

111TH CONGRESS
1ST SESSION

S. 1758

To provide for the allocation of costs to project power with respect to power development within the Diamond Fork System, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 2009

Mr. BENNETT (for himself and Mr. HATCH) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To provide for the allocation of costs to project power with respect to power development within the Diamond Fork System, 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. SHORT TITLE.**

4 This Act may be cited as the “Bonneville Unit Clean
5 Hydropower Facilitation Act”.

6 **SEC. 2. DIAMOND FORK SYSTEM DEFINED.**

7 For the purposes of this Act, the term “Diamond
8 Fork System” means the facilities described in chapter 4

1 of the October 2004 Supplement to the 1988 Definite
2 Plan Report for the Bonneville Unit.

3 **SEC. 3. COST ALLOCATIONS.**

4 Notwithstanding any other provision of law, in order
5 to facilitate hydropower development on the Diamond
6 Fork System, the amount of reimbursable costs allocated
7 to project power in chapter 6 of the Power Appendix in
8 the October 2004 Supplement to the 1988 Bonneville Unit
9 Definite Plan Report, with regard to power development
10 within the Diamond Fork System, shall be considered final
11 costs as well as costs in excess of the total maximum re-
12 payment obligation as defined in section 211 of the Cen-
13 tral Utah Project Completion Act of 1992 (Public Law
14 102–575), and shall be subject to the same terms and con-
15 ditions.

16 **SEC. 4. NO PURCHASE OR MARKET OBLIGATION; NO COSTS**
17 **ASSIGNED TO POWER.**

18 Nothing in this Act shall obligate the Western Area
19 Power Administration to purchase or market any of the
20 power produced by the Diamond Fork power plant and
21 none of the costs associated with development of trans-
22 mission facilities to transmit power from the Diamond
23 Fork power plant shall be assigned to power for the pur-
24 pose of Colorado River Storage Project ratemaking.

1 **SEC. 5. PROHIBITION ON TAX-EXEMPT FINANCING.**

2 No facility for the generation or transmission of hy-
3 droelectric power on the Diamond Fork System may be
4 financed or refinanced, in whole or in part, with proceeds
5 of any obligation—

6 (1) the interest on which is exempt from the
7 tax imposed under chapter 1 of the Internal Rev-
8 enue Code of 1986, or

9 (2) with respect to which credit is allowable
10 under subpart I or J of part IV of subchapter A of
11 chapter 1 of such Code.

12 **SEC. 6. REPORTING REQUIREMENT.**

13 If, 24 months after the date of the enactment of this
14 Act, hydropower production on the Diamond Fork System
15 has not commenced, the Secretary of the Interior shall
16 submit a report to the Committee on Natural Resources
17 of the House of Representatives and the Committee on
18 Energy and Natural Resources of the Senate stating this
19 fact, the reasons such production has not yet commenced,
20 and a detailed timeline for future hydropower production.

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