

113TH CONGRESS
2D SESSION

S. 2058

To establish a loan guarantee program for natural gas distribution grids to be installed in areas with extremely high energy costs.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2014

Mr. BEGICH introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To establish a loan guarantee program for natural gas distribution grids to be installed in areas with extremely high energy costs.

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 “Fuel Grid Distribution
5 Loan Pilot Program Act”.

6 **SEC. 2. FUEL DISTRIBUTION UTILITY PILOT LOAN PRO-**
7 **GRAM.**

8 (a) AUTHORIZATION OF PILOT LOAN PROGRAM.—
9 Section 232(c) of the Department of Agriculture Reorga-
10 nization Act of 1994 (7 U.S.C. 6942(c)) is amended—

1 (1) in paragraph (1)(B), by striking “; and”
2 and inserting a period; and

3 (2) by adding at the end the following:

4 “(3) The biofuels and natural gas distribution
5 utility pilot loan program authorized by section 2 of
6 the Fuel Grid Distribution Loan Pilot Program
7 Act.”.

8 (b) ESTABLISHMENT OF PILOT LOAN PROGRAM.—

9 (1) DEFINITION OF LOCAL GOVERNMENT.—In
10 this subsection, the term “local government”
11 means—

12 (A) a county, municipality, city, town,
13 township, local public authority, school district,
14 special district, intrastate district, council of
15 governments (regardless of whether the council
16 of governments is incorporated as a nonprofit
17 corporation under State law), regional or inter-
18 state government entity, or agency or instru-
19 mentality of a local government;

20 (B) an Indian tribe or authorized tribal or-
21 ganization or, in Alaska, a Native village or
22 Alaska Regional Native Corporation; and

23 (C) a rural community, unincorporated
24 town or village, or other public entity.

1 (2) ESTABLISHMENT.—The Administrator of
2 the Rural Utilities Service shall establish a biofuels
3 and natural gas distribution utility pilot loan pro-
4 gram to add cooperatives and municipally or pri-
5 vately owned biofuels or natural gas distribution
6 utilities to the list of utilities eligible to receive loans
7 from the Rural Utilities Service.

8 (3) ELIGIBILITY.—In making loans authorized
9 under paragraph (1), the Administrator of the Rural
10 Utilities Service shall grant loans only to utilities
11 serving an area under the jurisdiction of a local gov-
12 ernment that has—

13 (A) a population of not more than 50,000
14 people; and

15 (B) energy prices higher than 200 percent
16 of the national average for energy prices, as de-
17 termined by the Administrator of the Energy
18 Information Administration using the most re-
19 cent data available.

20 (4) FUNDING.—The Administrator of the Rural
21 Utilities Service shall carry out the loan pilot pro-
22 gram using existing funds of the Rural Utilities
23 Service.

1 (5) DURATION.—The loan pilot program shall
2 be authorized for a period of 5 years, beginning on
3 the date of enactment of this Act.

4 (6) REPORT.—At the conclusion of the loan
5 pilot program, the Administrator of the Rural Utili-
6 ties Service shall complete a report examining—

7 (A) the economic benefits of providing low
8 cost loans; and

9 (B) any upward price pressure on biofuels
10 or natural gas prices in the United States re-
11 sulting from the loan pilot program.

○