

**Committee on Energy and Commerce**  
**Opening Statement as Prepared for Delivery**  
**of**  
**Full Committee Ranking Member Frank Pallone, Jr.**

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

**September 20, 2023**

Hydropower is the oldest source of renewable and carbon-free energy. It provides essential baseload electricity, powering about six percent of our nation’s grid. It is the single most important source of power in states like Washington and Oregon, and plays a vital role in New York, California, and many other states. Hydropower is also crucial to our ongoing efforts to combat the worsening climate crisis, but it does so at a cost. Dams can be incredibly destructive to sacred Native American lands and waters, can cause damage to the environment, and can negatively impact local fish and wildlife.

That is why it is so important to listen to a variety of perspectives when discussing hydropower. And while I appreciate the witnesses before us today, there are some important perspectives in this conversation that are missing. The National Marine Fisheries Service and U.S. Fish and Wildlife Service are key regulators. The Federal Power Act grants them authority to add conditions to hydropower licenses to ensure that endangered species are not adversely impacted by projects, but they are not here today. State resource agencies also play an essential role in the hydropower licensing regime, but they are also missing.

And, perhaps most importantly, there are no voices representing Tribal stakeholders. Considering the Republican bill before us makes changes to section 4(e) of the Federal Power Act that helps protect Tribal lands, theirs is a crucial perspective, and it too is missing. I bring this all up to emphasize a critical point – that when Congress has passed hydropower reform legislation in the past, it has done so working together to create stakeholder consensus. Unfortunately, the bill before us today sorely lacks that consensus.

The bill guts vital environmental protections in the Federal Power Act. It completely exempts any dam under 40 megawatts and licensed since 1986 from the licensing or relicensing process – an exemption that, under the text of the bill, would never expire. Exemptions were originally created to be narrowly tailored to incentivize new hydropower, not an escape hatch to let already-existing dams dodge the relicensing process entirely. The bill also creates a new licensing process for a poorly-defined and overly-broad class of hydropower projects, requiring the Federal Energy Regulatory Commission (FERC) to make licensing decisions within two years of a project’s first engagement. It also sets out a series of deadlines for federal and state agencies that FERC is required to consult with, and compels FERC to fine other agencies \$5,000 per week if they are unable to meet those deadlines.

Typically, an agency would only be unable to meet a deadline set out by FERC if it were understaffed, under-resourced, or unable to get vital information from the license applicant. So, under this bill, if an agency is so under-resourced that it is unable to process applications in a timely fashion, Republicans want us to take even more resources away from that agency. That defies logic and will do nothing to actually remedy the problem of hydropower relicensing timelines.

September 20, 2023

Page 2

In fact, a FERC analysis in 2017 found that projects that took more than two years for licensing or relicensing typically did so because they were larger, more complex projects that triggered a large scope of issues. These projects often needed more information from the applicant than the applicant had initially provided. Finally, I want to point out that this bill is not the only proposal that exists to reform the hydropower relicensing process. As we heard last year at a hearing when Democrats were in the Majority, the “Uncommon Dialogue” process has brought together stakeholders from industry, Tribal nations, environmental groups, and fish and wildlife organizations to find a path forward on relicensing.

While I remain concerned about some of the specific provisions within the Uncommon Dialogue proposal, that process is how we find policy changes that actually stand a chance of making it into law. If Republicans were serious about finding a path forward on hydropower relicensing, they would have used that Uncommon Dialogue proposal as a starting point. Hydropower relicensing is important for us to address, but it must be done through a deliberate, thoughtful process that produces bipartisan legislation that has a chance of being signed into law. By contrast, the bill before us today was produced through an industry-dominated, partisan process. Whatever the path forward looks like, it will not look anything like this bill. I yield back.