



Available.

Reliable.

Affordable.

Sustainable.

NHA FEDERAL POLICY UPDATE

Jeffrey A. Leahey
Director of Government Affairs
October 4, 2011
NHA-NWHA Northwest Regional Meeting



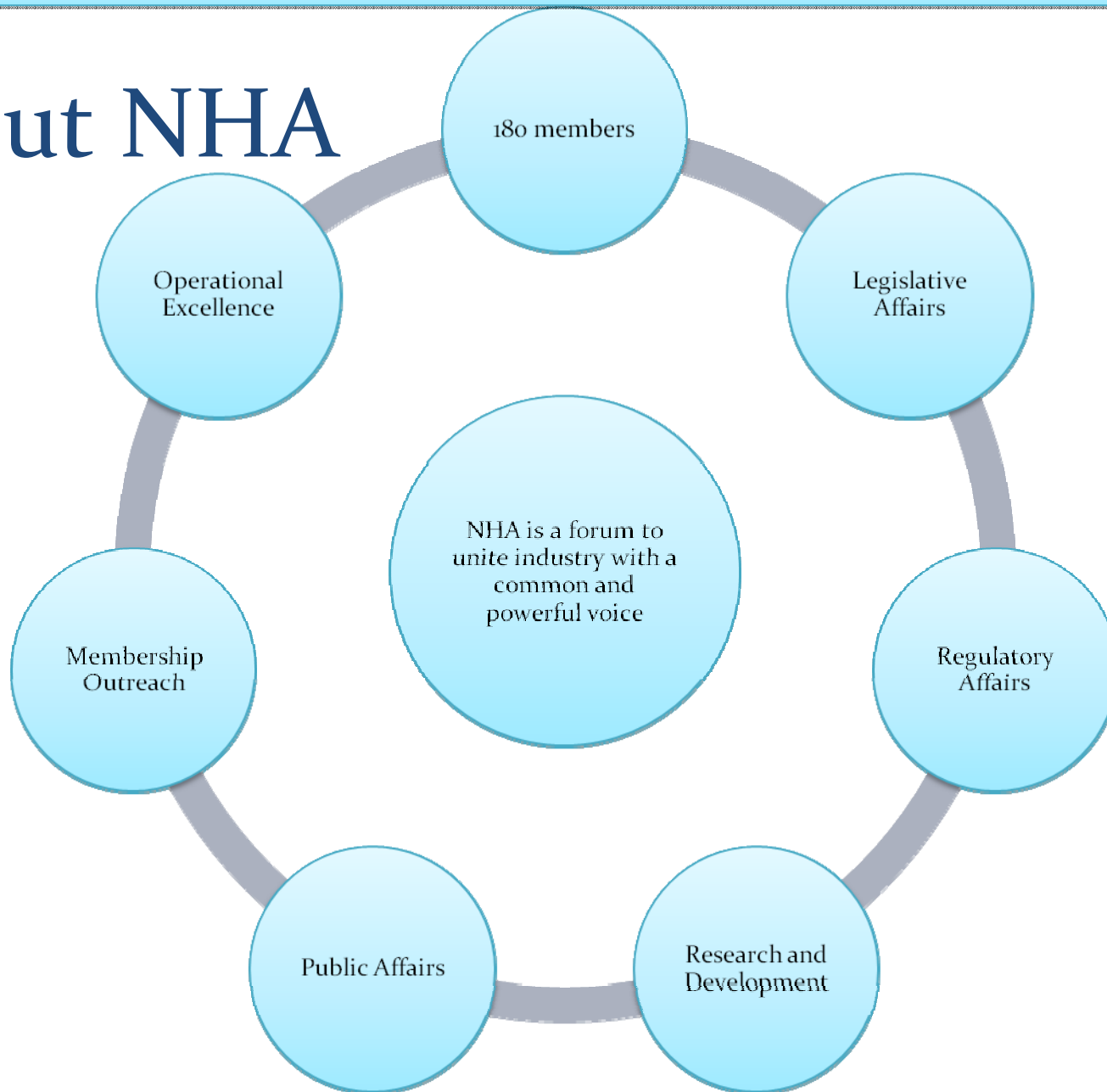
Available.

Reliable.

Affordable.

Sustainable.

About NHA



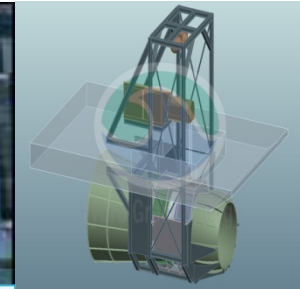
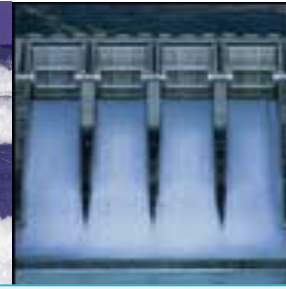


Available.

Reliable.

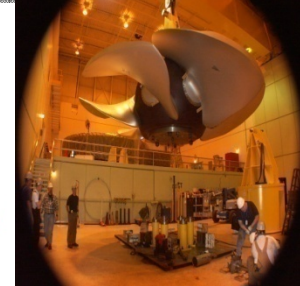
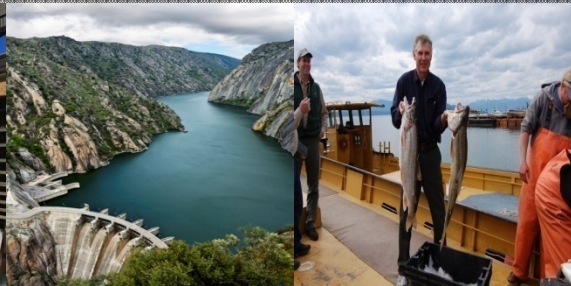
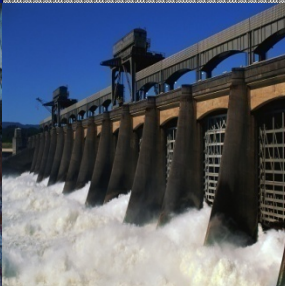
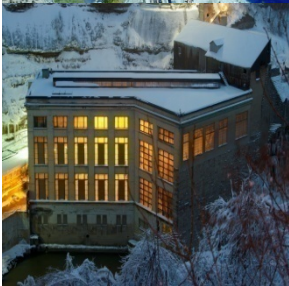
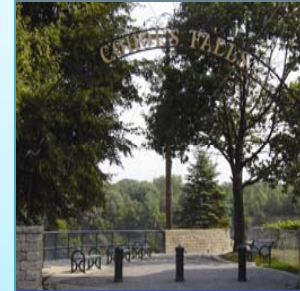
Affordable.

Sustainable.



Vision

Double America's largest renewable energy resource – hydropower – in support of a sustainable and secure energy future.



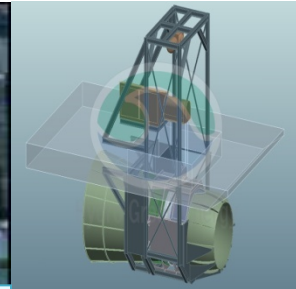
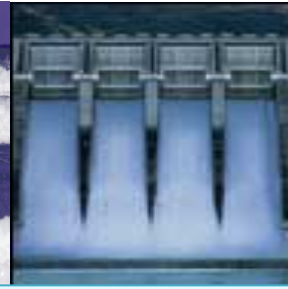


Available.

Reliable.

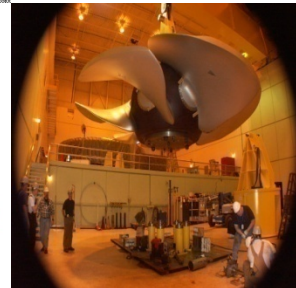
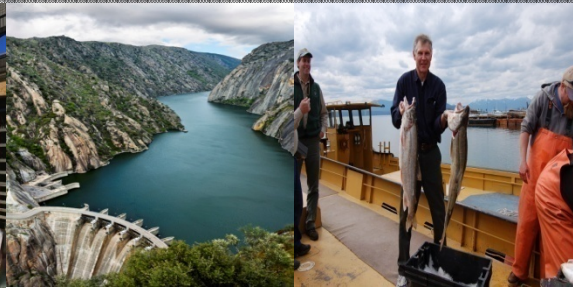
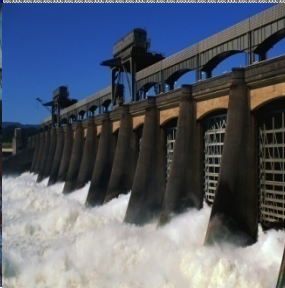
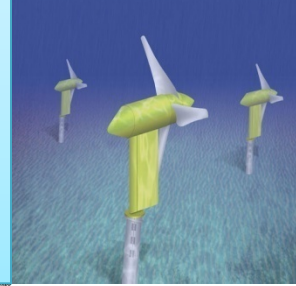
Affordable.

Sustainable.

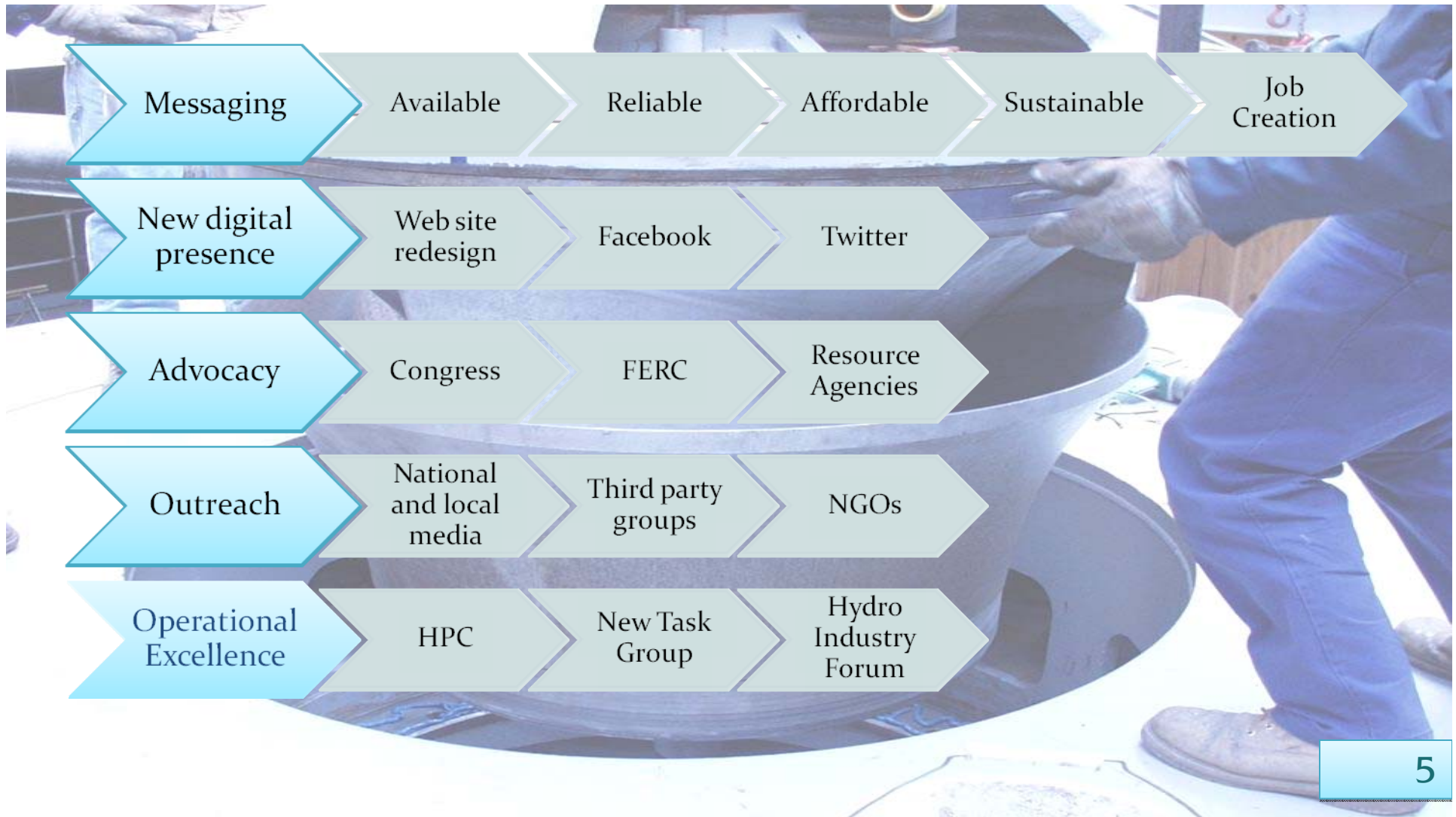


Mission

Champion hydropower, in all of its forms, as America's premier renewable energy resource. Focus on growth, operational excellence and environmental stewardship.



Building Hydropower's Reputation



Policy Priorities

NHA supports a Clean Energy Standard goal of generating **80% of America's electricity from clean and renewable energy** – a goal achievable only with a significant role for hydropower.

What it will take:

A more efficient regulatory process

Economic incentives to support project development

A national clean and renewable electricity standard

Research and development

More efficient regulatory process

Hydropower Improvement Act (S.629)

Bipartisan and NGO support

- **Non-powered Dams and Pumped Storage:** FERC to explore 2-year licensing process for development at non-powered dams and for closed-loop pumped storage.
 - **Conduit and Small Hydro:** Allows conduit exemptions on federal lands; FERC and federal agencies to adopt MOU to better coordinate reviews.
 - **Federal Hydropower Development:** Requires DOE, DOI and Corps of Engineers to report on 2010 MOU to increase federal hydro development. FERC and BuRec to complete new MOU improving coordination and timeliness of non-federal development at Bureau sites.
-
- Introduced by Sen. Murkowski and 8 other Senators from both parties. Working on a House companion bill.
 - American Rivers and NHA both testified in support of the bill.



Other Bills

S. 630 -- Marine and Hydrokinetic Renewable Energy
Promotion Act of 2011

H.R. 2994 -- Marine and Hydrokinetic Renewable Energy
Promotion Act of 2011

H.R. 795 – Small-Scale Hydropower Enhancement Act of 2011

H.R. 2842 -- Bureau of Reclamation Small Conduit
Hydropower Development and Rural Jobs Act of 2011

Economic Incentives

Fund and extend incentives to provide long-term certainty

- Extension of production and investment tax credits (PTC, ITC) through 2018
- Additional funding for clean renewable energy bonds (CREBs)
- Additional funding for RE equipment manufacturers ITC

Provide parity to hydropower resources

- H.R. 2286 – Renewable Energy Parity Act (Reps. Herger and Thompson). Equalizes PTC rate for hydro and MHK.
- New ITC and CREBs eligibility for pumped storage

National Energy Standard

Previous RES proposals recognized only certain hydropower projects as renewable.

A Clean Energy Standard is a different policy paradigm than the RES. As such, the treatment and recognition of hydro must be re-evaluated. That includes:

- **Existing hydropower generation** should be counted if generation from other clean resources qualifies (wind, nuclear, etc.). Hydro should be treated equitably in comparison to other existing resources.
- **Pumped storage** will play a critical role to firm and integrate variable resources and increase their contribution to the CES goal. The CES should include a mechanism to provide recognition of clean generation from pumped storage – both existing and new.

R&D Support

Federal and State programs support technology innovation, improved operations and other advancements

NHA advocates for R&D support for all sectors of the waterpower industry – conventional hydropower, pumped storage and marine and hydrokinetics

NHA has sent joint support letters with the environmental NGO community and ocean energy industry in support of DOE waterpower R&D programs



Political Climate



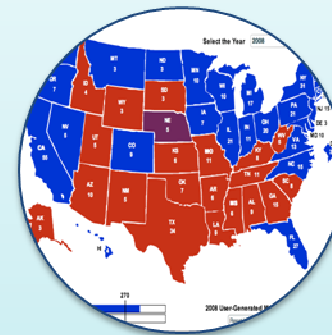
Deficit Reduction

- Intense focus on cutting spending/role of government
- Programs with new costs face greater challenges
- Joint Committee on Deficit Reduction



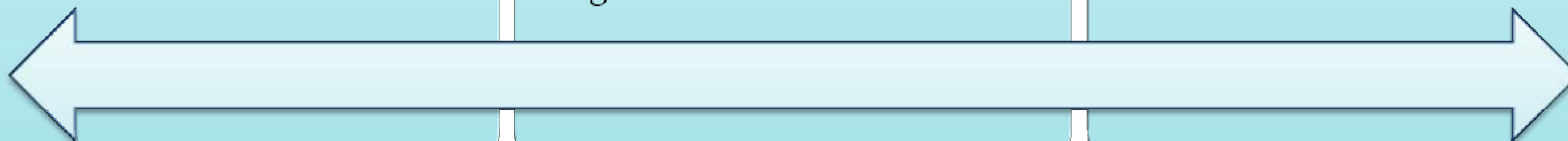
Legislative Agenda

- FY 2012 funding still not resolved
- Deficit Committee has end of year deadlines
- Renewed focus on jobs agenda



Election Year

- Partisan politics are already playing a role
- 2012 will have limited time in which to get things done
- Focus to shift to the Presidential and Hill races



Regulatory Affairs Activities

FERC MOUs on licensing coordination with Corps and CO issued

FERC NOI on Annual Charges on Federal Lands – NHA comments

Compliance Work Group

Held 3 conference calls for industry-wide info sharing

“Smarter” Licensing Working Group

Scoped issues and possible solutions; provided input to NHA work on the HIA and 2-year process

New resource assessments from DOE and BuRec issued

NHA participated and commented on both



Available.

Reliable.

Affordable.

Sustainable.

Pumped Storage Activities

FERC Ancillary Services NOI

NHA filed detailed comments on Avista restriction, FERC accounting treatments and proposed new asset class for energy storage

Pumped Storage Workshop held October 3

Pumped storage white paper drafted and under final review



Available.

Reliable.

Affordable.

Sustainable.

Ocean, Tidal, New Technologies

BOEMRE NOPR on Noncompetitive OCS Leasing
NHA commented and final rule issued

Corps Of Engineers MHK Nation Wide Permits
NHA commented. Final rule not yet issued.



Available.

Reliable.

Affordable.

Sustainable.

Get involved



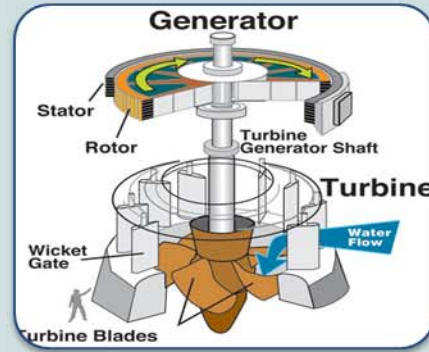
Legislative Advocacy

- Write and visit your Members of Congress
- Update them on your projects
- Support the NHA hydro agenda



Strategic Communication

- Engage your public affairs staff in NHA
- Outreach to End Users



Committees and Councils

- Stay tuned to listservs and the website
- Participate in calls, meetings



Events

- 2012 NHA Annual Conference—April 16-18
- 2012 regional meeting planning underway



Available.

Reliable.

Affordable.

Sustainable.

Contact

Jeffrey Leahey
Director of Government Affairs
202.682.1700 ext. 15
jeff@hydro.org



Visit us on the Web

www.hydro.org



NatlHydroAssoc



@NatlHydroAssoc

Questions?