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November 4, 2020

The Honorable Neil Chatterjee
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

RE: *Notice of Proposed Rulemaking re Safety of Water Power Projects and Project Works*,
Docket No. RM20-9-000.

Dear Chairman Chatterjee:

I appreciate the ongoing rulemaking addressing the Safety of Water Power Projects and Project Works in Docket No. RM20-9-000 that the Federal Energy Regulatory Commission (“the Commission” or “FERC”) has undertaken to meet its responsibilities under the Federal Power Act. As FERC and its predecessors have emphasized over the past century, the safety of water power projects and project works is critically important. The recent failures in California and Michigan are inexcusable and the operators and regulation of those projects deserve scrutiny.

Hydropower is the primary and most affordable source of electricity in many parts of Alaska, and no one assigns project safety a higher priority than Alaskans. Accordingly, I write to lend my support to the views that the Alaska Power Association (“APA”) expressed in its comments in the pending docket with safety in mind. As outlined below, the final rule must adequately consider the distinct challenges the State’s hydropower-owning electric utilities face in providing safe, reliable, affordable, and clean power.

APA’s comments succinctly summarize a fundamental problem within the Commission’s proposal:

“FERC is applying a one-size-fits-all solution for hydroelectric projects that vary in age, construction, maintenance programs, ownership, and risk... This situation puts an unfair burden on smaller-sized projects and will have a large impact on the cost of power in Alaska communities with a small number of ratepayers.”

Raising costs without demonstrating quantifiable benefits will not improve dam safety and may in fact exacerbate the very problem the proposed rulemaking is trying to solve, should scarce

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dollars be allocated to regulatory red tape instead of needed project works.¹ The Commission's proposal that, "for a typical small entity," the cost of the proposed rules "would be approximately \$2,500 per year," does not reflect the reality for many Alaskans. As APA pointed out, in Alaska "one hour of [necessary] helicopter charter alone can cost \$2,500."

In its current form, the Commission's proposal applies the same requirements to all hydroelectric projects, without due consideration for the distinct situations facing Alaska. Unless modified, the rule would unfairly penalize Alaska ratepayers. If the Commission decides to move forward with its proposed rule, it should exempt Alaska and permit projects and project works in the State to remain subject to the regulations that are currently in effect. In any case, the Commission should revise its proposed rulemaking in light of the costs borne by Alaska's hydropower-owning electric utilities, and take into consideration the small size of projects in Alaska and the small number of ratepayers served by Alaska utilities.

Thank you for your consideration. Please consider carefully APA's comment and the comments of other entities sharing Alaskan interests² in the ongoing rulemaking proceeding.

Sincerely,



Lisa Murkowski
United States Senator

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CC: The Honorable Richard Glick
The Honorable James Danly

¹ Alaskans are concerned, for example, that the proposed rule would raise independent consultant requirements without a concomitant benefit in safety.

² Please also see the comments filed by the National Hydropower Association and by the Alaska Electric Light and Power Company in the record of this proceeding.

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