

(Pub. L. 96-205, title VI, §605, Mar. 12, 1980, 94 Stat. 90.)

### Executive Documents

#### TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of this title.

### § 1492. Energy resources of Caribbean and Pacific insular areas

#### (a) Congressional findings

The Congress finds that—

(1) the Caribbean and Pacific insular areas of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, and Palau are virtually completely dependent on imported sources of energy;

(2) the dependence of such areas on imported sources of energy coupled with the increasing cost and the uncertain availability and supply of such sources of energy will continue to frustrate the political, social, and economic development of such areas by placing increasingly severe fiscal burdens on the local governments of these areas;

(3) these insular areas are endowed with a variety of renewable sources of energy which, if developed, would alleviate their dependence on imported sources of energy, relieve the fiscal burden on local governments imposed by the costs of imported fuel, and strengthen the base for political, social, and economic development;

(4) appropriate technologies are presently available to develop the renewable energy resources of these insular areas but that comprehensive energy plans have not been adequately developed to meet the energy demands of these areas from renewable energy resources;

(5) electric power transmission and distribution lines in insular areas are inadequate to withstand damage caused by the hurricanes and typhoons which frequently occur in insular areas and such damage often costs millions of dollars to repair; and

(6) the refinement of renewable energy technologies since the publication of the 1982 Territorial Energy Assessment prepared pursuant to subsection (c) reveals the need to reassess the state of energy production, consumption, infrastructure, reliance on imported energy, opportunities for energy conservation and increased energy efficiency, and indigenous sources in regard to the insular areas.

#### (b) Congressional declaration of policy

The Congress declares that it is the policy of the Federal Government to—

(1) develop the renewable energy resources of the Caribbean and Pacific insular areas of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, and Palau; and

(2) to assist other insular areas in the Caribbean and Pacific Basin in the development of their renewable energy resources.

#### (c) Comprehensive energy plan

The Secretary of Energy or any administrative official who may succeed him shall prepare a comprehensive energy plan with emphasis on indigenous renewable sources of energy for Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands and Palau. The plan shall be prepared with the approval of the Secretary of the Interior and in cooperation with the chief executive officer of each insular area by—

(1) surveying existing sources and uses of energy;

(2) estimating future energy needs to the year 2020, giving due consideration to a range of economic development possibilities;

(3) assessing, in depth, the availability and potential for development of indigenous energy sources, including solar, wind, hydropower, ocean current and tidal, biogas, biofuel, geothermal and ocean thermal energy conversion;

(4) assessing the mix of energy sources (including fossil fuels) and identifying those technologies that are needed to meet the projected demands for energy; and

(5) drafting long-term energy plans for such insular areas with the objective of minimizing their reliance on energy imports and making maximum use of their indigenous energy resources.

#### (d) Demonstration of cost effective renewable energy technologies

The Secretary of Energy or any administrative official who may succeed him, with the approval of the Secretary of the Interior, as part of the comprehensive energy planning may demonstrate those indigenous renewable energy technologies which are determined to be most cost effective through the use of existing programs and may implement any projects or programs contained in recommendations of the plan.

#### (e) Updating of plans; submission to Congress

(1) The Secretary of the Interior, in consultation with the Secretary of Energy and the head of government of each insular area, shall update the plans required under subsection (c) by—

(A) updating the contents required by subsection (c);

(B) drafting long-term energy plans for such insular areas with the objective of reducing, to the extent feasible, their reliance on energy imports by the year 2012, increasing energy conservation and energy efficiency, and maximizing, to the extent feasible, use of indigenous energy sources; and

(C) drafting long-term energy transmission line plans for such insular areas with the objective that the maximum percentage feasible of electric power transmission and distribution lines in each insular area be protected from damage caused by hurricanes and typhoons.

(2) In carrying out this subsection, the Secretary of Energy shall identify and evaluate the strategies or projects with the greatest potential for reducing the dependence on imported

fossil fuels as used for the generation of electricity, including strategies and projects for—

(A) improved supply-side efficiency of centralized electrical generation, transmission, and distribution systems;

(B) improved demand-side management through—

(i) the application of established standards for energy efficiency for appliances;

(ii) the conduct of energy audits for business and industrial customers; and

(iii) the use of energy savings performance contracts;

(C) increased use of renewable energy, including—

(i) solar thermal energy for electric generation;

(ii) solar thermal energy for water heating in large buildings, such as hotels, hospitals, government buildings, and residences;

(iii) photovoltaic energy;

(iv) wind energy;

(v) hydroelectric energy;

(vi) wave energy;

(vii) energy from ocean thermal resources, including ocean thermal-cooling for community air conditioning;

(viii) water vapor condensation for the production of potable water;

(ix) fossil fuel and renewable hybrid electrical generation systems; and

(x) other strategies or projects that the Secretary may identify as having significant potential; and

(D) fuel substitution and minimization with indigenous biofuels, such as coconut oil.

(3) In carrying out this subsection, for each insular area with a significant need for distributed generation, the Secretary of Energy shall identify and evaluate the most promising strategies and projects described in subparagraphs (C) and (D) of paragraph (2) for meeting that need.

(4) In assessing the potential of any strategy or project under paragraphs (2) and (3), the Secretary of Energy shall consider—

(A) the estimated cost of the power or energy to be produced, including—

(i) any additional costs associated with the distribution of the generation; and

(ii) the long-term availability of the generation source;

(B) the capacity of the local electrical utility to manage, operate, and maintain any project that may be undertaken; and

(C) other factors the Secretary of Energy considers to be appropriate.

(5) Not later than 1 year after August 8, 2005, the Secretary of the Interior shall submit to the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and the Committee on Energy and Commerce of the House of Representatives, the updated plans for each insular area required by this subsection.

**(f) Authorization of appropriations**

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

**(g) Financial assistance**

(1) The Secretary of Energy may grant financial assistance, not to exceed \$2,000,000 annually, to insular area governments or private sector persons working in cooperation with insular area governments to carry out projects to evaluate the feasibility of, develop options for, and encourage the adoption of energy efficiency and renewable energy measures which reduce the dependency of the insular areas on imported fuels, improve the quality of the environment, and promote development in the insular areas.

(2) Any applicant for financial assistance under this subsection must evidence coordination and cooperation with, and support from, the affected local energy institutions.

(3) In determining the amount of financial assistance to be provided for a proposed project, the Secretary shall consider—

(A) whether the measure will reduce the relative dependence of the insular area on imported fuels;

(B) the ease and costs of operation and maintenance of any facilities contemplated as a part of the project;

(C) whether the project will rely on the use of conservation measures or indigenous, renewable energy resources that were identified in the 1982 Territorial Energy Assessment or that are identified by the Secretary as consistent with the purposes of this subsection;

(D) whether the measure will contribute significantly to development and the quality of the environment in the insular area; and

(E) any other factors which the Secretary may determine to be relevant to a particular project.

**(4) POWER LINE GRANTS FOR INSULAR AREAS.—**

(A) **IN GENERAL.**—The Secretary of the Interior is authorized to make grants to governments of insular areas of the United States to carry out eligible projects to protect electric power transmission and distribution lines in such insular areas from damage caused by hurricanes and typhoons.

(B) **ELIGIBLE PROJECTS.**—The Secretary of the Interior may award grants under subparagraph (A) only to governments of insular areas of the United States that submit written project plans to the Secretary for projects that meet the following criteria:

(i) The project is designed to protect electric power transmission and distribution lines located in 1 or more of the insular areas of the United States from damage caused by hurricanes and typhoons.

(ii) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

(iii) The project addresses 1 or more problems that have been repetitive or that pose a significant risk to public health and safety.

(iv) The project is not likely to cost more than the value of the reduction in direct damage and other negative impacts that the project is designed to prevent or mitigate. The cost benefit analysis required by this criterion shall be computed on a net present value basis.

(v) The project design has taken into consideration long-term changes to the areas and persons it is designed to protect and has manageable future maintenance and modification requirements.

(vi) The project plan includes an analysis of a range of options to address the problem it is designed to prevent or mitigate and a justification for the selection of the project in light of that analysis.

(vii) The applicant has demonstrated to the Secretary that the matching funds required by subparagraph (D) are available.

(C) **PRIORITY.**—When making grants under this paragraph, the Secretary of the Interior shall give priority to grants for projects which are likely to—

(i) have the greatest impact on reducing future disaster losses; and

(ii) best conform with plans that have been approved by the Federal Government or the government of the insular area where the project is to be carried out for development or hazard mitigation for that insular area.

(D) **MATCHING REQUIREMENT.**—The Federal share of the cost for a project for which a grant is provided under this paragraph shall not exceed 75 percent of the total cost of that project. The non-Federal share of the cost may be provided in the form of cash or services.

(E) **TREATMENT OF FUNDS FOR CERTAIN PURPOSES.**—Grants provided under this paragraph shall not be considered as income, a resource, or a duplicative program when determining eligibility or benefit levels for Federal major disaster and emergency assistance.

(F) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this paragraph \$6,000,000 for each fiscal year beginning after August 8, 2005.

(5) For the purposes of this subsection—

(A) the term “insular area” means American Samoa, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Federated States of Micronesia, Guam, the Republic of the Marshall Islands, the Republic of Palau, and the Virgin Islands; and

(B) the term “1982 Territorial Energy Assessment” means the comprehensive energy plan prepared by the Secretary of Energy pursuant to subsection (c).

(Pub. L. 96-597, title VI, §604, Dec. 24, 1980, 94 Stat. 3480; Pub. L. 98-213, §7, Dec. 8, 1983, 97 Stat. 1460; Pub. L. 102-486, title XXVII, §2701, Oct. 24, 1992, 106 Stat. 3118; Pub. L. 109-58, title II, §251, Aug. 8, 2005, 119 Stat. 679.)

#### Editorial Notes

##### REFERENCES IN TEXT

August 8, 2005, referred to in subsecs. (e)(5) and (g)(4)(F), was in the original “the date of enactment of this subsection” and “the date of enactment of this paragraph”, respectively, and was translated as meaning the date of enactment of Pub. L. 109-58 which amended subsecs. (e) and (g)(4) generally, to reflect the probable intent of Congress.

##### AMENDMENTS

2005—Subsec. (a)(5), (6). Pub. L. 109-58, §251(1), (2), added pars. (5) and (6).

Subsec. (e). Pub. L. 109-58, §251(3), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “Within two years from December 24, 1980, the Secretary of Energy or any administrative official who may succeed him shall submit the comprehensive energy plan for each insular area to the Congress.”

Subsec. (g)(4). Pub. L. 109-58, §251(4), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “Notwithstanding the requirements of section 1469a(d) of this title, the Secretary shall require at least 20 percent of the costs of any project under this subsection to be provided from non-Federal sources. Such cost sharing may be in the form of in-kind services, donated equipment, or any combination thereof.”

1992—Subsec. (g). Pub. L. 102-486 added subsec. (g).

1983—Subsec. (d). Pub. L. 98-213 inserted “and may implement any projects or programs contained in recommendations of the plan”.

#### Statutory Notes and Related Subsidiaries

##### CHANGE OF NAME

Committee on Resources of House of Representatives changed to Committee on Natural Resources of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

#### § 1492a. Study of electric rates in the insular areas

##### (a) Definitions

In this section:

##### (1) Comprehensive energy plan

The term “comprehensive energy plan” means a comprehensive energy plan prepared and updated under subsections (c) and (e) of section 1492 of this title.

##### (2) Energy action plan

The term “energy action plan” means the plan required by subsection (d).

##### (3) Freely Associated States

The term “Freely Associated States” means the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

##### (4) Insular areas

The term “insular areas” means American Samoa, the Commonwealth of the Northern Mariana Islands, Puerto Rico, Guam, and the Virgin Islands.

##### (5) Secretary

The term “Secretary” means the Secretary of the Interior, except that, with respect to Puerto Rico, the term means, the Secretary of Energy.

##### (6) Team

The term “team” means the team established by the Secretary under subsection (b).

##### (b) Establishment

Not later than 180 days after December 16, 2014 (except in the case of Puerto Rico, in which case not later than 270 days after June 30, 2016), the Secretary shall, within the Empowering Insular Communities activity (except in the case of Puerto Rico), establish a team of technical, policy, and financial experts—

(1) to develop an energy action plan addressing the energy needs of each of the insular areas and Freely Associated States; and