(5) Treatment of certain revenues

Revenue from ancillary services provided by existing Federal power systems to users of transmission projects funded pursuant to this section shall be treated as revenue to the existing power system that provided the ancillary services.

(d) Certification

(1) In general

For each project in which the Western Area Power Administration participates pursuant to this section, the Administrator shall certify, prior to committing funds for any such project, that—

(A) the project is in the public interest;

(B) the project will not adversely impact system reliability or operations, or other statutory obligations; and

(C) it is reasonable to expect that the proceeds from the project shall be adequate to make repayment of the loan.

(2) Forgiveness of balances

(A) In general

If, at the end of the useful life of a project, there is a remaining balance owed to the Treasury under this section, the balance shall be forgiven.

(B) Unconstructed projects

Funds expended to study projects that are considered pursuant to this section but that are not constructed shall be forgiven.

(C) Notification

The Administrator shall notify the Secretary of such amounts as are to be forgiven under this paragraph.

(e) Public processes

(1) Policies and practices

Prior to requesting any loans under this section, the Administrator shall use a public process to develop practices and policies that implement the authority granted by this section.

(2) Requests for interest

In the course of selecting potential projects to be funded under this section, the Administrator shall seek Requests For Interest from entities interested in identifying potential projects through one or more notices published in the Federal Register.

(Pub. L. 98–381, title III, § 301, as added Pub. L. 111–5, div. A, title IV, § 402, Feb. 17, 2009, 123 Stat. 141.)

CODIFICATION

Section was enacted as part of the Hoover Power Plant Act of 1984, and not as part of the Electricity Modernization Act of 2005, which comprises this subchapter, or the Energy Policy Act of 2005, which comprises this chapter.

§ 16422. Advanced transmission technologies

(a) Definition of advanced transmission technology

In this section, the term ''advanced transmission technology'' means a technology that increases the capacity, efficiency, or reliability of an existing or new transmission facility, including—

(1) high-temperature lines (including superconducting cables);

(2) underground cables;

(3) advanced conductor technology (including advanced composite conductors, high-temperature low-sag conductors, and fiber optic temperature sensing conductors);

(4) high-capacity ceramic electric wire, connectors, and insulators;

(5) optimized transmission line configurations (including multiple phased transmission lines);

(6) modular equipment;

(7) wireless power transmission;

(8) ultra-high voltage lines;

(9) high-voltage DC technology;

(10) flexible AC transmission systems;

(11) energy storage devices (including pumped hydro, compressed air, superconducting magnetic energy storage, flywheels, and batteries);

(12) controllable load;

(13) distributed generation (including PV, fuel cells, and microturbines);

(14) enhanced power device monitoring;

(15) direct system state sensors;

(16) fiber optic technologies;

(17) power electronics and related software (including real time monitoring and analytical software);

(18) mobile transformers and mobile substations; and

(19) any other technologies the Commission considers appropriate.

(b) Authority

In carrying out the Federal Power Act (16 U.S.C. 791a et seq.) and the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.), the Commission shall encourage, as appropriate, the deployment of advanced transmission technologies.

(Pub. L. 109–58, title XII, § 1223, Aug. 8, 2005, 119 Stat. 953.)

REFERENCES IN TEXT

The Federal Power Act, referred to in subsec. (b), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, 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;

(2) provisions for monitoring and oversight by the Federal utility of the Transmission Organization's terms and conditions of the contract, agreement, or other arrangement, including a provision for the resolution of disputes through arbitration or other means with the Transmission Organization or with other participants, notwithstanding the obligations and limitations of any other law regarding arbitration; and

(3) a provision that allows the Federal utility to withdraw from the Transmission Organization and terminate the contract, agreement, or other arrangement in accordance with its terms.

(d) Commission

Neither this section, actions taken pursuant to this section, nor any other transaction of a