

Committee on Energy and Commerce

**Opening Statement as Prepared for Delivery
of
Subcommittee on Energy, Climate, and Grid Security
Ranking Member Diana DeGette**

***Hearing on “American Hydropower: Unleashing Reliable, Renewable, Clean Power Across
the U.S.”***

September 20, 2023

Thank you, Chairman Duncan.

Hydropower has long played an important role in the development of the United States and will continue to play a critical role providing clean, reliable energy as we advance the clean energy transition. Currently, hydropower provides approximately 6% of all utility-scale electricity generation in the United States. Moreover, it provides nearly 30% of all utility-scale electricity generation from renewable resources, so it’s safe to say, it’s going to be key to our fight against climate change. It’s important to recognize that, as we work to bring more zero-carbon emitting forms of electricity online, hydropower, particularly reservoir-based systems, can provide reliable, dispatchable energy that can offer a bridge during times of intermittence from other sources of energy. Hydropower has a history of strong bipartisan support in this Committee and Congress. And I have been grateful to play a role in advancing meaningful hydropower legislation.

In 2013, Chairwoman McMorris Rodgers and I led the Hydropower Regulation Efficiency Act which promoted the development of small hydropower and conduit projects and directed the Federal Energy Regulatory Commission to conduct a study on the permitting process. In the 115th Congress, Congressman Hudson and I worked on legislation that amended the criteria for a facility to meet the standard of a qualifying conduit hydropower facility, which was eventually included in the America’s Water Infrastructure Act of 2018. And these pieces of legislation are creating results. Recently, I heard about a company in my district that has been able to deploy small conduit projects as a direct result of those bills.

So, I am excited about the potential that hydropower has to offer as we move into the future, and I hope we can continue to keep this strong bipartisan tradition. However, I do have some serious concerns about the bill we are considering today. And I should note that these concerns are similar to the concerns I had when we considered substantially similar legislation in the 115th Congress. H.R. 4045 would create significant exemptions for the hydropower licensing process that bypass some of our most important environmental laws.

Specifically, the bill would exempt all projects 40 megawatts (MW) or less from licensing and environmental reviews, up from the previous exemption level of 10MW. This would mean that FERC would not be able to conduct reviews in conjunction with the resource management agencies who know the science and impacts on wildlife and the environment. Give

n the vast potential for environmental impacts from hydropower projects, I really struggle with this provision. The bill would also set aggressive deadline requirements for licensing determinations. While I'm all for getting projects approved in a timely manner, we must recognize that there are multiple reasons that project approval can take a while, including lack of information by applicants and the very complex nature of a project.

Finally, I am deeply concerned with the provision that would punish agencies by rescinding \$5,000 from their budgets for each week an agency is unable to meet a deadline, regardless of the reason. If we want to ensure agencies can complete a thorough review of a project application, we need to make sure they are well resourced and well-staffed, not deprive them of vital funds to conduct their work. Instead, in my opinion, we need to be making the investments that ensure we encourage new hydropower and retain existing dams, all while minimizing the environmental impacts. And that's what we did last Congress between providing \$3 billion for hydropower in the Bipartisan Infrastructure Law and making hydropower eligible for the full production tax credit in the Inflation Reduction Act.

I would also note that there is a bipartisan hydropower bill in the Senate introduced by Senators Daines and Cantwell. This bill was developed through conversations with a variety of stakeholders that tries to strike a balance. Industry, environmental groups, and tribal leaders came together to find a solution for hydropower licensing while maintaining environmental and recreational protections and raising tribal voices. The bill isn't perfect, I think both sides would say they didn't get everything they wanted, but that's compromise and that's how we get meaningful bipartisan legislation. So, I look forward to the hearing today and to our witness testimony and hope we can find some modifications to get back on track with bipartisan hydropower legislation.

I yield back.