

March 21, 2012

United States Army Engineering & Support Center CEHNC-CT 4820 University Square Huntsville, AL 35816-1822

RE: Large Scale Renewable Energy Production for Federal Installations - Solicitation No. W912DY-11-R-0036

Dear Ms. Sarah Tierney,

On February 24, 2012, the U.S. Army Engineering and Support Center requested comments on a draft request for proposal titled *Large Scale Renewable Energy Production for Federal Installations* (Draft RFP). The National Hydropower Association (NHA)¹ is pleased to submit the following comments on the Draft RFP.

NHA supports the Administration's goal to achieve 80 percent of our country's electricity from clean energy resources by 2035. Additionally, we applaud the Army's dedication to achieving the Department of Defense's (DOD) goal to produce or procure 25 percent of its total electricity consumption from renewable energy sources by 2025.

The hydropower industry stands ready to provide the U.S. Army with clean, domestic and reliable hydropower. However, NHA is greatly disappointed that the Draft RFP does not recognize hydropower (conventional hydropower, pumped storage, and marine and hydrokinetic) as a renewable technology eligible to participate in the *Large Scale Renewable Energy* RFP. This is particularly surprising considering that the United States Army Corps of Engineers (Corps) is the largest operator of renewable hydropower in the United States, responsible for 24 percent of total U.S. hydropower capacity.

NHA recommends the U.S. Army amend the Draft RFP to include hydropower as an eligible renewable technology. This oversight sends the message to the hydropower industry, even if unintended, that the DOD is not interested in producing or procuring hydropower as part of its 25 percent renewable goal. NHA believes that the Administration and DOD's renewable energy goals will only be achieved by including hydropower as an eligible resource. Sections that should be amended include, but are not limited to, section B to include Hydro PPA's, and section's C.4.f and C.4.h.

The Draft RFP explicitly asks for Large Scale Renewable Energy projects, recognizing both geothermal and biomass as base load sources. As America's leading renewable electricity resource, hydropower currently provides approximately 8 percent of our nation's total electricity supply and two-thirds of

¹ NHA is a national non-profit association dedicated exclusively to advancing the interests of the U.S. hydropower industry, including conventional, pumped storage, and new marine and hydrokinetic technologies. NHA's membership consists of more than 180 organizations, including consumer-owned utilities, investor-owned utilities, independent power producers, project developers, equipment manufacturers, environmental and engineering consultants, and attorneys.

America's renewable electricity, serving as a base load renewable resource for decades. In addition, pumped storage facilities currently provide regional and grid-scale energy storage and other ancillary services that are needed both for the integration of variable energy resources (VER) and for overall grid reliability. The need for these benefits will only grow in the future as the Army seeks to increase its renewable energy portfolio from VERs, including wind and solar.

Hydropower is a proven technology, with a strong track record of performance. Recent studies demonstrate growth potential in the tens of thousands of megawatts across the waterpower sector, including new conventional hydropower resources. Currently, only 3 percent of the over 80,000 dams in the U.S. generate electricity. Many of the growth opportunities for both non-federal and federal sites, such as Corps facilities, are found in turbine upgrades, efficiency improvements and installing new hydropower generation at existing dams.

Appendices A and B provide a visual of hydropower's potential. Appendix A is a National Inventory of Dams map created by HDR Engineering. Appendix B, developed by the Department of Energy and Oak Ridge National Laboratory's National Hydropower Asset Assessment Program, shows the location of existing dams with potential capacity of more than 1 MW.²

Considering the size of the hydropower industry, its potential growth, reliability and flexibility, amending the Draft RFP to include hydropower is warranted. NHA believes that achieving the DOD's renewable energy goal will lie in a holistic renewable energy approach, including the full suite of waterpower resources – conventional hydropower, pumped storage and MHK. This diversity is instrumental in providing the DOD and Army with reliable, affordable and sustainable electricity. As such, we hope the final RFP is amended to include and encourage hydropower applications.

NHA understands other member companies are filing individual responses on the Draft RFP and we refer you to those comments. NHA appreciates the opportunity to comment on the Draft RFP and is pleased to answer any questions that arise as the result of these comments.

Respectfully submitted,

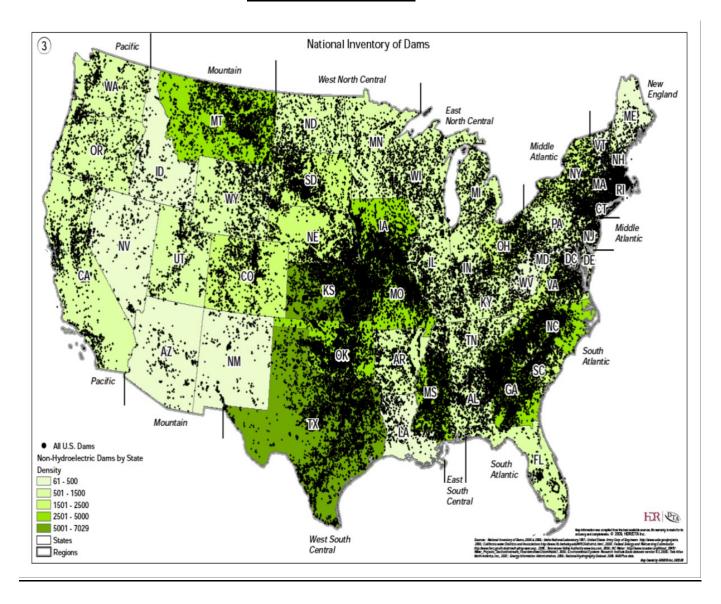
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² Additional information on the National Hydropower Asset Assessment Program is available at: <u>http://nhaap.ornl.gov/</u>. Also, see Dept. of Energy and Oak Ridge National Laboratory presentation, *U.S. Hydropower: Fleet and Resource Assessments*, given at NHA's Annual Conference (2011), available at: <u>http://www.esd.ornl.gov/WindWaterPower/ORNLNHAApril2011.pdf</u>.

Appendix A

National Inventory of Dams



Appendix **B**

Department of Energy & Oak Ridge National Laboratory National Hydropower Asset Assessment Program (NHAAP)

