

Testimony of

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**Before the Subcommittee on Water and Power of the
Committee on Energy and Natural Resources, United States Senate**

**Hearing on
*S. 715, the Collinsville Renewable Energy Promotion Act***

June 23, 2011

Chair Shaheen, Ranking Member Lee, and Members of the Subcommittee:

My name is John Katz, Deputy Associate General Counsel for Energy Projects, Federal Energy Regulatory Commission. I appreciate the opportunity to appear before you to discuss S. 715. As a member of the Commission's staff, the views I express in this testimony are my own, and not those of the Chairman (other than as specifically noted below) or of any individual Commissioner.

I. Background

On February 23, 2001, the Commission issued original licenses to Summit Hydropower for the 373 kilowatt (kW) Upper and the 920 kW Lower Collinsville Hydro Projects, to be located at the Upper and Lower Collinsville Dams on the Farmington River, in Hartford County, Connecticut.

Section 13 of the Federal Power Act requires that licensees commence project construction by the deadline established in the license, which may be no longer than two years from the date of license issuance. The Commission may extend the deadline once, for no longer than two additional years. If construction does not timely commence, section 13 requires the Commission to terminate the license by written order.

Consistent with section 13, Article 301 of the licenses for the Collinsville Upper and Lower Hydroelectric Projects required the licensee to commence project construction within two years. On November 26, 2002, at the licensee's request, the Commission issued the maximum allowable two-year extension, moving the commencement of construction deadline to February 23, 2005.

Summit did not commence project construction by the deadline. Accordingly, by letter dated November 2, 2007, the Commission gave Summit notice of probable termination of the licenses. Summit did not reply to the notice. By order issued December 4, 2007, the Commission terminated the project licensees. The licensee did not seek rehearing of the termination order, which therefore became final on January 3, 2008.

II. S.715

S.715 would authorize the Commission to reinstate either or both of the licenses for the Upper and Lower Collinsville Projects and to extend for two years the commencement of construction deadline for the projects. Should the Commission reinstate either or both licensees, the bill requires the Commission to transfer the license or licensees to the town of Canton, Connecticut. These actions are to be taken within 270 days of the date of enactment of the bill.

In addition, S.715 requires the Commission to complete, within 180 days of the date of enactment of the bill, an environmental assessment of the projects, updating, to the extent necessary, the analysis performed in the previous licensing proceeding. The Commission is to provide for a 30-day public comment period, consider any comments that are received, and, based on the environmental assessment and the comments, incorporate in the project license or licensees such terms and condition as the Commission deems necessary.

Chairman Wellinghoff and the last several Commission Chairmen have taken the position of not opposing legislation that would extend the commencement of 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.

In this instance, the proposed extensions would run at least two years beyond 10 years from when the licenses for the Upper and Lower Collinsville Projects were issued. However, to Commission staff's knowledge, in the three and one-half years since the project licenses were terminated, no entity has sought to develop the projects or proposed other uses for the project sites. Moreover, because S.715 specifically provides for the preparation of an updated analysis, staleness of the environmental record, which can be of concern in cases of this type, will not be an issue. In consequence, I am authorized to state that Chairman Wellinghoff does not oppose S.715. Also, I anticipate that the Commission staff should be able to meet the deadlines established by S.715, assuming that the town of Canton is able to timely supply any information staff needs and that a need does not arise to engage in consultation under the Endangered Species Act, or to deal with other, similar matters, the timing of which is not in the Commission's control.

I would be pleased to answer any questions you may have.