SPIEGEL & MCDIARMID LLP

# Client Alert: FERC Seeks Comments on Requiring New Financial Assurance Measures for Hydroelectric Projects

*February 9, 2021* | *William S. Huang*

FERC recently issued a Notice of Inquiry ("NOI") on financial assurance mechanisms for hydroelectric projects. In particular, FERC is considering whether to require additional mechanisms to ensure that licensees have the financial resources necessary to be able to safely operate and maintain their projects and to respond to unanticipated events. The NOI identifies three potential financial requirements: a bond requirement; an insurance requirement; and/or a trust, escrow, or remediation fund requirement. The NOI asks for comments as to how these mechanisms—or any other financial assurance mechanism(s) adopted—might be designed and implemented. Additionally, the NOI seeks comments on how different types of licensees, including licensees of small projects and municipal licensees, may be affected by the financial assurance mechanisms being considered.

You can read the Client Alert at the link below.

Comments on the NOI are due March 29, 2021. Please contact Spiegel attorneys William Huang, Katie Mapes or Rebecca Baldwin for additional information, or if you would like to submit comments.

## Related Practices and Services

- Hydropower and Water

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# for Hydroelectric Projects

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