



NEWS RELEASE

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News Media Contact

Craig Cano | 202-502-8680

Docket Nos. RM19-4-000, RM19-13-000,
RM18-15-000

FERC Issues Final Rules Revising Utility Merger, Hydropower Regulations

The Federal Energy Regulatory Commission (FERC) today issued two final rules that revise regulations to conform with recent congressional changes to the Federal Power Act (FPA) related to FERC's review of public utility mergers and hydropower permits and facilities.

The merger-related rule (RM19-4-000) implements statutory changes to FPA section 203 by amending FERC regulations requiring a public utility to seek authorization to merge or consolidate jurisdictional facilities so that such authorization is required only when those facilities are valued at more than \$10 million. The revisions also require a public utility to notify FERC of mergers or consolidations if the facilities are valued at more than \$1 million but less than \$10 million. Today's rule will reduce the regulatory burden on utilities for lower-value transactions, and the final action comes within the 180-day period set by Congress.

The hydropower rule (RM19-13-000) conforms the Commission's regulations to the America's Water Infrastructure Act of 2018, which amended sections of the FPA related to preliminary permits, qualifying conduit hydropower facilities, and start for payment of annual charges. Under the Act and the Commission's amended rules, FERC can issue preliminary permits for four years and extend a permit once for an additional four years, instead of three year terms for preliminary permits with a possible two-year extension. FERC can issue a second four-year extension if warranted by extraordinary circumstances. In addition, the maximum installed capacity for qualifying conduit exemptions is increased from five megawatts (MW) to 40 MW.

The Act also authorized FERC to issue extensions of the start of construction deadline for licenses for up to eight years, which affects the start of the payment of annual charges. Today's final rule implements this change. Annual charges will begin two years after a license is issued or any extension deadline expires.

FERC also issued a third final rule today (RM18-15-000) that clarifies and updates requirements related to interlocking officers and directors. Among the revisions is a clarification of the Commission's position on late-filed applications and informational reports.

R-19-14

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