



February 17, 2011

Commissioner Philip D. Moeller

STATEMENT

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. Rm11-6-000

Item No. H-1

Statement of Commissioner Philip D. Moeller on Notice of Inquiry on Charges for Use of Government Lands

"Hydropower resources provide substantial benefits to consumers and the nation as a whole, contributing not only a large domestic source of clean renewable energy that benefits the national electric grid,¹ but also flood control, irrigation, water supply and a range of recreational opportunities.

As required by the Federal Power Act, the Commission must assess a reasonable annual charge on hydropower projects that use federal lands.² On remand, the D.C. Circuit Court has reiterated that our actions must abide by our obligation to ensure, with appropriate review and opportunity for public comment,³ that our annual charges are reasonable.⁴

I am pleased the Commission is initiating today a Notice of Inquiry on Annual Charges for Use of Government Lands. I welcome the comments, observations and proposals of all interested parties in an effort to ensure that we fully consider new methodologies for calculating reasonable annual charges while also ultimately benefitting the nation's electric consumers."

¹ Hydropower facilities can benefit the electric power grid in many ways, including supporting other renewable energy sources, helping to stabilize the network, and storing electricity for later use.

² Federal Power Act Section 10(e)(1), 16 U.S.C. § 803(e)(1) (2006).

³ Administrative Procedure Act, 5 U.S.C. § 553.

⁴ City of Idaho Falls, Idaho, et al., v. Federal Energy Regulatory Commission, Respondent, Nos. 09-1120, 09-1315, Argued Nov. 4, 2010 – January 04, 2011 Before Tatel and Garland, Circuit Judges, and Willams, Senior Circuit Judge.