



25 Massachusetts Avenue, NW
Suite 450
www.hydro.org

Tel 202-682-1700
Fax: 202-682-9478

April 9, 2009

The Honorable Steven Chu
Secretary
Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Chu:

The nation is at a critical crossroads with the immediate need to address multiple policy challenges including the impacts of global climate change and increased demand for electricity, all at a time of significant economic uncertainty.

As the United States is rising to meet these challenges, so too is the hydropower industry. As a country, 75 years ago we turned to hydropower development as an engine for job creation, economic stimulus, and abundant, domestic electricity. Today, a new generation of hydropower technologies, pumped storage projects, and the new waterpower resources – ocean, tidal and instream hydrokinetic – will help support our national energy, economic, and environmental goals.

President Obama has called on the renewable energy industries to double in the next three years. The National Hydropower Association¹ (NHA) and the hydropower industry are responding to this call. Currently, over 33,000 MW of new capacity from the suite of conventional and new technologies is in the pipeline for development at the Federal Energy Regulatory Commission.

However, full deployment of this capacity requires immediate and necessary R&D and project investment in order to advance the state of the technology, study potential environmental impacts, understand the extent of the developable resource, and more. Without a significant accelerated level of support this resource that could be used to meet President Obama's ambitious renewable energy goals may be needlessly left on the table.

As such, NHA believes the Department, through significant additional funding from the \$2.5 billion appropriated to the Office of Energy Efficiency and Renewable Energy under the

¹ NHA is a non-profit, national trade association dedicated to promoting the nation's largest renewable resource and advancing the interests of the hydropower, pumped storage, and new ocean, tidal and instream hydrokinetic technologies and the consumers they serve.

American Recovery and Reinvestment Act of 2009 and the Omnibus Appropriations bill, has an opportunity to direct more support to the Waterpower program and other Department offices working on hydropower and hydrokinetic activities.

In 2007, the Electric Power Research Institute (EPRI) evaluated the R&D needs for the hydropower and hydrokinetic industries and outlined initiatives totaling **\$377 million**. NHA strongly urges the Department to fund these identified research, development and deployment activities in order to fully realize the continued growth of the sectors.²

This accelerated funding will rectify significant under funding of hydropower and hydrokinetic activities within the Waterpower program and other Department offices in past years and address the fact that the Nation's largest renewable resource historically receives the least amount of R&D support of any of the renewable technologies, including several years of zero funding.

We look forward to working with the Department to realize the significant energy and environmental benefits of maximizing our existing hydropower projects and infrastructure, investing in new pumped storage technologies, and developing ocean, tidal and instream hydrokinetic technologies.

If you have any questions on industry R&D needs, please contact NHA at 202.682.1700. In following on our invitation, we also hope that you will be able to attend the luncheon at the NHA Conference in Washington, DC on May 12 at 1pm.

Sincerely,

A handwritten signature in dark ink, reading "Linda Church Ciocci". The signature is fluid and cursive, with the first name "Linda" being the most prominent.

Linda Church Ciocci
Executive Director

² In addition to the EPRI analysis, NHA encourages the Department to think “outside the box” on R&D activities and include new emerging issues (i.e., studying the potential changes on water forecasting, delivery and availability resulting from climate change; addressing potential GHG emissions from reservoirs; studying the benefits of, and performing resource assessments for, pumped storage). NHA recognizes that work on some of these topic areas may involve several different offices within the Department.