

that generates electric energy through a facility other than a federally owned electric generating facility.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1288.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
17901	40:795.	Pub. L. 96-571, §2, Dec. 22, 1980, 94 Stat. 3341.

In clause (1), the definition of “agency” as referring to the head of any department, agency, or instrumentality of the United States Government is rewritten as a definition of “federal agency” to avoid confusion between the role of the “agency” and the “head of the agency”. Throughout the chapter, the words “head of the federal agency” are used when the source provision is referring to action taken by an official as opposed to the concept of the agency as an institution.

In clause (3), the text of 40:795(1) and (4) is combined to eliminate a definition (40:795(1)) that is used only once.

§ 17902. Sale of electric energy

(a) IN GENERAL.—To conserve oil and natural gas and better utilize coal, the head of a federal agency may sell, or enter into a contract to sell, to any non-federal person electric energy generated by coal-fired electric generating facilities of that agency in Alaska without regard to any provision of law that precludes the sale when the electric energy to be sold is available from other local sources, if the head of the federal agency determines that—

(1) the electric energy to be sold is generated by an existing coal-fired generating facility;

(2) the electric energy to be sold is surplus to the federal agency’s needs and is in excess of the electric energy specifically generated for consumption by, or necessary to serve the requirements of, another federal agency;

(3) the cost to the ultimate consumers of the electric energy to be sold is less than the cost that, in the absence of the sale, would be incurred by those consumers for the purchase of an equivalent amount of energy; and

(4) the sale will reduce the total consumption of oil or natural gas by the non-federal person purchasing the electric energy below the level of consumption that would occur in the absence of the sale.

(b) PRICING POLICIES.—Federally generated electric energy sold by the head of a federal agency under subsection (a) shall be priced to recover the fuel and variable operation and maintenance costs of the facility generating the energy that are attributable to that sale, plus an amount equal to one-half the difference between—

(1) the costs of producing the electric energy by coal generation; and

(2) the costs of producing electric energy by the oil or gas generation being displaced.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1289.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
17902	40:795a.	Pub. L. 96-571, §3, Dec. 22, 1980, 94 Stat. 3341.

In subsection (a), the words “to be sold” are added for clarity. In clause (4), the words “below the level of consumption that” are substituted for “below that consumption which” for clarity.

In subsection (b), before clause (1), the words “fuel and variable operation and maintenance costs of the facility generating the energy that are attributable to that sale” are substituted for “fuel costs and variable operation and maintenance costs of the Federal generating facility concerned which costs are attributable to such sale” for clarity.

§ 17903. Purchase of electric power

For purposes of economy, efficiency, and conserving oil and natural gas, the head of a federal agency, when practicable and consistent with other laws and requirements applicable to that agency, shall endeavor to purchase electric energy from a non-federal person for consumption in Alaska by a facility of that agency when (taking into account the remaining useful life of any facility available to that agency to generate electric energy for that agency and the cost of maintaining the facility on a standby basis) the purchase will result in—

(1) a savings to other consumers of electric energy sold by that non-federal person without increasing the cost incurred by any federal agency for electric energy; or

(2) a cost savings to the federal agency purchasing the electric energy without increasing costs to other consumers of electric energy.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1289.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
17903	40:795b.	Pub. L. 96-571, §4, Dec. 22, 1980, 94 Stat. 3342.

In this section, before clause (1), the words “electric energy” are substituted for “electric power” for consistency in the revised section.

§ 17904. Implementation powers and limitations

(a) ACCOMMODATION OF NEEDS FOR ELECTRIC ENERGY.—This chapter does not require or authorize a federal agency to construct a new electric generating facility or related facility, to modify an existing facility, or to employ reserve or standby equipment to accommodate the needs of a non-federal person for electric energy.

(b) AVAILABILITY OF REVENUE FROM SALES.—Revenue received by a federal agency pursuant to section 17902 of this title from the sale of electric energy generated from a facility of that agency is available to the agency without fiscal year limitation to purchase fuel and for operation, maintenance, and other costs associated with that facility.

(c) EXERCISE OF AUTHORITIES.—The authority under this chapter shall be exercised for those periods and pursuant to terms and conditions that the head of the federal agency concerned decides are necessary consistent with—

(1) this chapter; and

(2) responsibilities of the head of the federal agency under other law.

(d) NEGOTIATION AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS.—A contract or other agreement executed under this chapter shall be