## FEDERAL ENERGY REGULATORY COMMISSION

December 5, 2008 Docket No. AD08-11-000 Chairman Joseph T. Kelliher

## Statement of Chairman Joseph T. Kelliher Technical Conference on FERC Dam Safety Program

"I want to welcome everyone to this technical conference on dam safety. The Federal Energy Regulatory Commission (FERC) has a number of core missions. Most of these missions are widely recognized, namely economic regulation, energy infrastructure development, grid reliability, and enforcement.

However, one mission is not as well publicized, namely our safety mission. We are a safety agency primarily in two contexts: hydropower operation and liquefied natural gas project operation. We also have a safety function during infrastructure construction.

Dam safety is one of our most important missions, and one of our oldest. FERC established its dam safety program forty years ago, during the 1960s. It has since developed into a world class program, a model for dam safety programs. While the FERC dam safety program is not widely recognized by the general public, it is recognized and praised by national and international dam safety authorities.

Once FERC licenses a hydropower project and it becomes operational, our primary duty is on assuring safe operations and protecting the public. We discharge that duty through our dam safety program, by assessing the risk posed by various projects, by requiring the development of Emergency Action Plans, by requiring drills of those plans. It is necessary that the licensee and the community be prepared to act in the unlikely event there is a project failure, and the public is put in harms way.

My first trip after becoming a Commissioner five years ago was a tour of the Saluda hydropower project outside Columbia, South Carolina. I joined Chairman Pat Wood on this trip, and we inspected the progress made on building a new concrete dam needed to assure the safety of the Saluda project.

The Saluda project is perhaps the best example of the FERC commitment to dam safety. There, it was discovered that an earthquake fault ran under a large earthen dam and the loss of structural integrity from an earthquake threatened 100,000 residents. FERC presented the licensee with a simple choice – remove the earthen dam, carefully lowering the water levels, or install a new concrete dam directly behind the existing earthen dam. From our point of view, one of these two actions was necessary to assure safety. The licensee chose to build a new concrete backup dam.

The penalties we imposed after failure of the Taum Sauk project also show the commitment of this agency to dam safety. There, a project failed in part due to the failure of the licensee to accurately identify and report conditions affecting the safety of the dam and failure to take the necessary steps correct the instrumentation defects in their instrumentation and monitoring plans. I should note that the Taum Sauk project is being reconstructed, and the licensee has demonstrated a genuine commitment to building a world class hydropower project.

To assure dam safety requires strong dam programs at both the federal and state level. While FERC



## STATEMENT

regulates 2,500 dams, states are responsible for a far greater number, exceeding 80,000 dams. There are also many federal hydropower projects operated by other federal agencies. Assuring dam safety at these various projects requires close collaboration between FERC and other federal and state agencies. FERC has done a great deal to help improve the dam safety programs of other agencies.

The purpose of this technical conference is to focus on the FERC dam safety program, review the progress that has been made in this area, and how FERC is working with states and other federal agencies to improve dam safety across the country. Given the importance of this mission and the high quality of FERC regulation in this area, I think the FERC dam safety program deserves recognition."