

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2470

Session of
1984

INTRODUCED BY FREEMAN, GRUPPO, RYBAK AND KOWALYSHYN,
SEPTEMBER 18, 1984

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
NOVEMBER 20, 1984

AN ACT

1 Establishing the authority of the Department of Environmental
2 Resources to ~~enter into an agreement with the Chain Dam~~ <—
3 ~~Hydroelectric Associates, a private developer, to~~ lease the
4 State-owned facility, known as the Chain Dam, located in
5 Palmer Township (near the City of Easton) in Northampton
6 County on the Lehigh River.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Chain Dam
11 Hydroelectric Facility Leasing Act.

12 Section 2. Declaration of policy.

13 Because the Commonwealth currently is holding an exemption
14 from the Federal Energy Regulatory Commission, which will expire
15 before much broader legislation can be enacted, it is imperative
16 that the Department of Environmental Resources be authorized to
17 lease the hydroelectric facility located at Chain Dam on the
18 Lehigh River. ~~to the Chain Dam Hydroelectric Associates, which~~ <—
19 ~~currently holds an option on the site.~~

1 Section 3. Definitions.

2 The following words and phrases when used in this act shall
3 have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 ~~"Associates." The Chain Dam Hydroelectric Associates, a~~ <—
6 ~~limited partnership, formed to develop this site.~~

7 "Department." The Department of Environmental Resources.

8 "Hydroelectric facility." The hydroelectric facility located
9 at the Chain Dam, located in Northampton County on the Lehigh
10 River.

11 Section 4. Leasing of hydroelectric facilities by the
12 department.

13 ~~(a) General policy. The development and operation of~~ <—
14 ~~hydroelectric facilities, using land of the Commonwealth, should~~
15 ~~be authorized and encouraged where the department determines~~
16 ~~that the hydroelectric facilities can be constructed and~~
17 ~~operated in a manner compatible with the other authorized public~~
18 ~~uses and purposes of the lands, waters, dams and other~~
19 ~~facilities being utilized.~~

20 ~~(b) Authority of department to lease. The department shall~~
21 ~~be authorized to grant a required franchise right, required~~
22 ~~license, right of way or lease for the lands, water rights or~~
23 ~~facilities of Chain Dam that are under the control of the~~
24 ~~Commonwealth to the associates for the purpose of developing or~~
25 ~~operating the facilities, upon terms that may be considered~~
26 ~~reasonable and are in the public interest. A right granted under~~
27 ~~this subsection shall last no more than 50 years.~~

28 (A) AUTHORITY OF DEPARTMENT.--THE DEPARTMENT SHALL HAVE THE <—
29 POWER TO GRANT TO ANY PERSON A HYDROELECTRIC FRANCHISE AND ANY
30 NECESSARY RIGHT-OF-WAY OR LEASE FOR THE CONSTRUCTION, OPERATION

1 AND MAINTENANCE OF A HYDROELECTRIC FACILITY UTILIZING THE LANDS,
2 WATER RIGHTS OR FACILITIES OF THE COMMONWEALTH AT CHAIN DAM,
3 LEHIGH RIVER, NORTHAMPTON COUNTY. ANY SUCH GRANT AFFECTING LANDS
4 OR FACILITIES OF THE CITY OF EASTON SHALL BE SUBJECT TO THE
5 AGREEMENT AND APPROVAL OF THE CITY OF EASTON.

6 ~~(e)~~ (B) Collections and deposit of charges, royalties, lease <—
7 payments, etc.--All charges, royalties, lease payments and other
8 revenues collected under the provisions of this section shall be
9 paid into the State Treasury and shall be deposited in a
10 restricted revenue account known as the Hydroelectric Resources
11 Account. Funds deposited in this account shall be used solely
12 for the planning, development, operation, maintenance, repair
13 and restoration of ~~State dams and related facilities, the~~ <—
14 ~~repayment of Commonwealth bonds associated with the financing of~~
15 ~~hydroelectric facilities~~ THE CHAIN DAM FACILITY and the <—
16 reacquisition of ~~hydroelectric facilities at State dams~~ THAT <—
17 FACILITY following the expiration of ~~leases~~ THE RIGHT GRANTED <—
18 for development and operation of ~~these facilities~~ THAT FACILITY. <—
19 The deposited funds are hereby appropriated for these purposes.
20 Section 5. Effective date.

21 This act shall take effect immediately.