



Press Release

www.hydro.org

National Hydropower Association
One Massachusetts Ave., NW
Suite 850
Washington, DC 20001
PH: (202) 682-1700
FX: (202) 682-9478

FOR IMMEDIATE RELEASE
May 11, 2007

Contact: Angel Brownawell
Office: (202) 682-1700 ext. 14
E-mail: angel@hydro.org

Proposed tax incentives give boost to hydropower development

WASHINGTON DC (May 11, 2007) – Reaffirming hydropower’s vital role in ensuring clean energy for the future, Senator Maria Cantwell (D-Wash.) today introduced legislation that would improve and extend the renewable energy production tax credit and the Clean Renewable Energy Bonds for hydropower facilities and emerging waterpower technologies.

The "Clean Energy Investment Assurance Act of 2007" would provide tax parity for qualifying hydropower resources and provide a long-term extension of the PTC and extension and additional funding of the CREBs program. The legislation also adds new zero carbon-emissions resources to the PTC. This inclusion opens the door for greater development of new waterpower technologies, such as ocean, tidal, and in-stream hydrokinetic systems.

“To transition away from an over reliance on fossil fuels, we must promote investments in clean energy generation using renewable resources and reduce the growth in demand for energy by stressing efficiency,” Cantwell said. “The government can play a key role by enabling the market conditions that will take the technology from the laboratory and turn it into fully operational energy producing facilities. This type of federal assistance will support the needed long-term investments that ultimately will drive down the costs of electricity from renewable sources. Once the market for these new technologies is up and running, such facilities will be economically self-sustaining and profitable.”

The National Hydropower Association strongly supports the act and praised Senator Cantwell for her leadership on renewable energy issues. NHA also commends Senators Gordon Smith (R-Oregon) and John Kerry (D-Mass.) for co-sponsoring the bill.

“The hydropower industry is primed for responsible growth at a time when policymakers are seeking sound solutions to the climate change problem,” said Linda Church Ciocci, NHA executive director. “The Clean Energy Investment Assurance Act of 2007 would help unlock the significant hydropower potential in this country. This legislation continues the advancements made by the Energy Policy Act of 2005.

“In fact, a recently released report by the Electric Power Research Institute estimates hydropower can add at least another 23,000 megawatts by the year 2025, with a total growth potential of nearly 90,000 megawatts.”

The extension of the placed-in-service deadline allows for a reasonable time frame for the development of incremental hydropower (additions of capacity and efficiency improvements at

existing facilities) as well as the development of new energy facilities on existing non-powered dams.

The association is equally pleased to see the addition of new zero carbon-emissions resources, which include the emerging waterpower technologies. NHA has more than 30 member companies that compose its Ocean, Tidal, and New Technologies Council – a group that is actively pursuing potential development of waterpower resources.

“Incentives such as the production tax credit and the clean renewable energy bonds program are needed to encourage this important growth in domestic renewable energy resources,” Church Ciocci said.

#

NHA is a non-profit national association dedicated exclusively to advancing the interests of the U.S. hydropower industry. The association represents 61 percent of domestic, non-federal hydroelectric capacity in the U.S. Its membership consists of more than 140 organizations including public utilities, investor-owned utilities, independent power producers, equipment manufacturers, environmental and engineering consultants, and attorneys.