

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 5638  
OFFERED BY MR. KENNEDY OF UTAH**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Geothermal Royalty  
3 Reform Act”.

**4 SEC. 2. GEOTHERMAL ROYALTIES.**

5 (a) DEFINITIONS.—Section 2 of the Geothermal  
6 Steam Act of 1970 (30 U.S.C. 1001) is amended by add-  
7 ing at the end the following:

8 “(h) ‘Geothermal electric generating facility’  
9 means a facility, including all necessary equipment  
10 or structures (including turbines and cooling equip-  
11 ment), that produces electricity using geothermal re-  
12 sources. For purposes of section 5(a)(1), a facility  
13 described in the preceding sentence shall be consid-  
14 ered a separate facility from any other such facility  
15 unless the facility shares a turbine with any other  
16 such facility.

17 “(i) ‘In-service date’ means, with respect to a  
18 geothermal electric generating facility, the date on

1       which the geothermal electric generating facility be-  
2       gins operating.”.

3       (b) GEOTHERMAL ROYALTIES.—Section 5(a)(1) of  
4 the Geothermal Steam Act of 1970 (30 U.S.C.  
5 1004(a)(1)) is amended—

6           (1) in subparagraph (A)—

7                   (A) by inserting “with respect to a geo-  
8                   thermal electric generating facility producing  
9                   electricity from such resources,” before “not  
10                   less than”; and

11                   (B) by inserting “by the geothermal elec-  
12                   tric generating facility” after “produced”; and

13                   (C) by striking “the first 10 years of pro-  
14                   duction under the lease” and inserting “each  
15                   year of the 10-year period following the in-serv-  
16                   ice date of the geothermal electric generating  
17                   facility”; and

18           (2) in subparagraph (B)—

19                   (A) by inserting “with respect to a geo-  
20                   thermal electric generating facility producing  
21                   electricity from such resources,” before “not  
22                   less than”;

23                   (B) by inserting “by the geothermal elec-  
24                   tric generating facility” after “produced”; and

1 (C) by striking “such 10-year period” and  
2 inserting “the period of 10 years described in  
3 subparagraph (A)”.

