AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3043, AS REPORTED

Offered by M_.

Strike all after the enacting clause and insert the following:

1	SECTION 1. SHORT TITLE.
2	This Act may be cited as the "Hydropower Policy
3	Modernization Act of 2017".
4	SEC. 2. HYDROPOWER REGULATORY IMPROVEMENTS.
5	(a) Sense of Congress on the Use of Hydro-
6	POWER RENEWABLE RESOURCES.—It is the sense of Con-
7	gress that—
8	(1) hydropower is a renewable resource for pur-
9	poses of all Federal programs and is an essential
10	source of energy in the United States; and
11	(2) the United States should increase substan-
12	tially the capacity and generation of clean, renewable
13	hydropower that would improve environmental qual-
14	ity in the United States.
15	(b) Modifying the Definition of Renewable
16	ENERGY TO INCLUDE HYDROPOWER.—Section 203 of the
17	Energy Policy Act of 2005 (42 U.S.C. 15852) is amend-
18	ed—

1	(1) in subsection (a), by amending paragraphs
2	(1) through (3) to read as follows:
3	"(1) Not less than 17 percent in fiscal years
4	2017 through 2019.
5	"(2) Not less than 20 percent in fiscal years
6	2020 through 2024.
7	"(3) Not less than 25 percent in fiscal year
8	2025 and each fiscal year thereafter."; and
9	(2) in subsection (b), by striking paragraph (2)
10	and inserting the following:
11	"(2) Renewable energy.—The term 'renew-
12	able energy' means electric energy generated from
13	solar, wind, biomass, landfill gas, ocean (including
14	tidal, wave, current, and thermal), geothermal, or
15	municipal solid waste, or from a hydropower
16	project.".
17	(c) Preliminary Permits.—Section 5 of the Fed-
18	eral Power Act (16 U.S.C. 798) is amended—
19	(1) in subsection (a), by striking "three" and
20	inserting "4"; and
21	(2) by amending subsection (b) to read as fol-
22	lows:
23	"(b) The Commission may—
24	"(1) extend the period of a preliminary permit
25	once for not more than 4 additional years beyond

1	the 4 years permitted by subsection (a) if the Com-
2	mission finds that the permittee has carried out ac-
3	tivities under such permit in good faith and with
4	reasonable diligence; and
5	"(2) if the period of a preliminary permit is ex-
6	tended under paragraph (1), extend the period of
7	such preliminary permit once for not more than 4
8	additional years beyond the extension period granted
9	under paragraph (1), if the Commission determines
10	that there are extraordinary circumstances that war-
11	rant such additional extension.".
12	(d) Time Limit for Construction of Project
13	Works.—Section 13 of the Federal Power Act (16 U.S.C.
14	806) is amended in the second sentence by striking "once
15	but not longer than two additional years" and inserting
16	"for not more than 8 additional years,".
17	(e) Considerations for Relicensing Terms.—
18	Section 15(e) of the Federal Power Act (16 U.S.C.
19	808(e)) is amended—
20	(1) by striking "(e) Except" and inserting the
21	following:
22	"(e) License Term on Relicensing.—
23	"(1) IN GENERAL.—Except"; and
24	(2) by adding at the end the following:

1	"(2) Consideration.—In determining the
2	term of a license under paragraph (1), the Commis-
3	sion shall consider project-related investments by the
4	licensee over the term of the existing license (includ-
5	ing any terms under annual licenses) that resulted
6	in new development, construction, capacity, effi-
7	ciency improvements, or environmental measures,
8	but which did not result in the extension of the term
9	of the license by the Commission.".
10	SEC. 3. HYDROPOWER LICENSING AND PROCESS IMPROVE-
11	MENTS.
12	(a) Hydropower Licensing and Process Im-
13	PROVEMENTS.—Part I of the Federal Power Act (16
13	FROVEMENTS.—I art I of the Federal Towel Act (10
14	U.S.C. 792 et seq.) is amended by adding at the end the
14	U.S.C. 792 et seq.) is amended by adding at the end the
14 15	U.S.C. 792 et seq.) is amended by adding at the end the following:
14 15 16	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM-
14 15 16 17	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM- PROVEMENTS.
14 15 16 17	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM- PROVEMENTS. "(a) DEFINITION.—In this section, the term 'Federal
114 115 116 117 118	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IMPROVEMENTS. "(a) DEFINITION.—In this section, the term 'Federal authorization'—
14 15 16 17 18 19 20	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM- PROVEMENTS. "(a) DEFINITION.—In this section, the term 'Federal authorization'— "(1) means any authorization required under
114 115 116 117 118 119 220 221	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM- PROVEMENTS. "(a) DEFINITION.—In this section, the term 'Federal authorization'— "(1) means any authorization required under Federal law with respect to an application for a li-
14 15 16 17 18 19 20 21	U.S.C. 792 et seq.) is amended by adding at the end the following: "SEC. 34. HYDROPOWER LICENSING AND PROCESS IM- PROVEMENTS. "(a) DEFINITION.—In this section, the term 'Federal authorization'— "(1) means any authorization required under Federal law with respect to an application for a license under this part; and

1	Federal law to approve or implement the license
2	under this part.
3	"(b) Designation as Lead Agency.—The Com-
4	mission shall act as the lead agency for the purposes of
5	complying with the National Environmental Policy Act of
6	1969 (42 U.S.C. 4321 et seq.) with respect to an applica-
7	tion for a license under this part.
8	"(c) Rulemaking to Establish Process to Set
9	Schedule.—
10	"(1) Negotiated Rulemaking.—Not later
11	than 90 days after the date of enactment of this sec-
12	tion the Commission, the Secretary of Agriculture,
13	the Administrator of the National Oceanic and At-
14	mospheric Administration, and the Secretary of the
15	Interior shall enter into a negotiated rulemaking
16	pursuant to subchapter III of chapter 5 of title 5,
17	United States Code, to develop and publish a rule
18	providing a process for the Commission to evaluate,
19	and issue a final decision on, a completed applica-
20	tion for a license under this part.
21	"(2) Negotiated rulemaking committee.—
22	The negotiated rulemaking committee established
23	pursuant to the negotiated rulemaking process en-
24	tered into under paragraph (1) shall include rep-
25	resentatives of State and Indian tribal governments,

1	and other stakeholders who will be significantly af-
2	fected by a rule issued under this subsection.
3	"(3) Deadlines.—
4	"(A) Proposed Rule.—Not later than 2
5	years after the date of enactment of this sec-
6	tion, the Commission shall publish a proposed
7	rule resulting from the negotiated rulemaking
8	under this subsection.
9	"(B) FINAL RULE.—Not later than 3
10	years after the date of enactment of this sec-
11	tion, the Commission shall publish a final rule
12	resulting from the negotiated rulemaking under
13	this subsection.
14	"(4) Elements of Rule.—In publishing a
15	rule under this subsection, the Commission shall en-
16	sure that—
17	"(A) the rule includes a description of the
18	Commission's responsibility as the lead agency
19	in coordinating Federal authorizations;
20	"(B) the rule includes a process for devel-
21	opment of a schedule for the review and disposi-
22	tion of a completed application for a license
23	under this part;
24	"(C) each schedule developed pursuant to
25	such process shall—

7

1	"(i) include deadlines for actions on
2	the applicable completed application—
3	"(I) that are consistent with the
4	duties of each agency under this Act
5	and under applicable State, tribal, and
6	other Federal laws; and
7	"(II) by—
8	"(aa) each Federal agency
9	responsible for a Federal author-
10	ization;
11	"(bb) each State agency,
12	local government, or Indian tribe
13	that may consider an aspect of
14	an application for a Federal au-
15	thorization or is responsible for
16	conducting any separate permit-
17	ting and environmental reviews of
18	the applicable project;
19	"(cc) the applicant;
20	"(dd) the Commission; and
21	"(ee) other participants in a
22	license proceeding;
23	"(ii) facilitate the identification and
24	completion of Federal, State, and tribal
25	agency-requested studies, reviews, and any

1	other procedures required to be conducted
2	prior to, or concurrent with, the prepara-
3	tion of the Commission's environmental re-
4	view required under the National Environ-
5	mental Policy Act of 1969 (42 U.S.C.
6	4321 et seq.), to the extent practicable;
7	and
8	"(iii) provide for a final decision on
9	the applicable completed application to be
10	made by not later than 3 years after the
11	date on which the Commission receives
12	such completed application;
13	"(D) the rule includes a mechanism for re-
14	solving issues of concern that may delay the
15	completion of a license application or review of
16	a completed application;
17	"(E) the rule includes a definition of a
18	completed application; and
19	"(F) the rule provides for an opportunity
20	for public notice and comment on—
21	"(i) a completed application; and
22	"(ii) the schedule developed for the re-
23	view and disposition of the application.
24	"(d) Application Processing.—The Commission,
25	Federal, State, and local government agencies, and Indian

tribes may allow an applicant seeking a Federal authorization to fund a third-party contractor selected by such an 3 agency or tribe to assist in reviewing the application. All 4 costs of an agency or tribe incurred pursuant to direct 5 funding by the applicant, including all costs associated with the third party contractor, shall not be considered costs of the United States for the administration of this 8 part under section 10(e). 9 "(e) Issue Resolution.—The Commission may for-10 ward any issue of concern that has delayed either the completion of the application or the issuance of a license for a completed application beyond the deadline set forth in 12 the schedule established under the final rule published under subsection (c) to the heads of the relevant State, 14 15 Federal, or Indian tribal agencies for resolution. If the Commission forwards an issue of concern to the head of 16 17 a relevant agency, the Commission and the relevant agen-18 cy shall enter into a memorandum of understanding to fa-19 cilitate interagency coordination and resolution of the 20 issue of concern, as appropriate. 21 "(f) NO EFFECT ON OTHER LAWS.—Nothing in this 22 section— 23 "(1) expands or limits the application of any 24 power or authority vested in an agency, State, or In-25 dian tribe by any applicable law or regulation;

1	"(2) shall be construed to affect any require-
2	ments of State, tribal, or other Federal law (includ-
3	ing under the Federal Water Pollution Control Act,
4	the Fish and Wildlife Coordination Act, the Endan-
5	gered Species Act of 1973, section 14 of the Act of
6	March 3, 1899 (commonly known as the Rivers and
7	Harbors Appropriation Act of 1899), the Coastal
8	Zone Management Act of 1972, the Magnuson-Ste-
9	vens Fishery Conservation and Management Act,
10	and those provisions in subtitle III of title 54,
11	United States Code, commonly known as the Na-
12	tional Historic Preservation Act) with respect to an
13	application for a license under this part; or
14	"(3) abrogates, diminishes, or otherwise affects
15	any treaty or other right of any Indian tribe.
16	"SEC. 35. LICENSING STUDY IMPROVEMENTS.
17	"(a) In General.—To facilitate the timely and effi-
18	cient completion of the license proceedings under this part,
19	the Commission shall, in consultation with applicable Fed-
20	eral and State agencies and interested members of the
21	public—
22	"(1) compile current and accepted best prac-
23	tices in performing studies required in such license
24	proceedings, including methodologies and the design
25	of studies to assess the full range of environmental

1	impacts of a project that reflect the most recent
2	peer-reviewed science;
3	"(2) compile a comprehensive collection of stud-
4	ies and data accessible to the public that could be
5	used to inform license proceedings under this part;
6	and
7	"(3) encourage license applicants, agencies, and
8	Indian tribes to develop and use, for the purpose of
9	fostering timely and efficient consideration of license
10	applications, a limited number of open-source meth-
11	odologies and tools applicable across a wide array of
12	projects, including water balance models and
13	streamflow analyses.
14	"(b) Use of Studies.—To the extent practicable,
15	the Commission and other Federal, State, and local gov-
16	ernment agencies and Indian tribes considering an aspect
17	of an application for Federal authorization (as defined in
18	section 34) shall use relevant, existing studies and data
19	and avoid duplicating such studies that are applicable to
20	the project. Studies repeated for the purpose of character-
21	izing seasonal or annual variation of a relevant char-
22	acteristic or resource shall not be considered duplicative.
23	"SEC. 36. EVALUATION OF EXPEDITED LICENSING FOR
24	QUALIFYING PROJECT UPGRADES.
25	"(a) DEFINITIONS—In this section:

1	"(1) Expedited license amendment proc-
2	ESS.—The term 'expedited license amendment proc-
3	ess' means an expedited process for issuing an
4	amendment to an existing license issued under this
5	part for a project.
6	"(2) Qualifying project upgrade.—The
7	term 'qualifying project upgrade' means a change—
8	"(A) to a project; and
9	"(B) that meets the criteria under sub-
10	section (b).
11	"(b) In General.—To improve the regulatory proc-
12	ess and reduce the time and cost of making upgrades to
13	existing projects, the Commission shall investigate the fea-
14	sibility of implementing an expedited license amendment
15	process for a change to a project that meets the following
16	criteria:
17	"(1) The change to the project—
18	"(A) is limited to the power house equip-
19	ment of the project; or
20	"(B) will result in environmental protec-
21	tion, mitigation, or enhancement measures to
22	benefit fish and wildlife resources or other nat-
23	ural or cultural resources.
24	"(2) The change to the project is unlikely to
25	adversely affect any species listed as threatened or

1	endangered under the Endangered Species Act of
2	1973 (16 U.S.C. 1531 et seq.), as determined by the
3	Secretary of the Interior.
4	"(3) The Commission ensures, in accordance
5	with section 7 of the Endangered Species Act of
6	1973 (16 U.S.C. 1536), that the change to the
7	project will not result in the destruction or modifica-
8	tion of critical habitat.
9	"(4) The change to the project is consistent
10	with any applicable comprehensive plan under sec-
11	tion 10(a).
12	"(5) The change to the project is unlikely to
13	adversely affect water quality and water supply, as
14	determined in consultation with any applicable State
15	or Indian tribe.
16	"(6) Any adverse environmental effects result-
17	ing from the change to the project will be insignifi-
18	cant.
19	"(c) Workshops and Pilots.—The Commission
20	shall—
21	"(1) not later than 60 days after the date of
22	enactment of this section, hold an initial workshop
23	to solicit public comment and recommendations on
24	how to implement an expedited license amendment
25	process for qualifying project upgrades;

1	"(2) evaluate pending applications for an
2	amendment to an existing license of a project for a
3	qualifying project upgrade that may benefit from an
4	expedited license amendment process;
5	"(3) not later than 180 days after the date of
6	enactment of this section, identify and solicit partici-
7	pation by project developers in, and begin implemen-
8	tation of, a 3-year pilot program to evaluate the fea-
9	sibility and utility of an expedited license amend-
10	ment process for qualifying project upgrades; and
11	"(4) not later than 3 months after the end of
12	the 3-year pilot program under paragraph (3), hold
13	a final workshop to solicit public comment on the ex-
14	pedited license amendment process.
15	"(d) Memorandum of Understanding.—The
16	Commission shall, to the extent practicable, enter into a
17	memorandum of understanding with any applicable Fed-
18	eral, State, or tribal agency to implement the pilot pro-
19	gram described in subsection (e).
20	"(e) Reports.—Not later than 3 months after the
21	date of the final workshop held pursuant to subsection
22	(c)(4), the Commission shall submit to the Committee on
23	Energy and Commerce of the House of Representatives
24	and the Committee on Energy and Natural Resources of
25	the Senate a report that includes—

1	"(1) a summary of the public comments re-
2	ceived as part of the initial workshop held under
3	subsection $(c)(1)$;
4	"(2) a summary of the public comments re-
5	ceived as part of the final workshop held under sub-
6	section $(c)(4)$;
7	"(3) a description of the expedited license
8	amendment process for qualifying project upgrades
9	evaluated under the pilot program, including—
10	"(A) a description of the procedures or re-
11	quirements that were waived under the expe-
12	dited license amendment process;
13	"(B) a comparison between—
14	"(i) the average amount of time re-
15	quired to complete the licensing process for
16	an amendment to a license under the expe-
17	dited license amendment process tested
18	under the pilot program; and
19	"(ii) the average amount of time re-
20	quired to complete the licensing process for
21	a similar amendment to a license under
22	current Commission processes;
23	"(4) the number of requests received by the
24	Commission to participate in the expedited license
25	amendment process for qualifying project upgrades;

1	"(5) a description of changes to Commission
2	rules required to create and standardize an expe-
3	dited license amendment process for qualifying
4	project upgrades;
5	"(6) a description of factors that prevented any
6	participant in the pilot program from completing the
7	expedited license amendment process in the expe-
8	dited time frame.
9	"(f) Implementation.—If the Commission deter-
10	mines, based upon the workshops and results of the pilot
11	program under subsection (c), that an expedited license
12	amendment process will reduce the time and costs for
13	issuing amendments to licenses for qualifying project up-
14	grades, the Commission shall revise its policies and regula-
15	tions, in accordance with applicable law, to establish an
16	expedited license amendment process.
17	"(g) Public Input.—In carrying out subsection (f),
18	the Commission shall solicit and consider public comments
19	before finalizing any change to policies or regulations.".
20	SEC. 4. PILOT PROGRAM FOR CONSOLIDATED LICENSING
21	PROCESS FOR INTRA-WATERSHED PROJECTS.
22	(a) Definitions.—In this section:
23	(1) Commission.—The term "Commission"
24	means the Federal Energy Regulatory Commission.

1	(2) Project.—The term "project" has the
2	meaning given such term in section 3 of the Federal
3	Power Act (16 U.S.C. 796).
4	(b) Initial Workshop.—Not later than 3 months
5	after the date of enactment of this Act, the Commission
6	shall hold a workshop to solicit public comment and rec-
7	ommendations on how to implement a pilot program de-
8	scribed in subsection (c).
9	(c) Establishment of Pilot Program.—The
10	Commission shall establish a voluntary pilot program to
11	enable the Commission to consider multiple projects to-
12	gether in a consolidated licensing process in order to issue
13	a license under part I of the Federal Power Act (16 U.S.C.
14	792 et seq.) for each such project.
15	(d) Candidate Project Identification.—Not
16	later than 1 year after the date of enactment of this Act,
17	the Commission, in consultation with the head of any ap-
18	plicable Federal or State agency or Indian tribe and li-
19	censees, shall identify and solicit candidate projects to par-
20	ticipate in the pilot program established under subsection
21	(c). In order to participate in such pilot program a project
22	shall meet the following criteria:
23	(1) The current license for the project expires
24	between 2019 and 2029 or the project is not li-

1	censed under part 1 of the Federal Power Act (16
2	U.S.C. 792 et seq.).
3	(2) The project is located within the same wa-
4	tershed as other projects that are eligible to partici-
5	pate in the pilot program.
6	(3) The project is located in sufficiently close
7	proximity and has environmental conditions that are
8	sufficiently similar to other projects that are eligible
9	to participate in the pilot program so that water-
10	shed-wide studies and information may be developed,
11	thereby significantly reducing the need for, and
12	scope of, individual project-level studies and infor-
13	mation.
14	(e) Designation of Individual Projects as a
15	SINGLE GROUP.—The Commission may designate a group
16	of projects to be considered together in a consolidated li-
17	censing process under the pilot program established under
18	subsection (c). The Commission may designate such a
19	group only if each licensee (or applicant) for a project in
20	the group, on a voluntary basis and in writing, agrees—
21	(1) to participate in the pilot program; and
22	(2) to a cost-sharing arrangement with other li-
23	censees (or applicants) and applicable Federal and
24	State agencies with respect to the conduct of water-

1	shed-wide studies to be considered in support of the
2	license applications for the group of projects.
3	(f) Project License Terms.—The Commission
4	may change the term of any existing license for an indi-
5	vidual licensee in a group designated under subsection (e)
6	by up to 5 years—
7	(1) to provide sufficient time to develop a con-
8	solidated study plan for—
9	(A) studies for individual projects in the
10	group, as necessary; and
11	(B) relevant watershed-wide studies for
12	purposes of the consolidated licensing process
13	under the pilot program established under sub-
14	section (e) that will be applicable to each
15	project in the group; and
16	(2) to align the terms of the existing licenses
17	such that they expire on the same date.
18	(g) Memorandum of Understanding.—The Com-
19	mission shall, to the extent practicable, enter into a memo-
20	randum of understanding with any applicable Federal or
21	State agency or Indian tribe to implement the pilot pro-
22	gram established under subsection (c).
23	(h) Initial Report.—Not later than 3 months after
24	the date of the initial workshop held pursuant to sub-
25	section (b), the Commission shall submit to the Committee

1	on Energy and Commerce of the House of Representatives
2	and the Committee on Energy and Natural Resources of
3	the Senate a report that includes—
4	(1) a summary of the public comments received
5	as part of such initial workshop; and
6	(2) a preliminary plan for identifying and solic-
7	iting participants in the pilot program established
8	under subsection (e).
9	(i) Interim Report.—Not later than 4 years after
10	the establishment of the pilot program under subsection
11	(c), the Commission shall submit to the Committee on En-
12	ergy and Commerce of the House of Representatives and
13	the Committee on Energy and Natural Resources of the
14	Senate a report that includes—
15	(1) a description of the status of the pilot pro-
16	gram, including a description of the individual
17	projects that are participating in the pilot program
18	and the watersheds in which such projects are lo-
19	cated; or
20	(2) if no projects are participating in the pilot
21	program, a summary of any barriers the Commis-
22	sion has identified to proceeding with the pilot pro-
23	gram and the reasons provided by potential partici-
24	pants for their preference for using an individual li-
25	cense process.

1	SEC. 5. INTERAGENCY COMMUNICATIONS AND COOPERA-
2	TION.
3	Part I of the Federal Power Act (16 U.S.C. 792 et
4	seq.) is further amended by adding at the end the fol-
5	lowing new section:
6	"SEC. 37. INTERAGENCY COMMUNICATIONS AND COOPERA-
7	TION.
8	"(a) EX PARTE COMMUNICATIONS.—Interagency
9	communications relating to the preparation of environ-
10	mental documents under the National Environmental Pol-
11	icy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to
12	an application for a license under this part, or to the li-
13	censing process for a license under this part, shall not be
14	considered to be ex parte communications under Commis-
15	sion rules.
16	"(b) Participation in Proceedings.—Interagency
17	cooperation, at any time, in the preparation of environ-
18	mental documents under the National Environmental Pol-
19	icy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to
20	an application for a license under this part, or in the li-
21	censing process for a license under this part, shall not pre-
22	clude an agency from participating in a licensing pro-
23	ceeding under this part.
24	"(c) Separation of Staff.—Notwithstanding sub-
25	section (a), to the extent the Commission determines nec-
26	essary, the Commission may require Federal and State

- agencies participating as cooperating agencies under the
 National Environmental Policy Act of 1969 (42 U.S.C.
- 3 4321 et seq.) to demonstrate a separation of staff that
- 4 are cooperating with the Commission with respect to a
- 5 proceeding under this part from staff that may participate
- 6 in an intervention in the applicable proceeding.".

7 SEC. 6. HYDROELECTRIC PRODUCTION INCENTIVES AND

- 8 EFFICIENCY IMPROVEMENTS.
- 9 (a) Hydroelectric Production Incentives.—
- 10 Section 242 of the Energy Policy Act of 2005 (42 U.S.C.
- 11 15881) is amended—
- (1) in subsection (c), by striking "10" and in-
- 13 serting "20";
- 14 (2) in subsection (f), by striking "20" and in-
- serting "30"; and
- 16 (3) in subsection (g), by striking "each of the
- fiscal years 2006 through 2015" and inserting "each
- of fiscal years 2017 through 2026".
- 19 (b) Hydroelectric Efficiency Improvement.—
- 20 Section 243(c) of the Energy Policy Act of 2005 (42
- 21 U.S.C. 15882(c)) is amended by striking "each of the fis-
- 22 cal years 2006 through 2015" and inserting "each of fis-
- 23 cal years 2017 through 2026".".

1 SEC. 7. TECHNICAL AMENDMENTS.

- 2 (a) ALTERNATIVE CONDITIONS.—Section
- 3 33(a)(2)(B) of the Federal Power Act (16 U.S.C.
- 4 823d(a)(2)(B)) is amended, in the matter preceding clause
- 5 (i), by inserting "deemed necessary" before "by the Sec-
- 6 retary".
- 7 (b) Licenses.—Section 4(e) of the Federal Power
- 8 Act (16 U.S.C. 797(e)) is amended by striking "adequate
- 9 protection and utilization of such reservation" and all that
- 10 follows through "That no license affecting the navigable
- 11 capacity" and inserting "adequate protection and utiliza-
- 12 tion of such reservation. The license applicant and any
- 13 party to the proceeding shall be entitled to a determination
- 14 on the record, after opportunity for an agency trial-type
- 15 hearing of no more than 90 days, on any disputed issues
- 16 of material fact with respect to such conditions. All dis-
- 17 puted issues of material fact raised by any party shall be
- 18 determined in a single trial-type hearing to be conducted
- 19 by the relevant resource agency in accordance with the
- 20 regulations promulgated under this subsection and within
- 21 the time frame established by the Commission for each
- 22 license proceeding. Within 90 days of the date of enact-
- 23 ment of the Energy Policy Act of 2005, the Secretaries
- 24 of the Interior, Commerce, and Agriculture shall establish
- 25 jointly, by rule, the procedures for such expedited trial-
- 26 type hearing, including the opportunity to undertake dis-

1	covery and cross-examine witnesses, in consultation with
2	the Federal Energy Regulatory Commission: $Provided\ fur$
3	ther, That no license affecting the navigable capacity".
4	SEC. 8. IMPROVING CONSULTATION WITH INDIAN TRIBES.
5	(a) Guidance Document.—
6	(1) In General.—Not later than one year
7	after the date of enactment of this Act, the Federal
8	Energy Regulatory Commission and the Secretary of
9	the Interior shall prepare, in consultation with inter-
10	ested Indian tribes, licensees under part I of the
11	Federal Power Act, and the public, a guidance docu-
12	ment that identifies best practices for the Commis-
13	sion, Federal and State resource agencies, Indian
14	tribes, and applicants for licenses under part I of the
15	Federal Power Act for effective engagement of In-
16	dian tribes in the consideration of applications for li-
17	censes under part I of the Federal Power Act that
18	may affect an Indian reservation, a treaty, or other
19	right of an Indian tribe.
20	(2) UPDATES.—The Commission and Secretary
21	shall update the guidance document prepared under
22	paragraph (1) every 10 years.
23	(3) Public Participation.—In preparing or
24	updating the guidance document, the Commission
25	and the Secretary shall convene public meetings at

1	different locations in the United States, and shall
2	provide an opportunity for written public comments.
3	(b) Public Workshops.—
4	(1) In general.—Not later than one year
5	after preparing or updating the guidance document
6	under subsection (a), the Commission shall convene
7	public workshops, held at different locations in the
8	United States, to inform and educate Commission
9	staff, Federal and State resource agencies, Indian
10	tribes, applicants for licenses under part I of the
11	Federal Power Act, and interested members of the
12	public, on the best practices identified in the guid-
13	ance document.
14	(2) Consultation.—In preparing the agenda
15	for such workshops, the Commission shall consult
16	with the Secretary of the Interior, interested Indian
17	tribes, and licensees under part I of the Federal
18	Power Act.
19	SEC. 9. TRIBAL MANDATORY CONDITIONS.
20	(a) In General.—Section 4 of the Federal Power
21	Act (16 U.S.C. 797) is amended—
22	(1) in subsection (e), in the first proviso, by in-
23	serting ", or, in the case of tribal land, subject to
24	

1	over the tribal land," after "under whose supervision
2	such reservation falls"; and
3	(2) by adding at the end the following:
4	"(h) Tribal Mandatory Conditions.—
5	"(1) Criteria.—An Indian tribe may deem
6	conditions necessary under the first proviso of sub-
7	section (e) only if the Secretary of the Interior (re-
8	ferred to in this subsection as the 'Secretary') deter-
9	mines that the Indian tribe has—
10	"(A) confirmed the intent of the Indian
11	tribe to deem conditions necessary under the
12	first proviso of subsection (e) by resolution or
13	other official action by the governing body of
14	the Indian tribe;
15	"(B) demonstrated financial stability and
16	financial management capability over the 3-fis-
17	cal-year period preceding the date of the deter-
18	mination of the Secretary under this paragraph;
19	and
20	"(C) demonstrated the ability to plan, con-
21	duct, and administer all services, functions, and
22	activities that would otherwise be administered
23	by the Secretary with respect to deeming condi-
24	tions necessary on tribal land under the first
25	proviso of subsection (e).

1	"(2) Determination on request.—On re-
2	quest of an Indian tribe, not later than 1 year after
3	the date on which the Secretary receives the request,
4	the Secretary shall make the determination under
5	paragraph (1).
6	"(3) Withdrawal of Determination.—
7	"(A) In general.—Subject to subpara-
8	graph (B), if the Secretary determines that an
9	Indian tribe no longer meets the criteria under
10	paragraph (1), the Secretary may withdraw the
11	determination under paragraph (2).
12	"(B) Notice and opportunity to re-
13	SPOND.—Before withdrawing a determination
14	under subparagraph (A), the Secretary shall
15	provide to the Indian tribe—
16	"(i) notice of the proposed with-
17	drawal; and
18	"(ii) an opportunity to respond and, if
19	necessary, redress the deficiencies identi-
20	fied by the Secretary.".
21	(b) Alternative Conditions.—Section 33(a) of
22	the Federal Power Act (16 U.S.C. 823d(a)) is amended—
23	(1) in paragraph (1), by inserting "or an In-
24	dian tribe" before "deems a condition";

1	(2) in paragraph (2), by inserting "or Indian
2	tribe" after "the Secretary" each place it appears;
3	(3) in paragraph (3), by inserting "or Indian
4	tribe" after "the Secretary" each place it appears;
5	(4) in paragraph (4)—
6	(A) by inserting "or Indian tribe" before
7	"concerned shall submit";
8	(B) by inserting "or Indian tribe" before
9	"gave equal consideration";
10	(C) by inserting "or Indian tribe" after
11	"may be available to the Secretary";
12	(D) by inserting "or Indian tribe" before
13	"shall also submit,"; and
14	(E) by striking "available to the Secretary
15	and relevant to the Secretary's decision" and
16	inserting "available to the Secretary or Indian
17	tribe and relevant to the decision of the Sec-
18	retary or Indian tribe"; and
19	(5) in paragraph (5)—
20	(A) by striking "Secretary's final condi-
21	tion" and inserting "final condition of the Sec-
22	retary or Indian tribe";
23	(B) by inserting "or Indian tribe" after
24	"consult with the Secretary";

1	(C) by inserting "or Indian tribe" before
2	"may accept the Dispute Resolution";
3	(D) by inserting "or Indian tribe" after
4	"advisory unless the Secretary";
5	(E) by inserting "or Indian tribe" before
6	"shall submit the advisory and"; and
7	(F) by striking "Secretary's final written
8	determination" and inserting "final written de-
9	termination of the Secretary or Indian tribe".
10	SEC. 10. CONSIDERATION OF INVASIVE SPECIES.
11	Section 18 of the Federal Power Act (16 U.S.C. 811)
12	is amended by inserting after "the Secretary of Com-
13	merce." the following: "In prescribing a fishway, the Sec-
14	retary of Commerce or the Secretary of the Interior, as
15	appropriate, shall consider the threat of invasive species.".

