

Chairman Jeff Duncan (SC-03) Opening Remarks
Energy, Climate, and Grid Security Subcommittee
“American Hydropower: Unleashing Reliable, Clean Power Across the U.S.”
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As prepared for delivery

The subcommittee will now come to order.

Thank you all for being here today and welcome to the Energy, Climate, and Grid Security Subcommittee hearing, “American Hydropower: Unleashing Reliable, Clean Power Across the U.S.”.

Our goal on the Energy and Commerce Committee is to enact policy that delivers affordable, reliable, and clean energy to all Americans and hydropower is essential to this mission.

Hydropower and pumped storage provide clean power and storage. They are also flexible and can generate power to the grid immediately, which provides essential backup power in times of major outages or disruptions.

Unfortunately, hydropower relicensing is among the most complicated and bureaucratic permitting processes in the U.S.

The primary reasons for these delays are due to the number of federal statutes involved as well as the number of federal agencies. There are 11 federal agencies involved in the hydropower licensing process. I am glad we have some of these stakeholders in front of us today to give us their perspectives on the process.

It is no question that in order to ensure hydropower remains a critical part of our energy matrix, the licensing and re-licensing processes must be reformed and streamlined.

Nearly half of the nonfederal U.S. hydropower fleet will be up for relicensing in 2035. The current process creates uncertainty and confusion, ending up costing millions.

On average, relicensing a hydropower facility can take between seven to ten years, and can cost over 3 and a half million dollars. This doesn’t even consider the potential costs of fish passage, new turbines, and dam safety investments.

The long and expensive relicensing process causes many hydropower owners to surrender their licenses instead and decommission their plants. That leaves America with less emissions-free, reliable electricity generation at a time when our electric grid desperately needs this type of generation.

And it’s not just relicensing that requires projects to go through federal approvals.

In my district, Buzzard's Roost, a hydro dam in Greenwood County, South Carolina, is currently redesigning a fuse plug that requires FERC approval. This process faced countless delays, and the county feels as if FERC has given them the runaround on numerous occasions.

Almost 20 years and \$3 million later, not a single shovel has broken ground at Buzzard's Roost to begin the project. This is a prime example of why FERC needs to focus on streamlining their approval processes, providing more certainty to applicants, and enabling projects to begin in a timely manner.

To address these licensing challenges, Chair Rodgers has introduced the "*Hydropower Clean Energy Future Act.*"

Hydropower is the largest source of renewable energy, and this legislation will ensure this clean energy stays online, preserving the existing fleet and paving the way to bring more power online.

This of course, is important for Chair Rodgers home state of Washington where hydropower accounts for nearly 70 percent of electricity generation; but it's also critical for states and counties all over the country. For example, this bill will help my home state of South Carolina.

In my district, the third district of South Carolina, the Duke Energy Bad Creek Hydro Project is able to provide enough energy to power nearly 1 million homes.

Last summer I was able to host members of this Committee on a tour of this facility-it is an approximately 1,600 - megawatt battery that stores mainly renewable solar energy as well as excess nuclear baseload power that would otherwise be curtailed because it was generated during periods of low demand.

Recently, Duke Energy filed to relicense the existing Bad Creek Facility AND also expressed a desire to build a second powerhouse that would offer an additional 1,600 megawatts of storage capacity that would help to integrate carbon free generation across the Carolinas.

I am hopeful both the relicensing, as well as the possible expansion, are successful as this would help increase reliability and affordability for customers in my home state and in the Southeast.

I look forward to hearing from our witnesses today on how we can improve hydropower licensing in order to unleash this critical source of reliable, affordable, and clean energy in the U.S.

I now recognize Ranking Member DeGette for five minutes to give her opening statement.