

project works, or adopt any other measures necessary to secure or accommodate other beneficial public purposes, including the conservation, development and utilization of the water and related land resources for navigation, flood control, irrigation, power generation, water quality control, preservation of scenic and historic assets, protection of fish and wildlife, and enhancement of recreational features or any other potential values. In cases where the structure already exists upon a scenic river, Commission regulatory jurisdiction over the project could serve as an effective tool to advance the purposes of the bill.

Of course, before the Commission could authorize or require any such redevelopment or other action by a licensee the Commission would have to be able to find under Section 4(e) of the Federal Power Act that such redevelopment or other action would not interfere or be inconsistent with the purposes for which the scenic river area reservation was created or acquired. Hence, if the Commission lacked a factual basis for such a finding it could not authorize the particular redevelopment or other action with respect to an existing project or development. Furthermore, in considering the application for license for any existing project works in a scenic river area, the Commission has authority to deny the application in the event the project does not meet the standards of the Federal Power Act. Under that circumstance, the owner could be required to remove the project works.

The third amendment which we endorse calls for a modification of the licensing moratorium which would be imposed on the Commission by Section 7(b) of the bill while the scenic assets and potentials of the rivers designated in Section 5(a) are being studied.

We understand that the Departments of the Interior and Agriculture in the reports they submitted to your Committee on H.R. 8416 and related bills recommended an amendment which in effect would reduce the study period from five years to two years in the event a license application for a project on or affecting a particular river is filed with the Federal Power Commission within three years after a study of such river is initiated. To implement this change, the following sentence would be inserted on page 15 of the bill, line 25, preceding the word "No":

"Upon notification by the Federal Power Commission that an application has been received for a license on or directly affecting any river listed in section 5, subsection (a), of this Act, the Secretary of the Interior or the Secretary of Agriculture where national forest lands are involved shall proceed to complete the study within two years after the receipt of such notice."

As we interpret this language, the Secretary would have two years from the notification by the Commission in which to complete his study and recommend inclusion in the national scenic rivers system. If the Secretary so recommends within the two-year period, the Commission could take no final action to license a project during the period of Congressional consideration, of up to three years, prescribed by section 7(b) (ii). If the Secretary failed to act within the two-year abbreviated study period, or prior to the expiration of such period concluded that the river should not be included in the system, the Commission would be free to issue a license.

The Secretary of Interior's report states that the amendment is intended to enable the Commission to process without any undue delay such applications as may be filed concerning the rivers in the section 5(a) study group. We understand therefore that nothing in the bill or the amendment would preclude the Commission from processing an application and investigating or holding hearings upon a proposed project during the study and Congressional moratorium periods prescribed therein, so long as it took no definitive action to issue a license.

Licensing moratoriums in the past usually have been prompted by the fact that there were licensing actions pending before the Commission which would have conflicted with specific legislative proposals then under active consideration by the Congress to authorize Federal development or use of the resources of the particular power sites involved for other purposes. In the case of the 20 rivers which would be authorized for study under H.R. 8416, the Commission, as pointed out above, has no licensing matters pending which affect these rivers. In these circumstances, there would as a practical matter seem to be no serious objection to imposing an FPC licensing moratorium, provided the bill makes clear the