicant as either—

- (1) a qualifying advanced power system technology facility; or
- (2) a qualifying security and assured power facility.

(b) Incentives

Subject to availability of funds, a payment of 1.8 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying advanced power system technology facility under this section for electricity generated at such facility. An additional 0.7 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying security and assured power facility for electricity generated at such facility. Any facility qualifying under this section shall be eligible for an incentive payment for up to, but not more than, the first 10,000,000 kilowatt-hours produced in any fiscal year.

(c) Eligibility

For purposes of this section:

(1) Qualifying advanced power system technology facility

The term “qualifying advanced power system technology facility” means a facility using an advanced fuel cell, turbine, or hybrid power system or power storage system to generate or store electric energy.

(2) Qualifying security and assured power facility

The term “qualifying security and assured power facility” means a qualifying advanced power system technology facility determined by the Secretary, in consultation with the Secretary of Homeland Security, to be in critical need of secure, reliable, rapidly available, high-quality power for critical governmental, industrial, or commercial applications.

(d) Authorization

There are authorized to be appropriated to the Secretary for the purposes of this section,

\$10,000,000 for each of the fiscal years 2006 through 2012.

(Pub. L. 109-58, title XII, §1224, Aug. 8, 2005, 119 Stat. 954.)

**PART B—TRANSMISSION OPERATION
IMPROVEMENTS**

§ 16431. Federal utility participation in transmission organizations

(a) Definitions

In this section:

(1) Appropriate Federal regulatory authority

The term “appropriate Federal regulatory authority” means—

(A) in the case of a Federal power marketing agency, the Secretary, except that the Secretary may designate the Administrator of a Federal power marketing agency to act as the appropriate Federal regulatory authority with respect to the transmission system of the Federal power marketing agency; and

(B) in the case of the Tennessee Valley Authority, the Board of Directors of the Tennessee Valley Authority.

(2) Federal power marketing agency

The term “Federal power marketing agency” has the meaning given the term in section 796 of title 16.

(3) Federal utility

The term “Federal utility” means—

- (A) a Federal power marketing agency; or
- (B) the Tennessee Valley Authority.

(4) Transmission Organization

The term “Transmission Organization” has the meaning given the term in section 796 of title 16.

(5) Transmission system

The term “transmission system” means an electric transmission facility owned, leased, or contracted for by the United States and operated by a Federal utility.

(b) Transfer

The appropriate Federal regulatory authority may enter into a contract, agreement, or other arrangement transferring control and use of all or part of the transmission system of a Federal utility to a Transmission Organization.

(c) Contents

The contract, agreement, or arrangement shall include—

(1) performance standards for operation and use of the transmission system that the head of the Federal utility determines are necessary or appropriate, including standards that ensure—

(A) recovery of all of the costs and expenses of the Federal utility related to the transmission facilities that are the subject of the contract, agreement, or other arrangement;

(B) consistency with existing contracts and third-party financing arrangements; and

(C) consistency with the statutory authorities, obligations, and limitations of the Federal utility;