

Chairman Senator Joe Manchin's Opening Statement

Tuesday, January 11, 2022

Full Committee Hearing on Hydropower

- The committee will come to order.
- I'd like to start by welcoming everyone back to the committee as we begin this new year.
- This committee has done incredible work to advance priorities for our nation's energy sector and public lands over the past year.
- We kicked off the 117th Congress last year with a hearing on global climate trends that established a baseline of facts for our work to address climate change through innovation, while maintaining affordable and reliable power and American energy independence.
- What we've achieved over the past year reflects that imperative.
- We came together to develop and pass the bipartisan Energy Infrastructure Act, which has now been signed into law as part of the Infrastructure Investment and Jobs Act.
- This once-in-a-generation investment in the nation's infrastructure includes crucial funding to advance carbon capture, utilization, sequestration, and removal; hydrogen; critical minerals and battery recycling; upgrading transmission infrastructure and modernizing the electric grid; energy efficiency and weatherization; cleaning up and developing clean energy on abandoned mine lands and orphaned wells; and so much more.

- In total, the committee held 40 full committee and subcommittee hearings, as well as 10 business meetings where we reported out the energy infrastructure bill and 24 pieces of public lands legislation, and we advanced 19 of President Biden's nominees.

I look forward to another productive year ahead for this committee working together across the aisle as we have become known for, to do the important work of the American people.

- With that, I will now turn to today's hearing topic, hydropower.
- Hydropower is one of the oldest sources of power generation in the country, and until 2019, it was also the largest source of renewable generation.
- In 2020, hydropower provided over 7% of the total U.S. electricity generation, coming in fifth behind natural gas, nuclear, coal, and wind.
- Unlike most other renewable energy resources, hydropower generation provides baseload electricity.
- It's also flexible which means that the generation capacity is available when we need it, and it has the ability to respond to changing grid conditions and adjust output accordingly.
- That makes hydropower unique and valuable for maintaining grid reliability as more intermittent resources come online.
- Given the baseload attributes of hydropower, we need to make sure our existing capacity remains operational.

- Much of the nation's hydropower is generated at large, federal dams operated by the U.S. Army Corps of Engineers and the Bureau of Reclamation.

I'm pleased we have the Commissioner of Reclamation, Camille Touton here to discuss how Reclamation, as the second largest hydropower producer, is tackling this challenge.

- One of the greatest challenges for non-federal hydropower operators is the extensive costs of upgrades and improvements that many facilities need in order to be brought in line with federal standards.
- Between now and 2030, 281 facilities that represent nearly 14 gigawatts of hydropower generation and pumped storage hydropower capacity are up for FERC relicensing, which is close to a third of all U.S. non-federal hydropower capacity.
- Between low hydroelectricity prices and the high capital costs of maintenance and retrofits required for relicensing, there is a real possibility that many of these plants could face closure.
- A 2021 report from the Department of Energy cited costs of necessary upgrades and improvements as a leading factor in many operators' decisions to surrender their licenses.
- The bipartisan infrastructure bill that President Biden signed into law in November made a historic investment in new and existing incentives for new hydropower production, efficiency upgrades, and infrastructure and environmental improvements.

- The bill also included \$8.2 billion for western water infrastructure at the Bureau of Reclamation, which included investments in aging infrastructure and hydropower facilities.
- These resources will help to ensure that we keep vital hydropower capacity online.

I know agencies are only beginning to get these resources out the door, but I look forward to hearing from our panel about how they view this investment.

- Finally, in addition to maintaining our existing hydropower, most of which is located in the West, we also have an opportunity to develop new hydropower generation and pumped storage hydropower resources in the West and in other regions.
- Less than 3% of the dams in the U.S. produce power, leaving thousands that were built for flood control or irrigation that could be retrofitted for hydropower, including several that the Army Corps has identified in West Virginia.
- In 2012, Oak Ridge National Laboratory did an assessment of nonpowered dams in the U.S. and determined that there is at least 12 gigawatts of untapped hydropower potential.
- Development of non-powered dams and new pumped storage hydropower systems can support additional intermittent renewable generation and create many new, well-paying jobs.

- So, I look forward to hearing from our witnesses today about the need to maintain and grow this very valuable resource, and the challenges we face in doing so.
- With that, I will turn to Senator Barrasso for his opening remarks.