For Immediate Release

Senate Passes Energy Bill with Provisions to Modernize the Hydropower Licensing Process

Bill breaks the status quo which has long obstructed the growth of hydropower

Washington, D.C. (April 20, 2016) – With the nation searching for clean energy solutions, the National Hydropower Association today applauds Senate passage of the bipartisan hydropower licensing provisions contained in the Energy Policy Modernization Act (S. 2012). Currently, it can take up to a decade or more to permit the nation’s largest source of renewable electricity. The hydropower provisions contained in the bill are designed to make the process more timely, coherent and collaborative.

“Policymakers and clean energy advocates are recognizing hydropower's value, its growth potential and the role it can play in fighting climate change. Bringing predictability and coordination to the licensing process is good public policy that will help the nation to further reduce its carbon footprint,” said Linda Church Ciocci, NHA Executive Director. “NHA applauds the bipartisan leadership of Senators Lisa Murkowski (R-AK) and Maria Cantwell (D-WA) for leading the effort to secure our nation’s clean energy future, while protecting environmental values.”

Each year, hydropower helps the nation avoid approximately 200 million metric tons of CO₂ – the equivalent emissions of 42 million cars. Investment into new and existing hydropower resources, however, has been handicapped by an outdated licensing process, in which conflicting priorities, overlapping and competing agency authorities, and deferred decision-making delay both project deployment and real environmental improvements.

“While today’s passage is a significant step forward, we still need to work to ensure the final legislation signed by the President breaks the status quo that is stifling investment in existing hydropower projects and new development, continued Ciocci. “As the legislative process moves forward, we will continue working with both chambers of Congress, the Administration and all stakeholders to enact a modern regulatory framework that protects our existing hydro system, safeguards the environment, and promotes responsible new hydropower development.”

Major Hydropower Provisions in S. 2012

• Makes the hydropower approval process more collaborative and efficient by establishing the Federal Energy Regulatory Commission (FERC) as the lead agency for purposes of coordinating all permits and other authorizations for hydropower project required under federal law, and requires other resource agencies to cooperate with FERC.
• Improves schedule discipline in the hydropower approval process by directing FERC to develop a schedule for completing its licensing process, as well as other authorizations required under federal law, and to consult with other resource agencies in developing the schedule. If disputes arise on the delay of permits or other federal authorizations, the bill empowers the Council on Environmental Quality to resolve these disputes.

• Recognizes the vital importance of hydropower resources by strengthening the responsibility of agencies with mandatory conditioning authority under FPA sections 4(e) and 18 to give equal consideration to developmental and non-developmental value, which is already a requirement under federal law.

• Promotes better decision making on sound science by providing FERC’s corps of expert administrative law judges, through trial-type hearings, a greater role in resolving technical and scientific issues related to mandatory conditions submitted by other resource agencies, while preserving the authority of such agencies to craft conditions that protect the environmental resources over which they have responsibilities.

• Incentivizes hydropower licensees to implement early project improvements or environmental enhancements by granting a longer license term at the next relicensing of the project.

• Promotes efficiency in the hydropower approval process by establishing a sense of Congress that all federal authorizations for hydropower should be completed within 3 years after the FERC application is complete.

• Establishes hydropower as an important renewable resource by broadening the existing federal statutory definition of renewable energy to include all hydropower.

• Promotes transparency and accountability in government by requiring FERC and resource agencies to prepare annual reports to Congress that evaluate the effect of their decisions on the nation’s hydropower resources.

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