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The Honorable Doc Hastings
Chairman, House Natural Resources Committee
Opening Statement at the
Full Committee Oversight Hearing on
“Mandatory Conditioning Requirements on Hydropower: How Federal Resource Agencies are Driving Up Electricity Costs and Decreasing the Original Green Energy”
Wednesday, June 27, 2012

Today’s hearing is another step by this Committee to restore the promise of hydropower – a renewable, emissions-free and low-cost source of energy.

In the early part of the last century, visionary leaders and engineers constructed multi-purpose dams and reservoirs, like the Grand Coulee and Hoover Dams, to harness the energy of moving water and in high water periods capture water for low water periods. That is still a sound concept today.

In the Central Washington congressional district I have the honor to represent, we have both federal and non-federal hydroelectric dams. Together they produce more hydropower than any other congressional district in the nation.

Despite their success, hydropower is under assault from those bent on litigation and over-regulation. This Committee has focused intensely on federal dams and canals, but today’s hearing takes a new turn. Instead, we will examine federal regulation of non-federal dams, which account for half of the nation’s hydropower production.

The resource agencies under the jurisdiction of this Committee – whether it’s the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, the Forest Service, the National Park Service or the Bureau of Land Management – play a large role in the cost, size and scale of non-federal hydropower and even play a role in whether some dams should exist through their mandatory conditioning authorities. It appears they do so in a vacuum that ignores economic, societal or environmental reality.

Current law enacted by the Energy Policy Act of 2005 allows hydropower developers to propose alternatives to federal regulations. But, like all laws, it has its shortcomings because of the interpretation and implementation of complex, conflicting federal laws and regulations.

The relicensing of a hydropower dam is an opportunity to responsibly renew a clean, non-carbon-emitting, renewable energy source. It should not be a hostage-taking opportunity for federal agencies to demand a ransom to be paid to fund their wish lists, or for federal agencies to push a covert dam removal agenda by imposing conditions so onerous that hydropower licenses are surrendered instead of renewed. Regrettably, this is not hyperbole. It is happening. It is reality. And it is unacceptable.

Some utilities and organizations are fearful to even discuss real and reasonable reforms out of concern that the federal agencies will punish them. At the same time, the agencies try to take another bite out of the apple during the rare occasion they don't get what they want. Okanogan PUD in northcentral Washington is experiencing that right now with an agency that threatens to impose costly requirements not even related to dam relicensing. The end result could be a financially infeasible project that will not generate any green power at a dam that has been there for almost a century and will mean no jobs in an area with high unemployment.

We will hear today that despite its longstanding success, hydropower remains a stagnant form of energy compared to other electricity sources. That's because of lawsuits by taxpayer-funded litigants and because of single-minded resource agencies that stifle innovation and green energy growth.

Time and again, we hear of the vast potential for more hydropower development but we need to modernize and update our laws for that to be truly accomplished. The Committee has already acted on two bills and had numerous oversight hearings, but more can and will be done. Some of this may be controversial, but this debate needs to start.

Today, we are fortunate to have some of the best and brightest here today before us that can help provide a roadmap to more jobs, prosperity, green energy and environmental protection and to help bring that vision of hydropower back. I particularly want to welcome John Grubich of the Public Utility District Number 1 in Okanogan County. I look forward to his and everyone's testimony.