

the event of failure to begin production of revenue (or, where no sale of energy or geothermal energy resources is made, to begin production of energy for commercial use) within five years after the date of such reservoir confirmation, the Secretary may take action to recover the value, not to exceed the amount of the unpaid balance of the loan plus any accrued interest thereon, of any assets of the project in question, including resource rights.

(c) Cancellation of unpaid balance and accrued interest

The Secretary may at any time cancel the unpaid balance and any accrued interest on any loan made under this section if he determines, on the basis of evidence presented by the loan recipient or otherwise, that the geothermal energy reservoir with respect to which the loan was made has characteristics which make that reservoir economically or technically unacceptable for commercial development.

(d) "Person" defined

As used in this subchapter, the term "person" includes municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, and Indian tribes, as well as the entities included within such term under section 1 of title 1.

(Pub. L. 96-294, title VI, §611, June 30, 1980, 94 Stat. 763.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original "this title", meaning title VI of Pub. L. 96-294, June 30, 1980, 94 Stat. 763, known as the Geothermal Energy Act of 1980. For complete classification of title VI to the Code, see Short Title note set out under section 1501 of this title and Tables.

Section 1144 of this title, referred to in subsec. (a), was repealed by Pub. L. 116-260, div. Z, title III, §3002(i)(3), Dec. 27, 2020, 134 Stat. 2495.

§ 1512. Loan size limitation

The amount of any loan made under section 1511(a) of this title with respect to a project described in that section shall not exceed 50 percent of the cost of such project; except that if the loan is made to a person proposing to make application of the resources of the reservoir involved primarily for space heating or cooling or process heat for one or more structures or facilities then existing or under construction, the loan may be in any amount up to 90 per centum of such cost. In any event no loan shall be made in an amount in excess of \$3,000,000.

(Pub. L. 96-294, title VI, §612, June 30, 1980, 94 Stat. 764.)

§ 1513. Loan interest rates; repayment periods

(a) Each loan made under section 1511 of this title shall bear interest at a discount or interest rate equal to the rate in effect (at the time the loan is made) for water resources planning projects under section 80 of the Water Resources Development Act of 1974 (42 U.S.C. 1962(d)-17(a)).¹

¹ So in original. Should be "(42 U.S.C. 1962d-17(a))."

(b) Each such loan shall be for a term which the Secretary deems appropriate, except that no loan term shall exceed twenty years beyond the date on which production of energy or geothermal energy resources begins from the reservoir involved. If revenues are inadequate (as determined by the Secretary) to fully repay the principal and accrued interest within twenty years after production begins, any remaining unpaid amounts shall be forgiven.

(Pub. L. 96-294, title VI, §613, June 30, 1980, 94 Stat. 764.)

§ 1514. Program termination

No new loans shall be made under this subchapter after September 30, 1986. Amounts repaid on or before September 30, 1986, on loans theretofore made under section 1511 of this title shall be deposited in the Geothermal Resources Development Fund for purposes of this subchapter. Amounts repaid after that date on loans theretofore made under section 1511 of this title, and amounts deposited in the Fund for purposes of this subchapter which remain in the Fund after that date and are not required to secure outstanding obligations under this subchapter, shall be deposited into the United States Treasury as miscellaneous receipts.

(Pub. L. 96-294, title VI, §614, June 30, 1980, 94 Stat. 764.)

§ 1515. Regulations

The Secretary shall promulgate regulations to carry out this subchapter no later than six months after June 30, 1980.

(Pub. L. 96-294, title VI, §615, June 30, 1980, 94 Stat. 764.)

§ 1516. Authorizations

There are hereby authorized to be appropriated for loans under this subchapter not to exceed \$5,000,000 for fiscal year 1981, and not to exceed \$20,000,000 for each of the four succeeding fiscal years. Amounts so appropriated shall be deposited in the Geothermal Resources Development Fund for purposes of this subchapter, and shall remain available for such purposes until expended.

(Pub. L. 96-294, title VI, §616, June 30, 1980, 94 Stat. 765.)

SUBCHAPTER II—STUDY, ESTABLISHMENT, AND IMPLEMENTATION OF INSURANCE PROGRAM

§ 1521. Reservoir insurance program study

The Secretary shall conduct a detailed study of the need for and feasibility of establishing a reservoir insurance and reinsurance program incorporating the terms, conditions, and provisions set forth in section 1522 of this title, and shall submit to the Congress within one year after June 30, 1980, a report on the results of such study including his findings and recommendations with respect thereto.

(Pub. L. 96-294, title VI, §621, June 30, 1980, 94 Stat. 765.)