
FEDERAL ENERGY REGULATORY COMMISSION



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NEWS RELEASE

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EPA TO OVERSEE HYDROELECTRIC FACILITY DISMANTLING AS PART OF SUPERFUND REMEDIATION PROJECT

The Federal Energy Regulatory Commission today cleared the way for the U.S. Environmental Protection Agency (EPA) to oversee the dismantling of a dam in Montana as part of a Superfund hazardous waste site cleanup. The order was among three notable hydroelectric cases the Commission voted on today.

In an order involving the Milltown Hydroelectric Project, located on the Clark Fork River in Montana, the Commission said that because the project is located on a Superfund site, EPA now has effective regulatory control over all aspects of the project. EPA will move forward with removal of the dam as part of its approved plan to remediate the project site.

The Commission, in anticipation of project dismantling, will issue a notice of intent to accept surrender of the license. A 30-day comment period will be established for parties to comment on the surrender.

Chairman Pat Wood, III commented: "I will always be a strong supporter of building and maintaining infrastructure to support our energy needs, especially clean hydropower. In this instance, however, the environmental requirements trump power production."

EPA designated the entire Milltown project a Superfund site in 1983 under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as the law is formally known. The project reservoir is contaminated by approximately 6.6 million cubic yards of silt laden with arsenic, copper, zinc, and other heavy metals, which have leached from closed mines upstream in the area of Butte, Montana.

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In another hydropower-related action today, the Commission issued a new license and approved a settlement agreement for the Tapoco Project on the Little Tennessee and Cheoah Rivers in Graham and Swain counties in North Carolina.

A key aspect of this case was a land exchange negotiated between the licensee, Alcoa Power Generating Inc. (APGI), and the National Park Service. The exchange resulted in land, originally located within the project boundary and in the Great Smoky Mountains National Park, being removed from the park and exchanged for other lands. Congress enacted legislation in 2004 authorizing the exchange, which would eliminate issues raised by the fact that a portion of the project is currently located in a national park.

The project will provide 380 megawatts of electricity generated from a renewable resource while protecting and enhancing fish, wildlife, recreation and aquatic resources near the project.

In a third hydropower order, the Commission today dismissed an application for a preliminary permit submitted by Green Island Power Authority (GIPA) for the proposed Cohoes Falls Project on the Mohawk River in the Town of Waterford and the City of Cohoes, New York, near the site of the existing School Street Project.

The Commission said the Federal Power Act precludes GIPA from filing an application in this case, thereby making its decision to dismiss the application a requirement of the law.

The Commission elaborated by noting that two projects cannot co-exist, so any development application for the Cohoes Falls Projects would be considered a competing application with the School Street Project and would have to be filed two years before the School Street Project expired in 1991. In this case, GIPA's filing was 13 years late. As a result, the Commission said there was no reason to process a preliminary permit to study a project for which a development application could not lawfully be filed.