



The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

March 29, 2023

To Secretary Granholm:

The undersigned organizations look forward to working with the U.S. Department of Energy (DOE) to ensure that the Infrastructure Investment and Jobs Act, better known as the Bipartisan Infrastructure Law (BIL), lives up to its potential to accelerate the transition to a cleaner, more reliable electricity grid. We agree that hydropower can help meet President Biden's goals to reach 100 percent clean electricity by 2035 and net-zero emissions by 2050, and that new investments in hydropower should be made in environmentally responsible ways.

As you may recall, our organizations forged an agreement in March 2021 in support of the *21st Century Dams Act*, an outgrowth of Stanford University's Uncommon Dialogue process. This proposal, which received bipartisan, bicameral support (H.R. 4375, S.2356, S.2308), focused on accelerating the rehabilitation, retrofit, and removal (the "3Rs") of the nation's more than 90,000 dams, of which only 2,500 currently generate electricity. This legislative effort ultimately resulted in a down payment of \$2.4B being dedicated by Congress in the BIL for the 3Rs, including \$553.6M to the DOE for the newly created Section 247 program.

Our organizations are concerned that the draft guidance, as proposed, will not achieve the goal of incentivizing environmental, grid resiliency, and dam safety investments in the nation's existing hydropower and pumped storage fleet. As noted in our attached comments, we urge DOE to:

- 1) Provide funds to all eligible projects by prorating awards if over-subscribed, instead of establishing a complicated ranking process;
- 2) Create incentives for new projects by allowing applicants who have not yet completed the federal, state, and local permitting process to apply, and condition disbursements of funds on all permits and authorizations being completed;
- 3) Allow all eligible facilities to apply, even if they happen to be included in the same FERC license as another facility, which may impact nearly half of all FERC hydropower licenses;

- 4) Clarify that the proposed small hydropower category applies to all small hydropower facilities regardless of ownership structure; and
- 5) Maximize applications by providing a 120-day application deadline (instead of 60 days) for what are expected to be complex engineering projects.

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Thank you for your consideration of this issue. As a group, we would welcome the opportunity to further discuss these issues with you and DOE's Infrastructure Office as we work together to maximize the opportunity provided by the hydroelectric production incentives of Section 247 of the Bipartisan Infrastructure Law. Please reach out to Michael Purdie (michael@hydro.org) at the National Hydropower Association or Shannon Ames (sames@lowimpacthydro.org) of the Low Impact Hydropower Institute for further discussion.

CC:

Deputy Secretary David Turk
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