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Opening Statement of Chairman Tom McClintock

Subcommittee on Water and Power On Thursday, September 19, 2013 1324 Longworth House Office Building

Subcommittee on Water and Power Oversight Hearing on "Keeping Hydropower Affordable and Reliable: The Protection of Existing Hydropower Investments and the Promotion of New Development"

The Subcommittee on Water and Power meets this morning to consider what measures are necessary to restore production of cheap, clean, reliable hydropower after decades of rapacious litigation and pointless regulatory hurdles have halted development of new facilities, squandered millions of dollars of generating capacity, vastly inflated the cost of these projects and vastly inflated the price consumers are now paying every time they flip on a light switch.

The question I wish to pose to our witnesses is what changes in law do we need to make to stop this litigation and tear down these bureaucratic walls?

Here is the nub of the matter: according to the U.S. Energy Information Agency, between 2000 and 2010, the net summer capacity for hydropower remained constant at 79 gigawatts (GW). That means no net increase in hydropower capacity for a decade. THAT is a scandal. It is a tale of foolish legal hurdles erected by Congress and the courts and a dereliction of duty by those agencies within our government that are responsible for hydropower development.

Although hydropower is the cheapest form of electricity generation our technology has developed, it has been held stagnant, while infinitely more expensive generation has moved forward, at huge expense, both to taxpayers and ratepayers. If you want to know why your electricity bill is skyrocketing, you need look no farther than these misguided but deliberate public policies.

This session of the Congress has promoted new hydropower development on a limited scale. Two hydropower bills passed the house and one became law by our Committee colleague Scott Tipton. This law authorizes hydropower development at over 47,000 miles of Bureau of Reclamation conduits and streamlined the regulatory process for siting such hydropower. In Colorado alone, this measure has the potential of adding the equivalent

output of the Glen Canyon Dam. We are already hearing that this reform has produced a rush of new applications.

But this doesn't address the larger issues involving the squandering of existing resources and the de-facto moratorium on major new facilities.

For example, we are wasting millions of dollars of generating capacity on spills in the Pacific Northwest, "pulse" flows from Glen Canyon dam and the State Water Resources Control Board's move to create "dead pools" behind California's dams – all at enormous cost to consumers. For three years now, this sub-committee has repeatedly asked the Bureau of Reclamation for numbers on how much hydropower has been sacrificed, with no response.

It appears their plan is instead to force ever more onerous conservation measures on consumers, ration hydropower and even destroy productive dams while ignoring the problem of constant losses of hydropower or the fact that they have failed to increase hydropower production in a full decade. We will get a glimpse of that attitude from the minority's witness, who extols the virtues of higher-priced electricity. That means higher and higher electricity bills for families across America.

The Administration's witness touts that they are promoting hydropower at 27 projects – about 5 percent of the potential projects available. In fact, according to the 2012 report of the Oak Ridge National Laboratory, even without building a single new dam we have 12,000 megawatts of hydropower ready for development if these bureaucracies would just GET OUT OF THE WAY. That's enough for 12 million families at a fraction of the cost of gas, nuclear, wind or solar power.

The purpose of this hearing is to probe why and how we have reached this point and to receive suggestions on what can be done about it.

We have made strides with the Tipton bill being signed into law, but Congress needs to step in to protect and promote federal hydropower through measures introduced in the last Congress by Chairman Hastings. Ending the wasteful practice of spills and pulses would be a start. The simplification and streamlining of licensing – and automating the renewal of existing licenses -- would help. Consolidating authority over hydropower development into a single agency with the responsibility to increase hydropower generation would be another. Allowing hatchery fish to be used toward mitigation is yet another.

We have a choice to make. We can choose to continue the policies that have caused skyrocketing electricity bills for families, and increasingly expensive, intrusive, and disruptive attempts by government to stretch and ration the shortages that result. Or we can choose a new era of clean, cheap and abundant electricity, and an improving economy and quality of life for American families. I think it is becoming increasingly obvious to the American people which road we must take.