

UNITED STATES OF AMERICA 95 FERC ¶ 61,053
FEDERAL ENERGY REGULATORY COMMISSION

Consolidated Papers, Inc.
Stora Enso North America Corporation

Project No. 2536-047

ORDER APPROVING TRANSFER OF LICENSE

(Issued April 16, 2001)

This order approves the already-completed transfer of the license for the Little Quinnesec Falls Hydroelectric Project No. 2536, as requested in the application filed December 29, 2000, by Consolidated Papers, Inc. (Consolidated) and Stora Enso North America Corporation (Stora Enso), from Consolidated to Stora Enso. The project is located on the Menominee River, in Dickinson County, Michigan, and Marinette County, Wisconsin.

On April 29, 1975, the Commission issued the original license for the project to Niagra of Wisconsin Paper Corporation (Niagara).¹ On May 7, 1997, the Commission issued a new license for the project to Niagara.² By order issued March 17, 1998,³ the Commission approved the transfer of the license from Niagara to Consolidated.

The subject transfer application was filed in connection with a corporate restructuring that resulted in Consolidated's merger into a newly-created American subsidiary of Stora Enso Oyj, a Finnish paper manufacturer.⁴ The American subsidiary, formerly known as Stora Enso Acquisition, Inc., is Stora Enso, the applicant-transferee. The merger between Stora Enso and Consolidated was completed on August 31, 2000,

¹53 FPC 1437.

²79 FERC ¶ 62,095.

³82 FERC ¶ 62,190.

⁴On March 23, 2000, Consolidated and others filed an application seeking approval of the merger under the requirements of Part II of the FPA, which was approved by order issued June 15, 2000. 91 FERC ¶ 61,275.

and Stora Enso is the surviving corporation.⁵ Accordingly, the application is being treated as a request for after-the-fact approval of the transfer of the project license from Consolidated to Stora Enso, which resulted from the merger. The applicants have acted in good faith to correct any errors, apparently inadvertent, in failing to request prior approval of the transfer of the project license.

Public notice of the transfer application was issued. No comments, protests, or motions to intervene were filed.

CONCLUSION

Consolidated has generally complied with the terms and conditions of the license. Stora Enso is not a licensee of the Commission.⁶ Therefore, we have no compliance record to review. Nevertheless, Stora Enso is qualified to hold the license and to operate the property under the license, and it has agreed to accept all of the terms and conditions of the license, and to be bound by the license as if it were the original licensee.

The transfer of the license for this project is consistent with the Commission's regulations and is in the public interest.

The Director orders:

(A) The transfer of the license for Project No. 2536 from Consolidated Papers, Inc., to Stora Enso North America Corporation, as described in this order, is approved.

(B) Consolidated Papers, Inc. shall pay all annual charges that accrue up to the effective date of the transfer.⁷

⁵See page 1 of the application and the letter to the Commission's Secretary filed October 3, 2000, by Consolidated's subsidiary, Consolidated Water Power Company.

⁶The Commission issued an Order Approving Transfer of License for the Kimberly Project, FERC No. 10674 to Stora Enso on March 27, 2001. See 94 FERC ¶ 62,257.

⁷As noted, Stora Enso, and not Consolidated, is the surviving corporation of the merger of those two corporations. In any event, as the licensee for the project, the transferee is liable for any unpaid annual charges of the transferor. See, e.g., G.W. Hydro, Inc., 59 FERC ¶ 61,151 (1992).

(C) Approval of the transfer is contingent upon: (1) transfer of title of the properties under license and delivery of all license instruments to the transferee, which shall be subject to the terms and conditions of the license as though it were the original licensee; and (2) the transferee acknowledging acceptance of this order and its terms and conditions by signing and returning the attached acceptance sheet. Within 60 days from the date of this order, the transferee shall submit certified copies of all instruments of conveyance and the signed acceptance sheet.

(D) This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 CFR 385.713.

Daniel M. Adamson
Director
Office of Energy Projects

Project No. 2536-047

IN TESTIMONY of its acknowledgment of acceptance of all of the terms and conditions of this order, _____ this _____ day of _____, 20____, has caused its corporate name to be signed hereto by _____, its President, and its corporate seal to be affixed hereto and attested by _____ its Secretary, pursuant to a resolution of its Board of Directors duly adopted on the _____ day of _____, 20____, a certified copy of the record of which is attached hereto.

By _____

Attest:

Secretary
(Executed in quadruplicate)