

DRAFT 3/15/07

Good day, and thank you Linda.

As I prepared for today, naturally I took a look at what I said at last year's NHA annual meeting. I reviewed the goals and objectives that I wanted to help the Association achieve during my presidency. What was actually accomplished is quite exciting.

However, before I review this past year, I have some thanking to do!

I want to say it has been an honor to act as president of this great association. Thank you Linda and your talented staff at the NHA – all of whom are experts in their own right. It has been a thrilling privilege to be on the front lines of the hydropower industry – a profession that I have devoted almost my entire career to.

I also have been overwhelmed by the wonderful people that I've had the good fortune to encounter and to work closely with as NHA president. These individuals include fellow NHA board members whose devotion to this industry and this association is unparalleled, as well as lawmakers who are responsible for shaping our nation's energy policies, and professionals involved in promoting other renewable energy options.

Finally, I would be remiss if I didn't thank my employer Brookfield Power for allowing me to travel the country on behalf of the NHA. I am glad they see the value in my work as NHA president and understand that what I learned this year will only help make me a better professional in my job.

Now back to the key objectives I outlined last year as a priority to tackle during my NHA presidency.

I stressed last year and will reiterate again, that in order for hydropower to be considered a legitimate energy option for the country, we MUST make hydro new again by building hydropower projects, by expanding existing projects with incremental megawatt hours, and by the development and implementation of new hydropower technologies such as hydrokinetic and ocean energy.

Many of our members listened last year and have examined your portfolios to see how best to take advantage of the production tax credits under the Federal Energy Policy Act of 2005. Remember, these incentives are available NOW because of the strong and lengthy lobbying efforts of the NHA.

For instance, at Brookfield Power, we have a multi-million portfolio improvement plan currently underway. We will invest \$30 million in 2007 to upgrade many of our hydropower plants, with even more investment planned for the future.

These enhancements focus on equipment upgrades, generating unit additions and other improvements at existing plants to increase efficiency and produce additional power. The initial group of 10 projects are now underway, and will increase New York State's green energy by some 15 megawatts and 60,000 megawatt-hours. We anticipate completing these 10 projects by December 31, 2007. There are many more opportunities after these.

Working closely with the NHA's legislative affairs committee -- I am proud to say that during my tenure as NHA president, we successfully reached the goal of extending the PTC eligibility deadline.

Originally, new generation was required to be online by January 1, 2008. This date has been pushed out a year to January 1, 2009. The desired extension indicates that legislators heard our pleas that additional time would enable us to get equipment and contractors in place, and would allow time for construction. We need to continue to push for an additional 3 to 5 year extension.

The PTC deadline extension was just one goal of NHA's legislative affairs committee, chaired by Bill Libro. The same committee has devised an impressive plan for this coming year that will seek to position hydropower so it is recognized as a preferred clean, renewable and domestic source on Capitol Hill, within the Administration, and in states that are contemplating climate change and other clean energy initiatives such as Renewable Portfolio Standards.

This bold legislative affairs plan relies heavily on other committees within NHA, such as regulatory, public affairs and R&D. In fact, many of the efforts I will soon speak about are essential to achieving the association's broad legislative affairs goals.

Another goal set for this past year was to rebrand hydro and make it new again. As with all well thought-out branding efforts, we have started making changes slowly. For instance, many NHA-related "taglines" now read: HydroPOWER; the power of moving water.

In addition, several NHA collateral materials recently were jazzed up with new graphics and more enticing visuals. Thanks to the efforts of the public affairs committee, there are now five generic hydropower fact sheets that can now be downloaded from the association's website.

I encourage all of you to use these valuable resources as a way to publicize hydropower every chance you get. Not only is this collateral ideal for educating the general public, but it can also be used effectively to convey a simple and straightforward message about hydropower with lawmakers and other decisions makers.

I've used them myself and I can tell you that these visually-appealing documents really are effective in driving home the point that hydropower is new, exciting and an excellent domestic resource.

Also with the help of the public affairs committee, the NHA revised its previous awards program, and with some major changes, came out with the first-ever Outstanding Stewardship of America's Waters Awards. The details regarding the award winners will be provided to you in a few moments by Julie Smith-Galvin, co-chair of NHA's public affairs committee.

Separately but still part of our rebranding initiatives, the NHA formed a New Technologies Council, headed by Mike Bahleda and Mike Murphy. The Council is charged with helping to spread the word about the various new hydropower technologies such as wave and kinetic in tidal areas and waterways.

NHA incorporated these new technologies into our organization this year in order to represent all forms of hydropower. We are always looking for new members for this Council. So I encourage you to seek out the "Mikes" if you would like to get involved.

When these new technologies are coupled with conventional hydro generation forms, we effectively show the potential for hydropower and what a great climate change weapon it is for a nation that continues to struggle with its dependence on foreign energy imports.

A final piece of our ongoing efforts is to reach out and work together with other renewable energy organizations. Again, I'm pleased to announce that much work has been done to integrate hydropower into other renewables, achieving recognition within the wind, solar and geothermal industries, just to name a few.

Over the past year, the NHA has tackled challenging personnel issues. Changes can be a good thing, and going forward, I expect the NHA staff to be even stronger than before.

I'm going to ask each NHA staff member to stand when I call their name. I ask the audience to hold your applause until I'm done.

Let's start with Jeff Leahey, who has taken on increased responsibilities and a new title, as manager, government and legal affairs.

Recently joining the association are Angel Brownawell as the manager of public affairs, and Ashley Ross-Teel as a communications specialist.

I would be remiss if I didn't mention the superb work of Stephanie Knox, the Association's senior manager of finance and administration, and Diane Lear, NHA's membership and marketing coordinator.

And last but not least, a big thanks to NHA's executive director Linda Church Ciocci.

Please join me in a round of applause in honor of these individuals' great work.

NHA has also begun a search to fill a brand new position – that of a technology manager. We hope to bring in an individual with a strong technical background in hydropower to work directly with the New Technologies Council, as well as the R&D and HPC committees. If anyone is interested, please see Linda.

Finally, the NHA is instituting a college intern initiative. The individuals we hope to recruit for this program will provide much-needed additional help. We can also educate about hydropower some people who are part of an entirely new generation. In fact, interns may eventually find themselves in government jobs where they might have influence on future hydro funding. You never know!

Another objective during my presidency was to increase NHA's membership base. Again, I'm pleased to say that we were quite successful in adding 21 new member companies this past year. The great news is that they represent a more diversified membership – from financial to new technology companies.

Let's not get complacent about membership though, as there is always more recruitment that needs to be done.

Two quick things I want to say about R&D. I was very disappointed to see that the Department of Energy's hydropower R&D program was zeroed out in the 2008 budget. NHA believes the lack of R&D funds ignores the increased energy potential from a resource that has many climate change benefits.

I URGE you to use your time in Washington wisely to call on your Congressional representatives and tell them that hydropower R&D funding MUST be restored.

You just heard about the EPRI roadmap. Once complete, this can be used as an educational tool to illustrate how much potential exists for hydropower in this country.

The EPRI roadmap also is an effective tool to help rebuff the misconception that there is little hydropower that can be added in the U.S. Use this document to fight the good fight, to show that hydropower is not tapped out, and that it is truly an integral part of the clean energy solution in this country.

NHA has new and comprehensive leave-behind packages that can be brought to the Hill when you go. Please see Jeff Leahey or the registration desk to obtain a package.

In conclusion, I am proud to say that during my tenure as the NHA president, we accomplished many of the objectives set forth for myself and the association.

Industry members ARE building and adding new incremental hydropower. Through NHA's legislative affairs efforts, we have been able to extend and improve on the PTCs deadline.

Rebranding hydropower has begun successfully, but there is still so much more that needs to be done.

That's why I continue to stress the importance of promoting the benefits of hydropower every chance you get.

And if you're doing it correctly – and the passion you have for hydropower is evident -- you'll undoubtedly be successful in recruiting new NHA members.

Finally, let's remember the importance of funding the future of hydropower. I cannot stress enough the need to contact your Congressional lawmakers to insist that hydropower R&D funding be restored to the DOE budget.

Again, thank you for allowing me to accomplish these objectives on behalf of the NHA.

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