

Opening Statement of Chairman Greg Walden
Subcommittee on Energy
“Improving the Hydropower Licensing Process”
June 7, 2018

(As prepared for delivery)

Good morning. Today’s hearing will focus on ways to improve the hydropower licensing process. Hydropower is the nation’s largest source of clean, domestic, renewable electricity. Unfortunately, the lengthy and unpredictable project licensing process disadvantages hydropower when compared to fossil fuel generation and other renewables, like wind and solar.

This committee has identified several ways to improve the permitting process for hydropower licensing by modernizing the Federal Power Act. At the same time, the Administration has taken promising steps with Executive Orders to bring greater discipline and accountability in the environmental review and permitting process. While there’s no silver bullet, there’s plenty of room to improve coordination, and to make the process more predictable and transparent.

The purpose of today’s hearing is to hear directly from those agencies most closely involved in the hydropower permitting process, to see what specific measures have been taken to increase the efficiency and effectiveness of their respective reviews. Today’s hearing will also allow for a deeper discussion about the benefits of real, statutory reforms, such as those that have already passed through this committee and the House Floor. Given what’s at stake, I’m optimistic that our colleagues in the Senate will eventually be able to pass companion legislation, so that we can finally get these bills across the finish line.

Hydropower is near and dear to my heart because it supplies the majority of the power that we consume in the Pacific Northwest. In fact, in my home state of Oregon, hydropower, mainly from federal projects, is often able to supply up to two-thirds of our electricity generation.

The challenges of utilizing our hydro resources do not end with permitting and licensing, however. Despite decades of thorough, science backed analysis by many of the agencies here with us today, litigation and biology from the judicial bench negatively impacts river operations and ratepayers.

This year, the Army Corps and Bonneville Power Administration are spilling water over dams instead of generating power at full capacity. This all comes at a cost. Nearly \$40 million in increased rates to Pacific Northwest ratepayers this year, according to the federal agencies. And it is not just rates. BPA invested nearly \$275 million last year in fish projects across the Pacific Northwest. This spill – supposedly in the name of fish – undercuts that revenue stream as well.

The House recently passed H.R. 3144 – legislation Cathy McMorris Rodgers, Kurt Schrader and myself worked on to provide certainty for operations of the hydro system and protect ratepayers. I'm hopeful our colleagues in the Senate will move this legislation forward as well to help tackle the challenges of operating this hydro system.

There is no question that hydropower licensing is complex – it requires dozens of federal, state and local agencies to coordinate and balance a wide range of issues and competing interests, such as electricity production, flood control, water navigation, fish, and wildlife issues. Recognizing this complexity, I look forward to hearing from our agency witnesses, to gather suggestions on ways to improve the licensing process.

Thank you, I yield back the balance of my time.