2019 was a year of progress. NHA achieved significant, incremental policy wins and broadened its advocacy efforts into new policy arenas to preserve and expand all forms of waterpower. We’re well positioned for a great 2020!

NHA’s multi-year tax advocacy bore fruit on December 20, 2019, with the President signing a bill restoring tax parity for the hydropower and marine energy industry. The 30% Investment Tax Credit and the Production Tax Credit valued at roughly 1.2 cents per kwh were restored and extended through the end of 2020, with 2018 and 2019 included retroactively. With the wind and solar tax credits also expiring at the end of 2020, the debate over longer term renewable energy tax credits will likely be a major issue throughout the year.

2019 was also a landmark year for regulatory proposals related to hydropower licensing. The U.S. Environmental Protection Agency proposed a major rulemaking to improve the standards and process for federal license and permit applicants to obtain Section 401 water quality certification. Together with improvements to the Endangered Species Act and proposed NEPA reforms, these measures offer the promise of reduced regulatory uncertainty. As states around the country set goals to decarbonize their energy mix and bolster grid resiliency and reliability, we are working with both sides of the aisle on more fundamental licensing improvements and expect proposals in coming weeks.

Energy markets, once an afterthought, have emerged as a major new area where NHA’s voice is needed. With NHA’s Markets and Hydro Valuation Taskforce in place, we succeeded earlier last year in advocating for changes to the California ISO’s market rules that benefit hydropower. NHA intends significant engagement on market design issues in the coming year with both U.S. Federal Energy Regulatory Commission and at targeted Regional Transmission Organizations or Independent System Operators.

Last year also brought with it a change in NHA leadership. The organization is deeply indebted to its former CEO, Linda Church Ciocci, for all her efforts on behalf of the industry. And we also express our sincere gratitude to Jeff Leahey for leading our legislative efforts for many years. While both individuals will be missed, we are pleased they continue to be active within the industry.

As we look to 2020, we can assuredly tell you that more change is coming. We’ve laid out our bold vision for NHA’s future, which we invite you to read in this report. And to bolster our advocacy efforts on legislative, regulatory and markets issues, we created the NHA Rapid Response Policy Team—a small and nimble group, representative of our diverse membership, to provide timely guidance to NHA staff on implementation of the Board’s policy priorities. We also look forward to hosting Waterpower Week in Washington, along with the International Conference on Ocean Energy, on May 19–21, as well as five NHA Meetings and related NHA technical committee and council meetings during the year. We hope to see you there!

2020 is a new beginning for NHA. We believe that the path to clean energy flows through waterpower. And above all, we continue to be committed to working on your behalf.

Sincerely,
Malcolm Woolf,
NHA President & CEO
Jay Anders,
NHA Board Chair

LETTER FROM CHAIR and CEO

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Malcolm Woolf,
NHA President & CEO
Jay Anders,
NHA Board Chair
TOP OF THE HILL

LEGISLATIVE EFFORTS

In 2018, NHA successfully fought to end the tax disparity that punishes hydropower and marine energy development at a significant competitive disadvantage. As part of Congress’ year-end spending deal, NHA secured an agreement to extend the expired energy tax credits for hydropower and marine energy. The Production Tax Credit valued at roughly 1.2 cents per kwh and a 30% Investment Tax Credit were restored and extended through the end of 2020, 2018 and 2019 included retroactively.

NHA also successfully secured record funding for the TOP OF THE HILL

by House Energy Committee Democrats reflects our efforts, including hydropower on an equal footing with other renewables and specifically noting the need for hydropower licensing improvements. Additionally, we conducted educational outreach on the Hill with several House hearings including the Environment and Energy Sustainability Study Institute (EISES) briefing for the House and Senate House Energy and Commerce Committee briefing and a briefing for the House Sustainable and Energy Environment Caucus.

For energy storage, NHA obtained pumped storage-specific language in the Senate's Bipartisan Energy Storage Technology Act (BEST Act), which is designed to support grid scale energy storage and its development and improve the efficiency of the nation’s electric grid.

In the marine energy sector, NHA worked with U.S. Senator Ron Wyden (D-OR) on the introduction of a bill to reform the Department of Energy's Marine and Renewable Energy Program. NHA also worked closely with the House Science, Space and Technology Committee’s Subcommittee on Energy for a hearing focused on the research and development of waterpower technologies.

Legislation is just one area where NHA’s presence was felt on Capitol Hill. Recognizing the role hydropower will play in decarbonizing our national grid, NHA filed comments with an eye toward optimizing hydropower participation in the Extended Day-Ahead market (EDAM) which requires it to establish an expedited process for issuing original licenses for facilities at existing nonpowered dams and for closed loop pumped storage projects.

And finally, NHA, along with the Northeast Hydropower Association, filed comments to U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration’s National Marine Fisheries serviced Endangered Species Act regulations to improve collaboration, efficiency, and effectiveness.

ENERGY MARKET EFFORTS

2019 marked the first year of NHA’s full engagement on energy and environmental market issues. With the formation of our Markets and Hydro Value Taskforce, NHA has been engaging on pressing issues of ISOs and RTOs. Of note, NHA was successful in advocating for changes to the California ISO’s (CAISO) market rules that benefit hydropower, filed comments with CAISO and a motion to intervene at FERC advocating for the opportunity cost of hydropower generation to be included in any CAISO mitigated price floor.
For 2020, NHA is charting a new course, with a bold new vision to bolster our advocacy efforts on legislative, regulatory and markets issues. As an association, we believe that hydropower, in all its forms, is integral to a reliable, resilient grid and is an essential part of a climate solution.

To achieve this goal, our focus is to deepen NHA’s value proposition in three areas:

**A Vision to Expand NHA’s Value and Impact**

To preserve and expand hydropower in all its forms:
- Streamlining the license process through a new bipartisan reform effort
- Seeking parity in Congress—tax treatment, appropriations and other technology inclusive bills
- Shaping potential carbon pricing at the federal, state and/or RTO level
- Obtaining full market valuation of hydropower’s attributes and reliability services in RTOs and ISOs
- Raising the profile of hydropower “Beyond the Beltway” by leveraging state political umbrella groups

**GETTING THERE**

For 2020, we have positioned the association for success by diversifying and growing NHA’s revenues, expanding NHA’s advocacy beyond federal advocacy to markets and building NHA’s internal capacity to engage on policy.

**CONNECT**
- members with other hydropower professionals, build relationships, and facilitate business
- Waterpower Week in Washington/ICOE/NHA Regional Meetings

**ADVOCATE**
- to preserve and expand hydropower in all its forms
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- Seeking parity in Congress—tax treatment, appropriations and other technology inclusive bills
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- Obtaining full market valuation of hydropower’s attributes and reliability services in RTOs and ISOs
- Raising the profile of hydropower “Beyond the Beltway” by leveraging state political umbrella groups
- Launching new campaign “Path to Clean Energy Flows Through Hydropower,” targeting energy policy thought leaders

**INSIGHTS**
- about timely policy and industry developments
- NHA Committees and Councils
- OPEX
- NHA Today (now a weekly!) and industry webinars
NHA’s Operational Excellence (OpEx) program is a member-only, voluntary, confidential event reporting system that receives, distributes, archives, and catalogs hydro operating experiences and resulting best practices and lessons learned. The scope and focus of OpEx is on events related to safety (dam, employee, and public), operations, maintenance, and environmental performance, and is intended to be a tool to help avoid events experienced by others, train a workforce in development, and assist in managing aging assets.

In 2019, OpEx experienced significant growth, with 44 Event Reports added to the system - a net increase of 23.8% from 2018 submissions. The numbers of total registered users also increased to 674.

OpEx is the hydropower’s premier platform for information sharing. Is your company signed up for OpEx? Learn how to participate at www.hydroexcellence.org.

At NHA, we strive to be the best at serving the industry and our membership. In doing so, we work hard at bringing together professionals from all segments of the industry together. In 2019, we successfully hosted a multitude of opportunities to learn, network, and share best practices.

At the top of the list, our 2019 Waterpower Week in Washington, the nation’s premier hydropower policy event, brought in hundreds of members of the hydropower and marine energy industry. The Conference was co-located with the International Marine Renewable Energy Conference (IMREC).

NHA’s regional meetings program continues to be an essential part of the hydropower industry’s calendar every year. In 2019, we held meetings in California, Alaska, South Carolina, Massachusetts, and Minnesota, with panels on issues ranging from water quality standards to relicensing.

Attendance at our meetings continues to break records year over year. Our California Regional Meeting once again became the most attended meeting in history with 184 attendees.

Are you interested in attending a regional event? Go to Hydro.org for more information.

As an industry, it is critical that we work together to amplify hydropower’s message. To generate support and increase industry engagement, NHA established National Hydropower Day (NHD) in 2019 to recognize hydropower’s undeniable contributions to America’s clean energy infrastructure.

All told, over 11 million impressions were generated on Twitter, Facebook, and LinkedIn with over 100 companies, organizations, and individuals participating. NHD generated support from Members of Congress and government agencies and officials. NHD, however, was more than just a social media event. Hydropower generators throughout the country leveraged the day to foster earned media. Some issued press releases, published letters to the editor, and held media availability with local outlets.

Speaking with one voice, the industry demonstrated its ability to elevate hydropower’s message.
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Vice Chair: Mike Haynes
Vice Chair: Seattle City Light
Treasurer: David Culligan, HDR INC
Secretary: Debbie Munsch
General Counsel: James Hancock

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Black & Veatch
Centralia City Light
Columbia Industrial Products
Curent Hydro LLC
Day & Zimmerman
Electrical/Mechanical Engineering Solutions
French Development Enterprises, LLC
Praxair, Keith
Garrett Fleming
GIA Geoenvironmental, Inc.
Helios Alta Corp.
Huron Andrews Keith LLP
Hydraulx Inc.
Inter-Flux, Inc.
JamesHydropower, Inc.
INNOnaSEA
LS Technologies - Ocean Server
Lehigh University
LIF Engineering, PLLC
LURC Milwaukie
National Electric Co.
New Sumner
Niks
Kennametal Risk Advisers
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US Floating Solar, LLC
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Plan to Attend 2020 NHA CONFERENCES
WATER POWER WEEK
WASHINGTON, D.C. • MAY 19-21, 2020
MARRIOTT MARQUIS • WATERPOWERWEEK.COM
NHA Conferences
2020 Waterpower Week in Washington | May 19–21
2020 International Conference on Ocean Energy | May 19–21

2020 NHA Regional Meetings
SE Regional Meeting | February 25–26 | Charlotte, NC
NE Regional Meeting | March 31–April 1 | Niagara, NY
AK Regional Meeting | August 24 | Anchorage, AK
NW Regional Meeting | November 4–5 | Eugene, OR
Co-located with Northwest Hydroelectric Association
CA Regional Meeting | December 2–3 | Rosemead, CA

2020 NHA Hydraulic Power Committee (HPC)
Mid-October | St. Louis, MO
Co-located with Midwest Hydro Users Group