
FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C. 20426



NEWS RELEASE

NEWS MEDIA CONTACT:

Celeste Miller
(202) 502-8680

FOR IMMEDIATE RELEASE

July 23, 2003
Docket Nos. RM02-16-000 and
PL03-4-000

COMMISSION ADOPTS NEW HYDRO LICENSING PROCESS WITH PROMISE OF FASTER, MORE INFORMED DECISIONS

The Federal Energy Regulatory Commission today took a major step to streamline the licensing of hydropower projects by adopting a new, more efficient process that is better coordinated with the processes of other federal and state agencies and Native Americans. The Commission anticipates that applicants using the new process will save about 30 percent on the costs of preparing a license application, resulting in savings to customers.

Today's final rule establishes a new licensing approach known as the Integrated Licensing Process (ILP) which will merge pre-filing consultation with the development of the environmental analysis under the National Environmental Policy Act.

In addition, the rule provides for:

- *Better coordination between the Commission's processes, including preparation of environmental documents, and those of federal and state agencies and Native Americans with authority to require conditions for licenses;
- *Commission-approved study plans developed by potential applicants and participants;
- *Resolution of study disagreements, first by informal means and, if necessary, by formal dispute resolution procedures;
- *Issuance of schedules for all parties, including Commission staff;

(2)

*Increased involvement by Commission staff with the applicant and stakeholders during the development of the application; and

*Additional opportunities for public participation in pre-filing consultation.

The final rule, which becomes effective 90 days from the date the order is issued, also amends the traditional licensing process by including increased public participation in pre-filing consultation and providing better coordination with state water quality certification processes. The existing alternative licensing procedures remain the same.

For two years from the issuance of the final rule, license applicants can choose to use the traditional or integrated processes, and may request authorization to use the alternative procedures. After that time, the integrated process will become the default process and Commission approval will be necessary to pursue the traditional or alternative processes.

The Commission issued a Notice of Proposed Rulemaking (NOPR) on the integrated licensing process in February 2003. In response to the NOPR, the Commission received significant input on how the final rule should look from public drafting workshops, public meetings, written comments and consultations with other federal and state agencies.

In a separate policy statement, the Commission established a tribal liaison position to serve as the primary point of contact for Native Americans who wish to participate in the Commission processes. The Commission highlighted the importance of Native Americans' participation in its proceedings and stated its commitment to promoting effective relationships with Native Americans.