



**Federal Energy Regulatory Commission  
November 16, 2006  
Open Commission Meeting  
Statement of  
Commissioner Philip D. Moeller**

**Item H-1: Public Utility District No. 1 of Pend Oreille County,  
Washington (P-2042-031)**

"Hydroelectric power is a critical element of our country's energy supply, especially in the Pacific Northwest. While I support today's order, I am concerned that this clean, renewable and traditionally low-cost source of power is being devalued when the country's need for energy continues to grow. Under the Federal Power Act, the Commission is obligated to give equal consideration to power and non-power benefits. However, I am concerned that resource agencies that impose mandatory conditions do not need to perform a similar balancing of the power and non-power needs of a hydropower project. This is particularly concerning regarding conditions imposed outside a project's boundaries. Therefore, I think it is important to signal to a reviewing court what our view of an appropriate balancing would include."