
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1544 Session of
2012

INTRODUCED BY WOZNIAK, FONTANA, WAUGH, HUGHES, COSTA AND
FARNESE, JUNE 7, 2012

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 7, 2012

AN ACT

1 Amending the act of May 28, 1923 (P.L.458, No.250), entitled "An
2 act authorizing the Department of Forestry, with the approval
3 of the Governor and Attorney General, to lease for periods of
4 not more than fifty years, on terms, conditions, and
5 stipulations expressed in each lease, any portions of the
6 State forests for dams, reservoirs, canals, pipe lines and
7 other water conduits, power houses and transmission lines,
8 for the development of water power, for steam raising and
9 condensation, and for the generation and transmission of
10 electric energy," providing for wind, solar and other
11 renewable energy projects.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The title and section 1 of the act of May 28,
15 1923 (P.L.458, No.250), entitled "An act authorizing the
16 Department of Forestry, with the approval of the Governor and
17 Attorney General, to lease for periods of not more than fifty
18 years, on terms, conditions, and stipulations expressed in each
19 lease, any portions of the State forests for dams, reservoirs,
20 canals, pipe lines and other water conduits, power houses and
21 transmission lines, for the development of water power, for
22 steam raising and condensation, and for the generation and

1 transmission of electric energy," are amended to read:

2 AN ACT

3 Authorizing the Department of [Forestry] Conservation and
4 Natural Resources, with the approval of the Governor [and
5 Attorney General], to lease for periods of not more than
6 fifty years, on terms, conditions, and stipulations expressed
7 in each lease, any portions of the State forests for dams,
8 reservoirs, canals, pipe lines and other water conduits,
9 power houses and transmission lines, for the development of
10 water power, for steam raising and condensation, for wind,
11 solar or other renewable energy projects, and for the
12 generation and transmission of electric energy.

13 Section 1. [Be it enacted, &c., That the Department of
14 Forestry] The Department of Conservation and Natural Resources,
15 with the approval of the Governor [and Attorney General], is
16 hereby authorized, in its discretion, to lease for periods of
17 not more than fifty years any portions of the State forests for
18 use as sites for dams and other water obstructions, reservoirs,
19 canals, pipe lines, and/or other water conduits for the purpose
20 of the development of water power and/or for the main purpose of
21 storage, conveyance, and/or cooling of water for steam raising
22 and/or steam condensation in the generation of electric energy
23 for public service, and/or for use as sites for wind turbines
24 and other wind energy facilities, and/or solar energy
25 facilities, and/or other renewable energy facilities, and/or for
26 use as sites for power houses and/or transmission lines for the
27 generation and transmission of electric energy. Every such lease
28 shall be on such terms, conditions, and stipulations, expressed
29 in each lease, as the department, with the approval of the
30 Governor [and Attorney General], shall deem necessary for the

1 protection of the present and future interests of the
2 Commonwealth and its people and suitable for affording a
3 reasonable opportunity for a fair return on the actual
4 investment prudently made on the faith of such lease, which may
5 include provisions not repugnant to the rights of the United
6 States, its permittees, licensees, or transferees, existing at
7 the time of the making of such lease, reserving an option in the
8 Commonwealth to renew or extend for not more than fifty (50)
9 years such lease, or to take over the project works, by and for
10 itself or by and for another prospective lessee, upon payment by
11 the Commonwealth or by such other prospective lessee of the
12 actual net investment in the project works, by which is meant a
13 complete unit of improvement or development consisting of a
14 power house and appurtenant works, all water conduits, all dams
15 and works appurtenant thereto which are a part of said unit, and
16 all storage, diverting, or forebay reservoirs directly connected
17 therewith, all wind, solar or other renewable energy facilities,
18 the primary line or lines transmitting power from the power
19 house, wind turbine, solar panel or other renewable energy
20 facility to the point of junction with the distribution system
21 or with an interconnected primary transmission system, all
22 miscellaneous structures used and useful in connection with such
23 unit or any part thereof, and all water rights, rights of way,
24 ditches, dams, reservoirs, wind turbines, solar panels, other
25 renewable energy facilities, lands, or interest in lands, the
26 use and occupancy of which are necessary or appropriate in the
27 maintenance and operation of such unit. Any proposed lease shall
28 be advertised once a week for three weeks, in at least two
29 newspapers of general circulation published nearest the county
30 indicated, in advance of awarding such lease. The lease may then

1 be awarded to the highest and best bidder or offer or based on
2 criteria established by the Department of Conservation and
3 Natural Resources. The lessee shall give bond for the proper
4 performance of the lease as the Department of Conservation and
5 Natural Resources shall designate. All rents and proceeds from
6 such leases shall be placed in the Oil and Gas Lease Fund
7 established under the act of December 15, 1955 (P.L.865,
8 No.256), entitled "An act requiring rents and royalties from oil
9 and gas leases of Commonwealth land to be placed in a special
10 fund to be used for conservation, recreation, dams, and flood
11 control; authorizing the Secretary of Forests and Waters to
12 determine the need for and location of such projects and to
13 acquire the necessary land," and expended in accordance
14 therewith.

15 Section 2. This act shall take effect in 60 days.