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SENATE

REPORT
115–83

TO EXTEND A PROJECT OF THE FEDERAL ENERGY REGULATORY COMMISSION INVOLVING THE CANNONSVILLE DAM

MAY 24, 2017.—Ordered to be printed

Ms. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 734]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 734) to extend a project of the Federal Energy Regulatory Commission involving the Cannonsville Dam, having considered the same, reports favorably thereon with amendments and recommends that the bill, as amended, do pass.

The amendments are as follows:

1. On page 2, line 12, strike "required date of" and insert "period required for".

2. On page 2, line 13, insert "of the project" after "construction".

PURPOSE

The purpose of S. 734 is to extend a project of the Federal Energy Regulatory Commission (Commission) involving the Cannonsville Dam in New York.

BACKGROUND AND NEED

The Commission issued an original license to the City of New York for the Cannonsville Project (No. 13287) on the Delaware River on May 13, 2014. The license would allow the City to construct and operate a 14.08-megawatt project on its own Cannonsville Dam in New York State. The original license required the commencement of project construction within two years of the license issuance date, or by May 13, 2016. On April 21, 2016, the

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Commission extended the deadline by two years. Due to dam safety issues at the project site, and the need to conduct engineering studies and redesign the project, construction has yet to commence.

LEGISLATIVE HISTORY

Senator Gillibrand introduced S. 734 on March 27, 2017.

In the 114th Congress, a similar measure was included in Amendment No. 3234, which the Senate agreed to on April 19, 2016, as an amendment to S. 2012, the Energy Policy Modernization Act of 2016, which the Senate passed, as amended, on April 20, 2016.

Representatives Gibson, Engel, Tonko, and Collins introduced a similar bill, H.R. 4434, in the House of Representatives on February 2, 2016. H.R. 4434 passed the House by a vote of 417–2 on March 16, 2016.

The Committee on Energy and Natural Resources met in open business session on March 30, 2017, and ordered S. 734 favorably reported, as amended.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in an open business session on March 30, 2017, by a majority voice vote of a quorum present, recommends that the Senate pass S. 734, if amended as described herein.

COMMITTEE AMENDMENTS

During the consideration of S. 734 the Committee adopted two amendments to make technical corrections.

SECTION-BY-SECTION ANALYSIS

Section 1 authorizes the Commission, at the request of the licensee and after reasonable notice in accordance with Commission procedures, to extend the time period during which the licensee is required to commence project construction for up to eight years. Section 1 also authorizes the Commission to reinstate the license if the license has expired prior to the date of enactment of this Act. If so reinstated, the reinstated license is to be effective as of the date of the expiration of the previous extension.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the costs of this measure has been provided by the Congressional Budget Office:

CBO estimates that implementing S. 734 would have no net effect on the federal budget. The bill would authorize the Federal Energy Regulatory Commission (FERC) to reinstate the license and extend the deadline for beginning construction of a hydroelectric project (number 13287) involving the Cannonsville Hydroelectric Project in New York. The proposed extension could have a minor effect on FERC workload; however, because FERC recovers 100 percent of its costs through user fees, any change in that agency's costs (which are controlled through annual appropriation acts) would be offset by an equal change in fees that the commission charges, resulting in no net change in federal spending.

Enacting S. 734 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 734 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 734 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.

The CBO staff contact for this estimate is Megan Carroll. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 734. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 734, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 734, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

Executive Communications were not requested by the Committee on Energy and Natural Resources in the 115th Congress.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill as ordered reported.

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