

REINSTATEMENT OF LICENSE FOR FEDERAL ENERGY  
REGULATORY COMMISSION PROJECT NUMBERED 7307

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SEPTEMBER 26, 2006.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

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Mr. BARTON of Texas, from the Committee on Energy and  
Commerce, submitted the following

R E P O R T

[To accompany H.R. 4417]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred  
the bill (H.R. 4417) to provide for the reinstatement of a license for  
a certain Federal Energy Regulatory project, having considered the  
same, report favorably thereon without amendment and rec-  
ommend that the bill do pass.

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PURPOSE AND SUMMARY

The purpose of H.R. 4417 is to reinstate the license and extend  
the deadline for commencement of construction of a 20 megawatt

hydroelectric project, the Tygart Dam Project (No. 7307), in West Virginia.

#### BACKGROUND AND NEED FOR LEGISLATION

Section 13 of the Federal Power Act, 16 U.S.C. § 806 (2000), provides that after the issuance by the Federal Energy Regulatory Commission (FERC) of a hydroelectric license, the licensee must begin construction of the project within the time specified in the license, which can be no more than 2 years after issuance of the license. FERC may extend this deadline to begin construction by 2 years. Thus, under the statute, FERC may allow a licensee a maximum of 4 years from the date of license issuance to begin construction of the hydroelectric project. Section 13 also provides that if the licensee does not begin construction within the time specified in the license or as extended by FERC, then, after due notice, the license shall be terminated by order of FERC. Congress can extend the construction deadline beyond what FERC may authorize through appropriate legislation.

H.R. 4417 directs FERC to extend the period specified in the project license for commencing construction of the project until December 31, 2007. If the license has already expired before the date of enactment of this Act, reinstate the license and extend the date for commencing construction until December 31, 2007.

This project was delayed because of problems and economic conditions that have been resolved. This project is anticipated to provide a substantial economic boost to Grafton, West Virginia. The project developer is working on power sales agreements. The project will be built at an existing dam, minimizing environmental impact.

#### HEARINGS

The Subcommittee on Energy and Commerce held a hearing nuclear waste storage and disposal policy, and hydroelectric license extension and energy efficiency legislation, on September 13, 2006. The Subcommittee received testimony from: The Honorable Edward F. Sproat III, Director, Office of Civilian Radioactive Waste Management, U.S. Department of Energy; Mr. Luis A. Reyes, Executive Director for Operations, U.S. Nuclear Regulatory Commission; The Honorable Stan Wise, Chairman, Georgia Public Service Commission, on behalf of: National Association of Regulatory Utility Commissioners; Mr. Anthony F. Earley Jr., Chairman and CEO, DTE Energy Company, on behalf of: Nuclear Energy Institute; Ms. Michelle Boyd, Legislative Director, Public Citizen; The Honorable C. L. "Butch" Otter, Member, U.S. House of Representatives; The Honorable Alan B. Mollohan, Member, U.S. House of Representatives; and Mr. J. Mark Robinson, Director of the Office of Energy Projects, Federal Energy Regulatory Commission.

#### COMMITTEE CONSIDERATION

On Wednesday, September 20, 2006, the Committee on Energy and Commerce met in open markup session and ordered H.R. 4417 favorably reported to the House, without amendment, by a voice vote, a quorum being present.

## COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. There were no record votes taken in connection with ordering H.R. 4417 reported. A motion by Mr. Deal to order H.R. 4417 favorably reported to the House, without amendment, was agreed to by a voice vote.

## COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee has not held oversight or legislative hearings on this legislation.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

The goal of H.R. 4417 is to authorize FERC to reinstate a terminated license to construct a hydroelectric power project in the State of West Virginia and to extend the deadline to commence construction of such project until December 31, 2007.

## NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 4417, to provide for the reinstatement of a license for a certain Federal Energy Regulatory project, would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

## EARMARK

In compliance with H. Res. 1000 as passed the House of Representatives on September 14, 2006, the Committee finds that H.R. 4417, to provide for the reinstatement of a license for a certain Federal Energy Regulatory project, contains no earmarks.

## COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

## CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, September 26, 2006.*

Hon. JOE BARTON,  
*Chairman, Committee on Energy and Commerce,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4417, a bill to provide for

the reinstatement of a license for a certain Federal Energy Regulatory Commission project.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Megan Carroll.

Sincerely,

DONALD B. MARRON,  
*Acting Director.*

Enclosure.

*H.R. 4417—A bill to provide for the reinstatement of a license for a certain Federal Energy Regulatory Commission project*

H.R. 4417 would authorize the Federal Energy Regulatory Commission (FERC) to reinstate the license for a hydroelectric project (number 7307) in West Virginia. The bill also would extend the deadline for commencing construction of that project until December 31, 2007.

CBO estimates that implementing H.R. 4417 would have no net effect on the federal budget. The bill would have a minor impact on FERC's workload. Because FERC recovers 100 percent of its costs through user fees, any change in its administrative costs would be fully offset by an equal change in the fees that the commission charges. Because FERC's administrative costs are limited in annual appropriations, the bill would not affect direct spending or revenues.

H.R. 4417 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

On June 5, 2006, CBO transmitted a cost estimate for S. 2028, similar legislation, as ordered reported by the Senate Committee on Energy and Natural Resources on May 24, 2006. The estimated costs of the two bills are the same.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional authority for this legislation is provided in Article I, section 8, clause 3, which grants Congress the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or

accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1. Reinstatement of License for Federal Energy Regulatory Commission project*

Section 1 directs FERC to extend the time for commencement of construction of Project No. 7307 until December 31, 2007. If the license has expired by the date of enactment of this Act, FERC will reinstate the license and extend the time for commencement of construction until December 31, 2007.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation does not amend any existing Federal statute.

