

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, DC 20426

February 24, 2016

OFFICE OF THE CHAIRMAN

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
2322A Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman and Ranking Member:

This letter is in response to a request from your staff for my views on H.R.4411 and H.R.4412. These bills would authorize the Commission to extend, for up to three two-year periods, the commencement of construction deadlines for two projects: the Flannagan Hydroelectric Project No. 12740, to be located at the U.S. Army Corps of Engineers' John W. Flannagan Dam and Reservoir, on the Pound River, near the Town of Clintwood, in Dickinson County, Virginia, and the Gathright Hydroelectric Project No. 12737, to be located at the Corps' Gathright Dam, on the Jackson River, near the Town of Falling Springs, in Alleghany County, Virginia. These bills also would authorize the Commission to reinstate the licenses, if necessary.

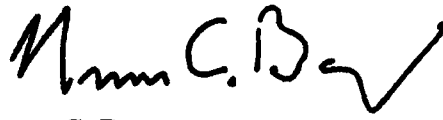
The Commission issued an original license for the Flannagan Project on January 27, 2012. The license required the company to commence project construction within two years of the issuance date of the license, or by January 27, 2014. At the licensee's request, the Commission extended the deadline by two years (i.e., until January 27, 2016), which is the maximum extension allowed by section 13. Project construction has not yet begun. Accordingly, the project license is subject to termination pursuant to section 13.

The Commission issued an original license for the Gathright Project on March 13, 2012. The license required the company to commence project construction within two years of the issuance date of the license, or by March 13, 2014. At the licensee's request, the Commission extended the deadline by two years, until March 13, 2016. Project construction has not yet begun, and if it does not by March 13, the license will become subject to termination.

The last several Commission Chairmen and I have taken the position of not opposing legislation that would extend the commencement of a construction deadline no further than 10 years from the date that the license in question was issued. Where proposed extensions would run beyond that time, there has been a sense that the public interest is better served by releasing the site for other public uses. Because the proposed bills provide for maximum commencement of construction deadlines that do not exceed 10 years from the dates that the respective licenses were issued, I do not oppose these bills.

If I can be of further assistance to you on this or any other Commission matter, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Norman C. Bay". The signature is written in a cursive style with a checkmark-like flourish at the end.

Norman C. Bay
Chairman

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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Majority (202) 225-2927
Minority (202) 225-3641

February 24, 2016

The Honorable Norman C. Bay
Chairman
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Dear Chairman Bay:

We write to inquire about the position of the Federal Energy Regulatory Commission (FERC) on two recently-introduced hydropower project license extension bills: 1) H.R. 4411, a bill to extend the deadline for commencement of construction of a hydroelectric project involving the Gathright Dam (FERC Project No. 12737), and 2) H.R. 4412, a bill to extend the deadline for commencement of construction of a hydroelectric project involving the Flannagan Dam (FERC Project No. 12740).

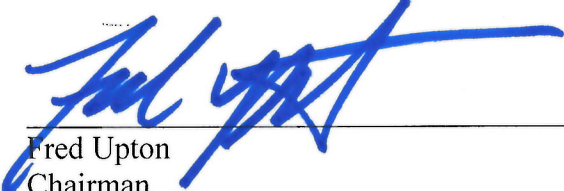
As you are aware, Ms. Ann F. Miles, Director of the Office of Energy Projects for FERC, appeared before the Energy & Power Subcommittee on February 2, 2016 to testify on several pieces of legislation, including the following hydropower project license extension bills: H.R. 2080, H.R. 2081, H.R. 3447, H.R. 4416, and H.R. 4434. With respect to these bills, Ms. Miles stated that:

--The last several Commission Chairmen, as well as the current Chairman, have taken the position of not opposing legislation that would extend the commencement of construction deadline no further than 10 years from the date the licensing question was issued. Because each of these bills provides for commencement of construction deadlines that do not exceed 10 years from the dates of the respective licenses being issued, I do not oppose these bills.


It appears that the two additional bills – H.R. 4411 and H.R. 4412 – are consistent with this position. Accordingly, we look forward to your prompt reply setting forth FERC's views on H.R. 4411 and H.R. 4412.

Thank you in advance for your assistance with this matter. Should you have any questions, please contact Patrick Carrier of the Energy and Commerce Committee Majority staff at (202) 225-2927 or Rick Kessler with the Minority staff at (202) 225-3641

Sincerely,



Fred Upton
Chairman
Committee on Energy and Commerce



Frank Pallone
Ranking Member
Committee on Energy and Commerce

Attachments