

Act of 1933, act May 18, 1933, ch. 32, 48 Stat. 58, as amended, which is classified generally to this chapter. For complete classification of this Act to the Code, see section 831 of this title and Tables.

CODIFICATION

Section was enacted as part of the Energy and Water Development Appropriations Act, 1998, and not as part of the Tennessee Valley Authority Act of 1933 which comprises this chapter.

**CHAPTER 12B—BONNEVILLE PROJECT**

Sec.	
832.	Completion and maintenance of project; generation of electricity.
832a.	General administrative provisions.
832a-1.	Repealed.
832b.	Definitions.
832c.	Distribution of electricity; preference to public bodies and cooperatives.
832d.	Contracts for sale of electricity.
832e.	Rate schedules.
832f.	Elements in determining rates.
832g.	Purchase of supplies and services.
832h.	Miscellaneous administrative provisions.
832i.	Employment of personnel.
832j.	Deposit of receipts; authorization of appropriations.
832k.	Authority of Administrator.
832l.	Separability.
832m.	Sale of excess Federal power; fish and wildlife conservation within Federal Columbia River Power System; residential exchange; personnel flexibility.

**§ 832. Completion and maintenance of project; generation of electricity**

For the purpose of improving navigation on the Columbia River, and for other purposes incidental thereto, the dam, locks, power plant, and appurtenant works under construction on August 20, 1937, at Bonneville, Oregon and North Bonneville, Washington (called Bonneville project in this chapter), shall be completed, maintained, and operated under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, subject to the provisions of this chapter relating to the powers and duties of the Bonneville power administrator provided for in section 832a(a) of this title (called the administrator in this chapter) respecting the transmission and sale of electric energy generated at said project. The Secretary of the Army shall provide, construct, operate, maintain, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as the administrator may deem necessary to develop such electric energy as rapidly as markets may be found therefor. The electric energy thus generated and not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith shall be delivered to the administrator, for disposition as provided in this chapter.

(Aug. 20, 1937, ch. 720, §1, 50 Stat. 731; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956,

ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued military Department of the Army under administrative supervision of a Secretary of the Army.

SHORT TITLE

Act Aug. 20, 1937, ch. 720, 50 Stat. 731, which enacted this chapter, is popularly known as the "Bonneville Project Act of 1937".

TRANSFER OF FUNCTIONS

Functions of Secretary of the Interior with respect to Bonneville Power Administration transferred to Secretary of Energy by section 7152(a)(1)(D), (2) of Title 42, The Public Health and Welfare, with Bonneville Power Administration to be preserved as a distinct organizational entity within Department of Energy and headed by an Administrator.

**§ 832a. General administrative provisions**

**(a) Appointment of Administrator; powers and duties**

The electric energy generated in the operation of the said Bonneville project shall be disposed of by the said administrator as provided in this chapter. The administrator shall be appointed by the Secretary of Energy; shall be responsible to said Secretary of Energy; and shall maintain his principal office at a place selected by him in the vicinity of the Bonneville project.

The Administrator shall, as in this chapter provided, make all arrangements for the sale and disposition of electric energy generated at Bonneville project not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith. He shall act in consultation with the Secretary of Energy. The form of administration established in this chapter for the Bonneville project is intended to be provisional pending the establishment of a permanent administration for Bonneville and other projects in the Columbia River Basin. The Secretary of the Army shall install and maintain additional machinery, equipment, and facilities for the generation of electric energy at the Bonneville project when in the judgment of the administrator such additional generating facilities are desirable to meet actual or potential market requirements for such electric energy. The Secretary of the Army shall schedule the operations of the several electrical generating units and appurtenant equipment of the Bonneville project in accordance with the requirements of the administrator. The Secretary of the Army shall provide and maintain for the use of the administrator at said Bonneville project adequate station space and equipment, including such switches, switchboards, instruments, and dispatching facilities as may be required by the administrator for proper reception, handling, and dispatching of the electric energy produced at the said project, together with transformers and other equipment required by the administrator for the transmission of such energy from that place at suitable voltage to the markets which the administrator desires to serve.

The office of the Administrator of the Bonneville project is constituted an office in the Department of Energy and shall be under the jurisdiction and control of the Secretary of Energy.

All functions vested in the Administrator of the Bonneville project under this chapter may be exercised by the Secretary of Energy and, subject to his supervision and direction, by the Administrator and other personnel of the project.

**(b) Electric transmission lines and equipment**

In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups, the administrator is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as he finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale, from the Bonneville project to existing and potential markets, and, for the purpose of interchange of electric energy, to interconnect the Bonneville project with other Federal projects and publicly owned power systems constructed on or after August 20, 1937.

**(c) Acquisition of property**

The administrator is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as the administrator finds necessary or appropriate to carry out the purposes of this chapter. Title to all property and property rights acquired by the administrator shall be taken in the name of the United States.

**(d) Condemnation**

The administrator shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this chapter, by the exercise of the right of eminent domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate.

**(e) Disposal of property**

The administrator is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this chapter and such real property and interests in land acquired in connection with construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this chapter: *Provided, however*, That before the sale, lease, or disposition of real property or transmission lines, as herein provided, the administrator shall secure the approval of the President of the United States.

**(f) Contracts**

Subject only to the provisions of this chapter, the Administrator is authorized to enter into such contracts, agreements, and arrangements, including the amendment, modification, adjustment, or cancellation<sup>1</sup> thereof and the compromise or final settlement of any claim arising

thereunder, and to make such expenditures, upon such terms and conditions and in such manner as he may deem necessary.

(Aug. 20, 1937, ch. 720, §2, 50 Stat. 732; Mar. 6, 1940, ch. 47, §§1, 2, 54 Stat. 47; Oct. 23, 1945, ch. 433, §§1, 5, 59 Stat. 546, 547; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501; 1965 Reorg. Plan No. 4, §§11(c), 13(a), eff. July 27, 1965, 30 F.R. 9353, 79 Stat. 1321; Pub. L. 95-91, title III, §302(a)(1)(D), (2), Aug. 4, 1977, 91 Stat. 578.)

CODIFICATION

Provisions of the first par. of subsec. (a) which prescribed the compensation of the Administrator were omitted as compensation of the Administrator is prescribed by section 5316 of Title 5, Government Organization and Employees.

AMENDMENTS

1945—Subsec. (a). Act Oct. 23, 1945, §5, struck out provisions relating to the appointment and compensation of an Assistant Administrator, chief engineer and general counsel and to the powers and duties of the Assistant Administrator. See section 832i of this title.

Subsec. (f). Act Oct. 23, 1945, §1, substituted "is authorized to enter into such contracts, agreements, and arrangements, including the amendment, modification, adjustment, or cancellation thereof and the compromise or final settlement of any claim arising thereunder, and to make such expenditures, upon such terms and conditions and in such manner as he may deem necessary" for "is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as he shall find necessary or appropriate to carry out the purposes of this chapter".

1940—Subsec. (a). Act Mar. 6, 1940, inserted provisions relating to jurisdiction and functions of administrator.

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued military Department of the Army under administrative supervision of Secretary of the Army.

REPEALS

Act Mar. 6, 1940, ch. 47, §1, 54 Stat. 47, cited as a credit to this section, was repealed by Pub. L. 89-554, §8(a), Sept. 6, 1966, 80 Stat. 650.

TRANSFER OF FUNCTIONS

In subsec. (a), "Secretary of Energy" substituted for "Secretary of the Interior" in five places and "Department of Energy" substituted for "Department of the Interior" pursuant to Pub. L. 95-91, §302(a)(1)(D), (2), which is classified to section 7152(a)(1)(D), (2) of Title 42, The Public Health and Welfare, and which transferred functions of Secretary of the Interior with respect to Bonneville Power Administration to Secretary of Energy, with Bonneville Power Administration to be preserved as a distinct organizational entity within Department of Energy and headed by an Administrator.

Provisions of the second sentence of the second par. of subsec. (a), which related to the advisory board and its composition, were omitted pursuant to Reorg. Plan No. 4 of 1965, §§11(c) and 13(a), set out in the Appendix to Title 5, Government Organization and Employees, which abolished the advisory board and transferred its functions, including the functions of the chairman and other officers, to the Secretary of the Interior.

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with cer-

<sup>1</sup> So in original. Probably should be "cancellation".

tain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

**§ 832a-1. Repealed. Pub. L. 88-426, title III, § 305(36), Aug. 14, 1964, 78 Stat. 427**

Section, Pub. L. 87-330, title II, § 200, Sept. 30, 1961, 75 Stat. 728, prescribed the compensation of the Administrator, Bonneville Power Administration, and is prescribed by section 5316 of Title 5, Government Organization and Employees.

**EFFECTIVE DATE OF REPEAL**

Repeal effective on first day of first pay period which begins on or after July 1, 1964, see section 501 of Pub. L. 88-426.

**§ 832b. Definitions**

As employed in this chapter, the term “public body”, or “public bodies”, means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof.

As employed in this chapter, the term “cooperative”, or “cooperatives”, means any form of nonprofit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services, as nearly as possible at cost.

(Aug. 20, 1937, ch. 720, § 3, 50 Stat. 733.)

**§ 832c. Distribution of electricity; preference to public bodies and cooperatives**

**(a) General provisions**

In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

**(b) Prior to January 1, 1942; subsequent thereto**

To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in section<sup>1</sup> (a) and to effectuate the intent and purpose of this chapter that at all times up to January 1, 1942, there shall be available for sale to public bodies and cooperatives not less than 50 per centum of the electric energy produced at the Bonneville project, it shall be the duty of the administrator in making contracts for the sale of such energy to so arrange such contracts as to make such 50 per centum of such energy available to said public bodies and cooperatives until January 1, 1942: *Provided*, That the electric energy so reserved for but not actually purchased by and delivered to such public bodies and cooperatives prior to January 1, 1942, may be disposed of temporarily so long as such temporary disposition will not interfere with the purchase by and delivery to such public bodies and cooperatives at any time prior to January 1, 1942: *Provided further*, That nothing herein contained shall be construed to limit or impair the preferential and priority rights of

such public bodies or cooperatives after January 1, 1942; and in the event that after such date there shall be conflicting or competing applications for an allocation of electric energy between any public body or cooperative on the one hand and a private agency of any character on the other, the application of such public body or cooperative shall be granted.

**(c) Allowance of time for financing**

An application by any public body or cooperative for an allocation of electric energy shall not be denied, or another application competing or in conflict therewith be granted, to any private corporation, company, agency, or person, on the ground that any proposed bond or other security issue of any such public body or cooperative, the sale of which is necessary to enable such prospective purchaser to enter into the public business of selling and distributing the electric energy proposed to be purchased, has not been authorized or marketed, until after a reasonable time, to be determined by the administrator, has been afforded such public body or cooperative to have such bond or other security issue authorized or marketed.

**(d) Congressional declaration of policy; allowance of time for creation and organization**

It is declared to be the policy of the Congress, as expressed in this chapter, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States within economic transmission distance of the Bonneville project reasonable opportunity and time to hold any election or elections or take any action necessary to create such public bodies and cooperatives as the laws of such States authorize and permit, and to afford such public bodies or cooperatives reasonable time and opportunity to take any action necessary to authorize the issuance of bonds or to arrange other financing necessary to construct or acquire necessary and desirable electric distribution facilities, and in all other respects legally to become qualified purchasers and distributors of electric energy available under this chapter.

(Aug. 20, 1937, ch. 720, § 4, 50 Stat. 733; Mar. 6, 1940, ch. 47, § 3, 54 Stat. 47.)

**AMENDMENTS**

1940—Subsec. (b). Act Mar. 6, 1940, substituted “January 1, 1942” for “January 1, 1941” wherever appearing.

**TRANSFER OF FUNCTIONS**

Functions of Secretary of the Interior with respect to Bonneville Power Administration transferred to Secretary of Energy by section 7152(a)(1)(D), (2) of Title 42, The Public Health and Welfare, with Bonneville Power Administration to be preserved as a distinct organizational entity within Department of Energy and headed by an Administrator.

**§ 832d. Contracts for sale of electricity**

**(a) Authorization of Administrator; contents of contracts**

Subject to the provisions of this chapter and to such rate schedules as the Secretary of Energy may approve, as provided in this chapter, the administrator shall negotiate and enter into contracts for the sale at wholesale of electric

<sup>1</sup> So in original. Probably should be “subsection”.