

111TH CONGRESS
1ST SESSION

S. 1175

To amend the Public Utility Regulatory Policies Act of 1978 to authorize the Secretary of Energy to make loans to electric utilities to carry out projects to comply with any Federal renewable electricity standard, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 3, 2009

Ms. CANTWELL introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Public Utility Regulatory Policies Act of 1978 to authorize the Secretary of Energy to make loans to electric utilities to carry out projects to comply with any Federal renewable electricity standard, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LOANS FOR PROJECTS TO COMPLY WITH FED-**
4 **ERAL RENEWABLE ELECTRICITY STANDARD.**

5 Section 610 of the Public Utility Regulatory Policies
6 Act of 1978 (as added by section 2(a) of the American

1 Renewable Electricity Production Act of 2009) is amend-
2 ed—

3 (1) by redesignating subsections (k) and (l) as
4 subsections (l) and (m), respectively; and

5 (2) by inserting after subsection (j) the fol-
6 lowing:

7 “(k) LOANS FOR PROJECTS TO COMPLY WITH FED-
8 ERAL RENEWABLE ELECTRICITY STANDARD.—

9 “(1) PURPOSES.—The purposes of this sub-
10 section are—

11 “(A) to reduce the cost incurred by electric
12 utilities in complying with the requirements of
13 this section; and

14 “(B) to minimize the impact of the re-
15 quirements on electricity rates for consumers.

16 “(2) LOANS.—The Secretary shall make loans
17 available to electric utilities to carry out qualified
18 projects approved by the Secretary to comply with
19 the requirements of this section.

20 “(3) QUALIFIED PROJECTS.—

21 “(A) IN GENERAL.—A loan may be made
22 under this subsection for a project—

23 “(i) to construct a renewable energy
24 generation facility;

1 “(ii) to install an energy efficiency or
2 electricity demand reduction technology; or

3 “(iii) to carry out any other project
4 approved by the Secretary that the Sec-
5 retary determines is consistent with the
6 purposes of this subsection.

7 “(B) DISAPPROVAL.—The Secretary may
8 disapprove an application for a loan for a
9 project under this subsection if the Secretary
10 determines that—

11 “(i) the revenues generated under the
12 project are unlikely to be sufficient to
13 cover the repayment obligations of the pro-
14 posed loan; or

15 “(ii) the project is not otherwise con-
16 sistent with the purposes of this sub-
17 section.

18 “(4) TERMS.—A loan made by the Secretary to
19 an electric utility under this subsection shall—

20 “(A) be for a term of not to exceed 30
21 years; and

22 “(B) bear an annual interest rate that is
23 50 basis points more than the Federal funds
24 rate established by the Board of Governors of
25 the Federal Reserve System.

1 “(5) PRIORITY.—Notwithstanding any other
2 provision of law, the debt to the Federal Government
3 under a loan made to an electric utility under this
4 subsection shall have priority in any case in which
5 the electric utility files for bankruptcy protection
6 under title 11, United States Code.

7 “(6) AUTHORIZATION OF APPROPRIATIONS.—
8 There are authorized to be appropriated such sums
9 as are necessary to carry out this subsection.”.

○