

109TH CONGRESS
1ST SESSION

H. R. 1071

To direct the Secretary of Energy to make incentive payments to the owners or operators of qualified desalination facilities to partially offset the cost of electrical energy required to operate such facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2005

Mr. DAVIS of Florida (for himself and Mr. GIBBONS) introduced the following bill; which was referred to the Committee on Resources

A BILL

To direct the Secretary of Energy to make incentive payments to the owners or operators of qualified desalination facilities to partially offset the cost of electrical energy required to operate such facilities, 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 “Desalination Drought
5 Protection Act of 2005”.

1 **SEC. 2. DESALINATED WATER PRODUCTION INCENTIVE**
2 **PAYMENTS.**

3 (a) **INCENTIVE PAYMENTS.**—The Secretary of En-
4 ergy (in this Act referred to as the “Secretary”) shall
5 make incentive payments in an amount determined under
6 subsection (e) to the owners or operators of qualified de-
7 salination facilities to partially offset the cost of electrical
8 energy required to operate such facilities.

9 (b) **QUALIFIED DESALINATION FACILITY.**—For pur-
10 poses of this section, the term “qualified desalination facil-
11 ity” means a facility that—

12 (1) produces for sale to domestic customers
13 desalinated seawater, brackish groundwater, or sur-
14 face water whose source water is greater than 1,000
15 parts per million total dissolved solids;

16 (2) is owned or operated by—

17 (A) a State or any political subdivision,
18 agency, authority, or instrumentality of a State;

19 or

20 (B) a corporation responsible for providing
21 municipal water service pursuant to State law;
22 and

23 (3) is first used to produce desalinated water
24 during the 10-year period beginning on October 1 of
25 the first full fiscal year occurring after the date of
26 the enactment of this section.

1 (c) AGREEMENT; DEADLINE.—The Secretary may
2 not make any payment to the owner or operator of a quali-
3 fied desalination facility under this section, unless not
4 later than the end of fiscal year 2016 the Secretary enters
5 into a written agreement with the owner or operator to
6 make such payment.

7 (d) PAYMENT PERIOD.—The Secretary may make
8 payments to the owner or operator of a qualified desalina-
9 tion facility under this section for a period not to exceed
10 10 years—

11 (1) beginning on the date on which the facility
12 is first used to produce desalinated water; and

13 (2) ending not later than September 30, 2026.

14 (e) AMOUNT OF PAYMENT.—

15 (1) IN GENERAL.—Payments made by the Sec-
16 retary under this section to the owner or operator of
17 any qualified desalination facility shall be based on
18 the amount of desalinated water produced by the fa-
19 cility during the payment period described in sub-
20 section (d). For any facility, the amount of such
21 payment shall be 62 cents for every thousand gallons
22 of desalinated water produced and sold, adjusted as
23 provided in paragraph (2).

24 (2) ADJUSTMENTS.—The amount of the pay-
25 ment made to any person under this subsection as

1 provided in paragraph (1) shall be adjusted for infla-
2 tion for each fiscal year beginning after calendar
3 year 2006 in the same manner as provided in the
4 provisions of section 29(d)(2)(B) of the Internal
5 Revenue Code of 1986 (26 U.S.C. 29(d)(2)(B)), ex-
6 cept that in applying such provisions the calendar
7 year 2006 shall be substituted for calendar year
8 1979.

9 (f) APPLICATION.—The Secretary may not make a
10 grant to the owner or operator of a qualified desalination
11 facility under this section unless the facility submits an
12 application to the Secretary in such form, at such time,
13 and containing such information and assurances as the
14 Secretary may require.

15 (g) LIMITATION.—In any fiscal year not more than
16 60 percent of the funds made available by the Secretary
17 under this section shall be made available to the owners
18 or operators of qualified desalination facilities that obtain
19 source water directly from the sea, an estuary, or from
20 in-bank extraction wells that are of seawater origin.

21 (h) BUDGET ACT COMPLIANCE.—The authority pro-
22 vided by this section may be exercised only in such
23 amounts or to such extent as provided in advance in ap-
24 propriations Acts.

1 (i) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Secretary
3 \$200,000,000 to carry out this section for the period en-
4 compassing fiscal years 2006 through 2016.

5 **SEC. 3. NOVEL DESALINATION TECHNOLOGY.**

6 (a) IN GENERAL.—The Secretary shall support re-
7 search and development of promising novel technology ap-
8 proaches for the cost-effective desalination of water.

9 (b) AUTHORIZATION OF APPROPRIATION.—There are
10 authorized to be appropriated to the Secretary for car-
11 rying out this section \$10,000,000 for the period encom-
12 passing fiscal years 2006 through 2016.

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