

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

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| Integrated Licensing Process – Post Multi-Stakeholder Effectiveness Technical Conference Comments |))))) | Docket No. AD05-6-000 |
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**COMMENTS OF THE
NATIONAL HYDROPOWER ASSOCIATION,
AMERICAN PUBLIC POWER ASSOCIATION, AND
EDISON ELECTRIC INSTITUTE**

The National Hydropower Association (NHA), American Public Power Association (APPA), and Edison Electric Institute (EEI) appreciate this opportunity to provide comments to the Federal Energy Regulatory Commission (FERC or the Commission) in response to the Commission’s recent efforts to determine the effectiveness of its new hydropower project Integrated Licensing Process (ILP).

To begin with, NHA, APPA, and EEI thank the Commission and its staff for the significant work that has been undertaken in developing the ILP, seeking input from industry and all stakeholders in the hydro licensing process, working with the seven license applicants who have pioneered use of the ILP, and starting the effort to provide outreach and seek feedback. We and our members participated actively throughout the ILP rulemaking, and we appreciate the Commission’s efforts to make the ILP an effective licensing process. Based on preliminary feedback at the technical conference, we are optimistic that the ILP can be effective, if properly implemented.

At the same time, as with any new process, we realize that unanticipated issues will arise. NHA, APPA, EEI, and our members stand ready to work with the Commission and other stakeholders to address these issues. Highlighted below are a few considerations for the Commission's review as it works to improve implementation of the ILP for all concerned.

1. Need to retain flexibility in implementing the ILP – NHA, APPA, EEI and our members believe it is critical for the ILP to remain as flexible as possible.

Licensees must be able to implement the process in a way that meets the needs of specific individual projects, while maintaining the overall framework and timelines. The experience of the seven pioneer projects confirms the importance of this flexibility. Each of them is using the ILP by taking a different, unique approach. Yet all of the pioneers are successfully navigating the process.

2. No need for regulatory changes – We agree with the sentiment expressed by staff and others at the technical conference that the recently-adopted ILP regulations should not be amended in response to the early experience of the pioneer projects with the process. The current regulations allow flexibility and are complete enough to enable effective hydropower project licensing. It is too soon to revisit those regulations or to consider changes to them, especially as the ILP is just now taking effect as the default process for projects.

3. Maintain the TLP and ALP – It is very important that the Commission retain its traditional licensing process (TLP) and alternative licensing process (ALP) as options to the ILP for future licensees, even as we recognize that under the Commission's regulations the ILP will be the default. As flexible as the ILP is,

there will be instances where license applicants and other stakeholders believe the ALP or TLP is the appropriate licensing process for a particular project, and these options should continue to remain fully available.

4. Continue FERC staff involvement – We applaud the Commission staff for the high level of effort they have undertaken with the pioneer ILP projects. We hope that the Commission can continue to provide this level of support as more licensees launch their proceedings. Commission staff involvement is critical and helps to ensure the full participation of resource agencies and stakeholders early in the process. The Commission should dedicate the resources needed to ensure adequate, consistent future FERC staff participation in project licensing proceedings.
5. Adhere to the requirement for early input – We encourage the Commission staff to adhere to the ILP regulations, which call for participants in the licensing process to identify issues and study needs early in the process. Specifically, the Commission should ensure that issues are raised and study requests are made later in the process only with good cause, as specified in the regulations.
6. Upcoming ILP manual – We support FERC staff’s intention to produce an ILP manual that reflects the experiences of the seven pioneer projects in implementing the process to date. We encourage the Commission to title the document as an “experiences to date” or “lessons learned” manual, rather than a “best practices” manual, to avoid suggesting that any one practice or set of practices is necessarily appropriate for all projects or needs to be viewed as a “best practice.” As the

conference made clear, no one size ILP or licensing process fits all, nor should the manual suggest otherwise.

NHA, APPA, EEI, and our members are committed to working with the Commission and other stakeholders as implementation of the ILP continues. Given that the pioneer projects are only 18 months into their processes, it is almost certain that additional issues will arise. However, we believe that the ILP is off to a promising start. We look forward to working with the Commission as the pioneers and others proceed to use the process.

If you have any questions regarding these comments, please contact Linda Church Ciocci or Jeffrey Leahey at NHA at 202/ 682-1700, Shauna Larsen at APPA at 202/ 467-2929, or Henri Bartholomot at EEI at 202/ 508-5622.

Respectfully submitted,

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