While health care reform debate temporarily steals spotlight, Treasury and DOE issue guidance on new program for renewable energy technology manufacturers

Over the past several weeks, Congress has been consumed with work over President Obama’s initiative to reform health care. With protests erupting on both sides at town hall meetings across the country, the attention of Members has shifted away from the work in Congress to pass a comprehensive energy and climate bill.

However, Senators will not be able to ignore for long continued work on the bill that will occur throughout the month of September. Senate Majority Leader Harry Reid (D-NV) has issued a Sep. 28 deadline for all committees with jurisdiction over a piece of the bill to wrap up work.

A draft of a bill from Senate Environment and Public Works Committee Chair Barbara Boxer (D-CA) is expected Sep. 8, with private briefings for senators and interest groups scheduled for later in the week. Public hearings on the legislation are expected during the week of Sep. 14, with a markup penciled in during the week of Sep. 21.

Treasury and DOE discuss renewable energy manufacturing investment tax credit

The U.S. Department of the Treasury, Internal Revenue Service (IRS) and the U.S. Department of Energy (DOE) on Aug. 13 announced the new program to award $2.3 billion in tax credits for manufacturers of advanced energy equipment. Authorized by the American Recovery and Reinvestment Act, the program will provide tax credits to manufacturers who produce clean energy equipment, including manufacturers of hydropower and hydrokinetic equipment.

The application period for the program opens Aug. 14, 2009. Preliminary applications are due to DOE Sep. 16, 2009, followed by final applications due to DOE and IRS on Oct. 16, 2009. By Jan. 15, 2010, IRS will certify or reject applications, and notify the certified projects with the approved amount of their tax credit. Awardees will receive acceptance agreements from the IRS by Apr. 16, 2010. Credits will be allocated until the program funding ($2.3 billion) is exhausted. Subsequent allocation periods will depend on remaining funds.

“This program will help encourage innovation in design of clean energy technologies,” said Treasury Secretary Tim Geithner. “This partnership between Treasury and
Energy adds an important new dimension to the incentives created in the Recovery Act to increase US manufacturing output, improve energy efficiency, and develop alternative sources of energy.

The Recovery Act created a new tax credit program by authorizing Treasury to provide developers with an investment tax credit (ITC) of 30 percent for investments in new, expanded, or re-equipped advanced energy manufacturing projects.

Originally, the program applied only to manufacturers of equipment for wind, solar and geothermal projects. However, NHA worked with legislative staff strongly advocating that the benefit should apply to all renewable energy technologies. NHA confirmed that hydropower and hydrokinetic technology manufacturers are eligible for the program on an agency call held after the release of the guidance.

Energy Secretary Steven Chu also issued a statement on the program: “These tax credits will help create thousands of high quality manufacturing jobs in some of the highest growth segments of the economy. This is an opportunity to develop our global leadership in clean energy manufacturing and build a secure, sustained base of jobs for America’s workers.”

The manufacturing tax credit is capped at $2.3 billion, and credits are available for two years or until the cap is reached. Companies can expect to receive payments within 180 days of filing for the credit. To view the program summary and guidance for applying for the tax credit, please visit the Advanced Energy Manufacturing Tax Credit (48C) page.

For more information, please contact NHA’s Jeff Leahey or Matt Nocella.

Ohio River project groundbreaking highlights new opportunities for hydropower

American Municipal Power (AMP) broke ground last week on the Cannelton hydroelectric facility, an 84 MW run-of-river hydroelectric plant on the Ohio River. The project will be built on an existing Corps of Engineers dam and is the first in a series of four facilities that will be built along the river, all utilizing existing structures. When completed, the projects will add a total of 350 megawatts of clean, renewable power to the region.

NHA Executive Director Linda Church Ciocci attended the ceremony and congratulated AMP for their leadership. Ciocci commented that AMP’s actions go a long way in helping to break the myth that hydropower growth has flatlined in the U.S.

“The groundbreaking of AMP’s new project on the Ohio River is a great achievement for the company, for the hydropower industry and for Americans who value clean, abundant, renewable energy and family supporting jobs,” Ciocci said of the event.

NHA applauds and supports the efforts of AMP, and companies like AMP, that are working to grow the resource – all of which will help to double hydropower’s contribution toward meeting our clean energy goals.

Governor Steven Beshear (D-KY) congratulated AMP and before breaking ground with the first shovel noted, “Today we are celebrating three things: first, we celebrate the innovation of AMP for their vision of this project; second we celebrate the power
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and potential of this amazing river; and finally third, we are optimizing this structure for the future of our state and our nation, creating new jobs.”

Beshear concluded by saying, “What we are doing today is tapping green, renewable and sustainable energy and this is important for our national security.”

Also speaking at the event were Congressman Brett Guthrie (R-KY), representatives of the Corps of Engineers, several local officials and Peggy Harding of the regional FERC office. All commented on the importance of the project and applauded AMP for its leadership and its significant accomplishment.

Senate continues to approve key energy and environment posts

Over the last several weeks the Senate has confirmed several of President Obama’s nominees to important energy and environmental posts throughout the administration.

Sam Hilton was confirmed as Director of the Fish and Wildlife Services by a voice vote in the Senate on Jul. 31. Interior Secretary Ken Salazar, praised the confirmation. “His three decades of experience with the U.S. Fish and Wildlife Service’s mission, responsibilities and programs will enable him to firmly guide the agency in its critical work conserving our nation’s wildlife and its habitat and addressing the impacts of climate change,” Salazar said in a press release.

Richard Newell was sworn in on Aug. 3 as the head of the Energy Information Administration (EIA) after winning Senate confirmation. The EIA’s profile has recently increased as it provides analyses of the of climate change legislation working its way through Congress. Newell served as an energy and environment professor at Duke University and was also on President George W. Bush’s Council of Economic Advisors.

President Obama has also made two nominations for the Federal Energy Regulatory Commission. Current Commissioner Suedeen Kelly was re-nominated for another five-year term. A hearing on the nomination of John Norris, nominated by the President earlier this year, was held on Aug. 6. Norris currently is chief of staff to Agriculture Secretary Tom Vilsack. Prior to joining USDA, Norris was chairman of the Iowa Utilities Board, and also was a member of the National Association of Regulatory Utility Commissioners.

On Aug. 5, the Senate Commerce Committee moved the nomination of Dennis Hightower for Deputy Secretary of Commerce to floor. Currently, Hightower serves as CEO of broadband entertainment company Europe Online Networks SA. If confirmed, Hightower would oversee the Commerce Department’s twelve bureaus, including jurisdiction over oceans, fisheries and climate.

NHA Board prepares for fall election – call for nominations

NHA President Andrew Munro of Grant County PUD has named this year’s Nominating Committee for the upcoming Board elections. Solicitations are being sought for interested candidates. If you are interested in running for the Board, or know of someone who might be an excellent candidate, you should submit your
recommendation to the Nominating Committee.

Chaired by immediate Past President Rick Miller of HDR/DTA, Rick.Miller@hdrinc.com, the Nominating Committee has the responsibility to develop a slate of seven candidates for consideration to fill five (5) opening seats on the Board. The five will be elected by the membership this fall. Ballots will be mailed in early December.

Joining Rick on this year’s Committee are John Dulude of Normandeau Associates, jdulude@normandeau.com; Julie Smith-Galvin of Brookfield Renewable Power, julie.smithgalvin@brookfieldpower.com; Ed Schild of Puget Sound Energy, edward.schild@pse.com, and Munro, amunro@gcpud.org.

The committee will meet in early fall to prepare their recommended slate for consideration at the October Board meeting. Nominations should be submitted as soon as possible and sent directly to any member of the Committee.

In submitting names for consideration, please keep in mind that NHA expects its Board members to be very active and hands-on. As an elected Board member, the successful candidates will be involved in setting NHA policy and providing guidance and strategic direction to NHA committee leadership and staff. Nominees will be asked to commit to a three-year term and will be expected to attend up to five meetings a year. In addition, Board members are expected to support NHA’s membership outreach efforts and should be willing to serve in an officer capacity during their term of office.

If you have any questions regarding the election process, contact NHA Executive Director Linda Church Ciocci at 202.682.1700, ext 22, or linda@hydro.org.

NHA brings industry and FERC together to discuss annual charges

Directly following a meeting and conference call with NHA staff and several members on Aug. 6, FERC issued its notice and analysis on the other federal agencies (OFA) charges, included as part of the annual charges bills.

In the notice, the Commission determined that only $12,333,486 of the $14,222,118 in total reported costs were clearly documented in the OFAs’ accompanying reports and analyses. Based on these findings, the Commission determined that the OFAs did not clearly document 13 percent of the total reported costs and denied these submissions.

The most significant issues with regard to the insufficiency of documentation provided by the OFAs included:

- Inconsistency in cost accounting systems and reporting capabilities across the organization; or
- Lack of supporting documentation to substantiate costs reported on the “Other Federal Agency Cost Submission Form.”

Over the last several years, NHA notes that the OFAs have continued to improve their reporting procedures and have instituted better accounting mechanisms. As a result, the vast majority of reported costs, approximately 87 percent, were accepted by the Commission this year. In fact, the bulk of the costs not accepted this year come from
only one federal agency – the National Marine Fisheries Service.

**Doug Foster**, Director of the Division of Financial Policy, and his staff previewed the release of the notice in a meeting and conference call at NHA’s offices. During the meeting, NHA members had the opportunity to ask questions regarding FERC’s process for assessing the OFA charges. Members also were able to question the staff regarding concerns with their individual bills.

Foster, who has taken over the division from **Troy Cole** this year, stated that the staff employed the same methodology from last year and that the only changes incorporated the Forest Service and the Bureau of Land Management’s updated fee schedules for use of federal lands.

For more information on the OFA charges, please contact NHA’s Matt Nocella.

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**NHA seeks greater dialogue with Bureau of Reclamation on development opportunities**

NHA staff attended an Aug. 7 Bureau of Reclamation Stakeholders Meeting and raised the issue of better coordination between the federal government and the private sector to take advantage of development opportunities at Bureau facilities.

Attended by Commissioner **Mike Connor**, Department of Interior Assistant Secretary for Water and Sciences **Anne Castle** and several other Reclamation officials, NHA pushed for the Bureau to partner with private developers seeking to build on non-powered Bureau dams.

In response to the comment, Commissioner Connor expressed support and interest in following up on ways that the Bureaus and industry can better collaborate so as to tap these projects and increase the Bureau’s renewable energy generation. In his opening comments to the group, the Commissioner also stated that the Bureau would be investigating opportunities to increase capacity and also upgrade their existing facilities.

Connor and his staff stated that they were hopeful that the Bureau would see an increase in the FY 2010 budget for facilities operation, maintenance and rehabilitation over the FY 2009 level.

For more information, contact NHA’s Jeff Leahey at jeff@hydro.org.

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**NHA to EIA: hydro modeling needs improvement**

At an Aug. 4 meeting to discuss revisions to the Energy Information Administration’s electricity survey forms, NHA staff took the opportunity to address another important issue to the hydropower and hydrokinetic industries, the lack of good modeling and forecasting at the agency.

The EIA is the federal agency the Administration, Congress, policy analysts, and the media turn to for data on the state of the electricity sector, including renewables, and
potential growth scenarios.

Unfortunately, the story EIA is currently telling is that there will be little to no growth in hydropower over the next 20 years. The agency also provides no data on the new ocean, tidal and instream hydrokinetic technologies. This has significant consequences for the industry.

NHA raised this issue to highlight the impact EIA’s analysis is having on the debate over increasing renewable generation in the U.S. For instance, at a House Natural Resource Committee hearing on hydro’s role in a climate constrained future last year, EIA testified that hydropower had no growth potential, would make up a smaller percentage of the country’s electricity generation, and therefore would have a less significant role in meeting energy and environmental goals.

NHA believes this is an inaccurate representation of the industry that needs to be rectified.

In addition to the August 4 meeting, NHA worked with Senate Energy and Natural Resources Committee staff to question Richard Newell, the nominee to lead the EIA, to re-evaluate the agency’s analysis on hydropower. Newell, in his response to the Committee, did in fact commit to take a second look at the modeling.

NHA’s goal is to ensure that hydropower’s contributions, both present and future, are fully and accurately portrayed. Ensuring better analysis at EIA is an important initiative that can have broad positive repercussions as the Congress and the country continues to debate key renewable energy support mechanisms and policies.

Just announced: new renewable energy awards

RenewableEnergyWorld.com and Renewable Energy North America magazine have just launched a new award program to recognize leaders in the renewable energy sector. Consisting of awards in seven categories, they seek to recognize remarkable achievements in hydroelectric, solar, biomass, wind, and geothermal technologies.

The awards will be announced at the Renewable Energy World North America Conference and Expo in Austin, TX on Feb. 23-25, 2010. Not only is this a great opportunity for your organization to be recognized for its achievements, but it highlights the growing importance of renewable energy on an international scale today. NHA encourages our member companies to apply.

The awards include:

- Project of the Year - This award recognizes projects of any scale for an outstanding achievement and is the most prestigious of their awards.
- Leadership in Renewable Energy - This award acknowledges an individual who has made a significant addition to the renewable energy sector.
- Utility Scale Renewables - This award showcases a project that is related to the utility scale renewable energy system.
- Distributed and On-Site Renewables - This award acknowledges on-site renewable energy systems that are of sub-utility scale and that could be used at an industrial site.
- Building and Integrated Renewables - This award recognizes innovative projects that have allowed renewable energies to be integrated with building systems or materials.
• Innovation in Renewable Energy - This award showcases a company, project, policy, finance, or technology that allows the sector to advance as a whole.
• Readers’ Choice - This award is the readers’ favorite, from all the nominations.

With a simple application process, consider devoting some time to take advantage of this important opportunity. Please visit the website for more information: http://awards.renewableenergyworld.com.

Waterpower provides opportunity for industry collaboration

Over 2100 members of the industry and other stakeholders recently met at Waterpower XVI in Spokane, WA, making this year’s conference the largest ever for the event. NHA appreciates all of your participation in the conference sessions, our committee meetings and for visiting us at the NHA booth.

Congratulations to Byron Kurtz, operator at Puget Sound Energy’s Snoqualmie Falls project for winning the “White Hot” putter in NHA’s drawing.

NHA also welcomes Sunrise Engineering, LLC, who won a free NHA membership through our membership drawing at Waterpower. Go to their website to learn more about Sunrise Engineering: http://www.sunrise-eng.com/default.htm.

NHA welcomes recent new members!

Over the next several issues of NHA Today, we will feature new members that have recently joined the Association in 2009. Look for their articles in the upcoming issues!

NHA extends a warm welcome to:

Northern Illinois Hydropower LLC
Public Service of New Hampshire
Hydro Energy Technologies
Evergreen Power Corporation
Golder Associates
AES Corporation
Eagle Crest Energy Company
GenPower Development, LLC
Strategies 360
AECOM
Bay States Hydro Association
Kaukauna Utilities
The Bowersock Mills and Power Company
Alaska Energy Authority
Riverbank Power Corporation
Ashland Industries, Inc.
Sunrise Engineering, LLC
NHA has learned...

1. **The first annual Water-Energy Sustainability Symposium** will be taking place Sep. 13-16, 2009 in Salt Lake City, UT. Recognizing the crucial relationship that water and energy have in our nation’s future, the Ground Water Protection Council (GWPC) has partnered with the U.S. Department of Energy and the National Energy Technology Laboratory (NETL) to host a symposium on the future and interdependency of water and energy. This is an event born from DOE’s “Energy and Water Nexus” program that focuses on finding solutions for our water and energy challenges and is in conjunction with the GWPC’s 2009 Annual Forum.

   This symposium will feature many sessions related to the hydro industry. “The Water-Energy Relationship: Why is it Important” will feature representatives from local, state, and federal organizations discussing its crucial importance. In addition, there will be technical sessions on “Water and Power Generation” and “Water Needs for Wind, Hydro, Solar, and Nuclear.” The final day will feature sessions on the future of water-energy planning and water-energy legislation. Please visit the website to learn more and register: [http://www.gwpc.org/meetings/forum/forum.htm](http://www.gwpc.org/meetings/forum/forum.htm).

2. **InfoCast** on Aug. 19 will host an interactive web conference, featuring a panel that will discuss the $30billion DOE Loan Guarantee Round 3 & 4 Solicitations recently issued by DOE. The panel will address questions about timing strategies and applications. Please visit the [website](http://www.gwpc.org/meetings/forum/forum.htm) for more information and be sure to register by Aug. 18 to receive the appropriate conference details and call-in information.

3. **Hydro 2009: International Conference and Exhibition** will take place in Lyon, France on Oct. 26-28, 2009. With over 80 countries represented, this conference will bring together members from the entire industry to discuss progress, potential, and plans for hydropower development worldwide. Highlights include: a workshop hosted by the government of Brazil and IEA on carbon balance in hydro reservoirs, a tour of major pumped storage projects in the Alps, and sessions on state-of-the-art hydroelectric technology. Please visit [http://www.hydropower-dams.com/hd_72_0.htm](http://www.hydropower-dams.com/hd_72_0.htm) for more information.

4. **Environmental Markets Association (EMA)’s Fall 2009 Conference: Environmental Markets Place** will be held from Oct. 20-23, 2009 in Houston, TX. Annually, over 200 environmental professions involved in emissions, consulting, and policy meet to discuss new developments in the environmental market. This year, the conference will feature events like a luncheon discussing the cap-and-trade debate and a panel on designing an effective carbon market. Visit the [conference website](http://www.hydropower-dams.com/hd_72_0.htm) to register.

5. **U.S.-Mexico Border Energy Forum XVI** will take place in Houston, TX on Oct. 15-16, 2009. The forum focuses on renewable energy, economic development, and environmental sustainability. Please visit the [website](http://www.hydropower-dams.com/hd_72_0.htm) for details and registration information.

6. **The World Sustainable Energy Days 2010 Conference** will be held in Wels, Austria on Mar. 3-5, 2010. This annual conference is the largest of its kind in Europe and will focus renewable energy production and energy efficiency. The conference will also hold its exhibition and trade show during this time, featuring more than 1600 exhibitors. Currently, they are also holding a call for papers, so please visit the [website](http://www.hydropower-dams.com/hd_72_0.htm) for more information about the conference and paper opportunities.

7. **Call for Best Practices in Renewable Energy and Energy Efficiency**: submissions are due to the American Council on Renewable Energy by Aug. 31,
2009. Approved practices will be included in a Compendium of Best Practices that will be used in US energy outreach programs to other countries. Not only will your company and its best practices get international and domestic attention, but you will also help with educational outreach. Please visit the website to submit your best practice: http://www.acore.org/compendium.

8. The 6th Annual European Conference on Green Power Marketing 2009 will take place in Geneva, Switzerland on Oct. 1-2, 2009. This year’s conference is titled, “The future of green power: Achieving an energy revolution in challenging times,” and will focus on how to achieve the EU’s 2020 climate targets given the difficult economic situation, accompanied by the recognition of a need for clean power worldwide. Please visit the website for details and registration information.