AN ACT

Authorizing the Department of Forestry, with the approval of the Governor and Attorney General, to lease for periods of not more than fifty years, on terms, conditions, and stipulations expressed in each lease, any portions of the State forests for dams, reservoirs, canals, pipe lines and other water conduits, power houses and transmission lines, for the development of water power, for steam raising and condensation, and for the generation and transmission of electric energy.

Compiler's Note: Section 302(h) of Act 18 of 1995, which created the Department of Conservation and Natural Resources and renamed the Department of Environmental Resources as the Department of Environmental Protection, provided that the Department of Conservation and Natural Resources shall exercise the powers and duties conferred upon the Department of Forestry by Act 250 of 1923.

Section 1. Be it enacted, &c., That the Department of Forestry, with the approval of the Governor and Attorney General, is hereby authorized, in its discretion, to lease for periods of not more than fifty years any portions of the State forests for use as sites for dams and other water obstructions, reservoirs, canals, pipe lines, and/or other water conduits for the purpose of the development of water power and/or for the main purpose of storage, conveyance, and/or cooling of water for steam raising and/or steam condensation in the generation of electric energy for public service, and/or for use as sites for power houses and/or transmission lines for the generation and transmission of electric energy. Every such lease shall be on such terms, conditions, and stipulations, expressed in each lease, as the department, with the approval of the Governor and Attorney General, shall deem necessary for the protection of the present and future interests of the Commonwealth and its people and suitable for affording a reasonable opportunity for a fair return on the actual investment prudently made on the faith of such lease, which may include provisions not repugnant to the rights of the United States, its permittees, licensees, or transferees, existing at the time of the making of such lease, reserving an option in the Commonwealth to renew or extend for not more than fifty (50) years such lease, or to take over the project works, by and for itself or by and for another prospective lessee, upon payment by the Commonwealth or by such other prospective lessee of the actual net investment in the project works, by which is meant a complete unit of improvement or development consisting of a power house and appurtenant works, all water conduits, all dams and works appurtenant thereto which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power from the power

house to the point of junction with the distribution system or with an interconnected primary transmission system, all miscellaneous structures used and useful in connection with such unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands, the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.