

**Opening Statement of the Honorable Fred Upton
Subcommittee on Energy
Hearing on “Modernizing Energy Infrastructure:
Challenges and Opportunities to Expanding Hydropower Generation”
March 15, 2017**

(As prepared for delivery)

Today’s hearing – “Modernizing Energy Infrastructure: Challenges and Opportunities to Expanding Hydropower Generation” – continues this Committee’s efforts to examine what we need to do to keep our infrastructure the best in the world.

I want to start by thanking the witnesses for appearing before us today. Their testimony will give us a better understanding of the current state of hydropower in the U.S. so that we can identify ways to improve the regulatory process, modernize our aging infrastructure, and ensure consumers continue to have access to reliable and affordable electricity produced from hydropower.

Our hydropower fleet is aging. Hydropower plants are among the oldest power plants in the United States. In fact, according to the Energy Information Administration, the average hydropower facility has been operating for 64 years and the 50 oldest electric generating plants in the United States are all hydropower; each has been in service since 1908. As a result, more than 500 projects – representing about 50% of non-federal hydropower licenses – will begin the relicensing process before 2030.

The regulatory environment for hydropower has become increasingly challenging. Licensing new hydropower facilities and relicensing existing facilities requires extensive consultation with multiple Federal, State, and local government entities. The process takes years and costs tens of millions of dollars. As a result, needed investments are too often discouraged or unnecessarily delayed. In some cases, the costs to modernize or meet environmental objectives outweighs the potential economic benefits of continued operation and the plants have to be shut-down. In many ways, licensing challenges are limiting hydropower’s potential.

With sound policy and smarter regulations, hydropower could have a very bright future. Hydropower is the nation’s number one renewable, producing electricity with negligible emissions. Today, it’s responsible for providing 7% of the nation’s

total energy needs. With continued technological advancements and smarter regulations, hydropower generation could expand by an additional 50% by 2025.

There are things Congress could do to maximize hydropower's potential. This Committee advanced legislation last Congress that would improve the licensing process, promote efficiency improvements, and encourage pumped-storage and development of non-powered dams. While we were not able to agree on the hydropower reform package in the context of the big energy bill, significant progress was made and I am hopeful that we'll be able to deliver this time around.

Hydro is clean, affordable, and reliable. Updating and modernizing hydropower infrastructure will incentivize economic development, create jobs, and strengthen our energy security. I look forward to working with all my colleagues to bring more hydro to the nation. Thank you.