FEDERAL COLUMBIA RIVER TRANSMISSION SYSTEM ACT OF 1974

(Continued)

838j. Investment of excess moneys; deposit of moneys

838j(a). If the Administrator determines that moneys in the fund are in excess of current needs he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States of America.
[Transmission System Act, §12(a), 88 Stat. 1380.]

838j(b). With the approval of the Secretary of the Treasury, the Administrator may deposit moneys of the fund in any Federal Reserve bank or other depository for funds of the United States of America, or in such other banks and financial institutions and under such terms and conditions as the Administrator and the Secretary of the Treasury may mutually agree.
[Transmission System Act, §12(b), 88 Stat. 1380.]

838k. Bonneville Power Administration bonds

Issuance and sale

Interest rate

838k(a). The Administrator is authorized to issue and sell to the Secretary of the Treasury from time to time in the name and for and on behalf of the Bonneville Power Administration bonds, notes, and other evidences of indebtedness (in this chapter collectively referred to as "bonds") to assist in financing the construction, acquisition, and replacement of the transmission system, to implement the Administrator's authority pursuant to the Pacific Northwest Electric Power Planning and Conservation Act [16 U.S.C. 839 *et seq.*] (including his authority to provide financial assistance for conservation measures, renewable resources, and fish and wildlife, but not including the authority to acquire under section 6 of that Act [16 U.S.C. 839d] electric power from a generating facility having a planned capability greater than 50 average megawatts), and to issue and sell bonds to refund such bonds. Such bonds shall be in such forms and denominations, bear such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued, and financing practices of the utility industry. Refunding provisions may be prescribed by the Administrator. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable

maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds issued by Government corporations. Beginning in fiscal year 1982, if the Administrator fails to repay by the end of any fiscal year all of the amounts projected immediately prior to such year to be repaid to the Treasury by the end of such year under the repayment criteria of the Secretary of Energy and if such failure is due to reasons other than (A) a decrease in power sale revenues due to fluctuating stream-flows or (B) other reasons beyond the control of the Administrator, the Secretary of the Treasury may increase the interest rate applicable to the outstanding bonds issued by the Administrator during such fiscal year. Such increase shall be effective commencing with the fiscal year immediately following the fiscal year during which such failure occurred and shall not exceed 1 per centum for each such fiscal year during which such repayments are not in accord with such criteria. The Secretary of the Treasury shall take into account amounts that the Administrator has repaid in advance of any repayment criteria in determining whether to increase such rate. Before such rate is increased, the Secretary of the Treasury, in consultation with the Administrator and the Federal Energy Regulatory Commission, must be satisfied that the Administrator will have the ability to pay such interest rate, taking into account the Administrator's obligations. Such increase shall terminate with the fiscal year in which repayments (including repayments of the increased rate) are in accordance with the repayment criteria of the Secretary of Energy. The aggregate principal amount of any such bonds outstanding at any one time shall not exceed $1,250,000,000 prior to October 1, 1981. Such aggregate principal limitation shall be increased by and additional $1,250,000,000 after October 1, 1981, as provided in advance in annual appropriation Acts, and such increased amount shall be reserved for the purpose of providing funds for conservation and renewable resource loans and grants in a special revolving account created therefor in the Fund. The funds from such revolving account shall not be deemed State or local funds.[8]

Failure to repay

Limitation on aggregate principal

[Transmission System Act, §13(a), 88 Stat. 1380, as amended by the Pacific Northwest Electric Power Planning and Conservation Act §8(d), 97 Stat. 2729.]

838k(b). The principal of, premiums, if any, and interest on such bonds shall be payable solely from the Administrator's net proceeds as hereinafter defined. "Net proceeds" shall mean for the purposes of this section the remainder of the Administrator's gross receipts from all sources after first deducting trust funds and the costs listed in [16 U.S.C 838i(b)(2) through (b)(7), (b)(11) and (b)(12)], and shall include reserve or other funds created from such receipts.

Source of payment proceeds

[Transmission System Act, §13(b), 88 Stat. 1380, as amended by the Pacific Northwest Electric Power Planning and Conservation Act §8(c), 97 Stat. 2728.]

8. See Continuing Appropriations for 1983, providing $1.25 million in borrowing authority for conservation and renewable resources, *infra*, page 146. See Energy and Water Development Appropriation Act of 1984, Title III, that increases borrowing authority an additional $1,250,000,000 *infra*, page 134.

during such period as may elapse between their transfer and the approval by the Congress of the first subsequent annual budget program of the Administrator.[6]

[Transmission System Act, §11(a), 88 Stat. 1378, as amended by DOE Act, §302(a)(1)(D), 91 Stat. 578, Aug. 4, 1977.]

Purposes

838i(b). The Administrator may make expenditures from the fund, which shall have been included in his annual budget submitted to Congress, without further appropriation and without fiscal year limitation, but within such specific directives or limitations as may be included in appropriation acts, for any purpose necessary or appropriate to carry out the duties imposed upon the Administrator pursuant to law, including but not limited to —

838i(b)(1). construction, acquisition, and replacement of (i) the transmission system, including facilities and structures appurtenant thereto, and (ii) additions, improvements, and betterments thereto (hereinafter in this chapter referred to as "transmission system");

[Transmission System Act, §11(b)(1), 88 Stat. 1378-9.]

838i(b)(2). operation, maintenance, repair, and relocation, to the extent such relocation is not provided for under subsection (1) above, of the transmission system;

[Transmission System Act, §11(b)(2), 88 Stat. 1379.]

838i(b)(3). electrical research, development, experimentation, tests, and investigation related to construction, operation, and maintenance of transmission systems and facilities;

[Transmission System Act, §11(b)(3), 88 Stat. 1379.]

838i(b)(4). marketing of electric power;

[Transmission System Act, §11(b)(4), 88 Stat. 1379.]

838i(b)(5). transmission over facilities of others and rental, lease, or lease-purchase of facilities;

[Transmission System Act, §11(b)(5), 88 Stat. 1379.]

838i(b)(6). purchase of electric power (including the entitlement of electric plant capability) (i) on a short-term basis to meet temporary deficiencies in electric power which the Administrator is obligated by contract to supply, or (ii) if such purchase has been heretofore authorized or is made with funds expressly appropriated for such purchase by the Congress, (iii) if to be paid for with funds provided by other entities for such purpose under a trust or agency arrangement, or (iv) on a short term basis to meet the Administrator's obligations under section 839b(h) of this Title;

[Transmission System Act, §11(b)(6), 88 Stat. 1379 as amended by Pacific Northwest Electric Power Planning and Conservation Act, Pub. L. 96-501, §8(a), Dec. 5, 1980, 94 Stat. 2728.]

6. The Fund is exempt from the Balanced Budget and Emergency Deficit Control Act of 1985, *infra*, page 1.

838i(b)(7). defraying emergency expenses or insuring continuous operation;
[Transmission System Act, §11(b)(7), 88 Stat. 1379.]

838i(b)(8). paying the interest on, premiums, discounts, and expenses, if any, in connection with the issuance of, and principal of all bonds issued under section 838k(a) of this Title, including provision for and maintenance of reserve and other funds established in connection therewith;
[Transmission System Act, §11(b)(8), 88 Stat. 1379.]

838i(b)(9). making such payments to the credit of the reclamation fund or other funds as are required by or pursuant to law to be made into such funds in connection with reclamation projects in the Pacific Northwest: *Provided,* That this clause shall not be construed as permitting the use of revenues for repayment of costs allocated to irrigation at any project except as otherwise expressly authorized by law;
[Transmission System Act, §11(b)(9), 88 Stat. 1379.]

838i(b)(10). making payments to the credit of miscellaneous receipts of the Treasury for all unpaid costs required by or pursuant to law to be charged to and returned to the general fund of the Treasury for the repayment of the Federal investment in the Federal Columbia River Power System from electric power marketed by the Administrator;
[Transmission System Act, §11(b)(10), 88 Stat. 1379.]

838i(b)(11). acquiring such goods and services, and paying dues and membership fees in such professional, utility, industry, and other societies, associations, and institutes, together with expenses related to such memberships, including but not limited to the acquisitions and payments set forth in the general provisions of the annual appropriations Act for the Department of Energy, as the Administrator determines to be necessary or appropriate in carrying out the purposes of this chapter; and
[Transmission System Act, §11(b)(11), 88 Stat. 1379, as amended by DOE Act, §302(a)(1)(D), 91 Stat. 578, Aug. 4, 1977.]

838i(b)(12). making such payments, as shall be required to carry out the purposes and provisions of the Pacific Northwest Regional Power Planning and Conservation Act [16 U.S.C. 839 *et seq.*].
[Pacific Northwest Electric Power Planning and Conservation Act, §8(b), 94 Stat. 2728.]

Moneys received in trust

838i(c). Moneys heretofore or hereafter appropriated shall be used only for the purposes for which appropriated, and moneys received by the Administrator in trust shall be used only for carrying out such trust. The provisions of chapter 91 of Title 31 shall be