



New Hydropower Workshop: Proposed FERC Changes

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Overview

- Several tracks of improvements
 - FERC Licensing (TLP & ILP)
 - FERC Exemptions
 - Conduit (<15 MW for non-municipal; <40 MW for municipal projects)
 - Small Hydropower Projects (< 5 MW at existing dam, natural water feature, or existing project)
- Regulatory Changes
 - Require formal rulemaking by FERC
 - Goal of changes is to achieve a process that fosters small hydro development in a responsible manner → recognize economics and benefits of small hydro, while maintaining appropriate environmental protections
- Process / Policy Changes
 - Do not require formal rulemaking by FERC
 - Near-term implementation would facilitate a smoother regulatory process

FERC Policy / Process Improvements

- Update Small Hydro Licensing Handbook (and other materials)
 - Provide enhanced educational tools and increased outreach to developers and stakeholders to facilitate the regulatory process
 - Provide clarification on definitions, increased flexibility and expedited processing for exemptions
- Move applications online
 - Provide online application processes and monitoring capabilities for new permit, license and exemption proceedings
 - Provide online application and monitoring processes for amendments to licenses and exemptions
- Negotiate and implement revised MOUs with other agencies relating to the regulatory process for small hydro
- Establish a demonstration/pilot process for new small, low-head or conduit technologies

FERC Policy / Process Improvements

- Other ideas:
 - Establish the TLP as the default licensing process for small hydro, OR give developers the ability to select the TLP (without Commission approval)
 - Develop categorical environmental analyses under NEPA for certain types of new hydropower technologies
 - Allow temporary sale of electricity during testing or pilot project phases
 - Enhanced coordination with other Federal agencies that have mandatory conditioning authority under the FPA to raise awareness of benefits of small hydro
 - Enhanced coordination with state resource agencies and FERC's licensing / exemption processes
 - Clarify types of non-operational changes that can be made at non-jurisdictional projects without triggering FERC jurisdiction under the FPA

Regulatory Changes: FERC Licensing

- Coordination between preliminary permit and ILP process
 - Tweak ILP where possible within statutory bounds OR
 - Designate use of the TLP as an option, without requirement of Commission approval
- Develop and implement a smarter and more efficient process for authorizing power generation at existing non-powered dams
 - Goal is to shorten licensing time period from 5-6 years to 2-3 years
 - Focus streamlined process on sites where the application is not opposed and environmental issues are minimal
- Develop and implement a streamlined process for approval of “non-capacity” amendments and certain “capacity” amendments and enlarge the definition of “non-capacity” related amendment
 - Define list of amendments allowed within specified time periods where such changes are not opposed and do not raise environmental issues

Regulatory Changes: FERC Exemptions

- Develop and implement an automatic approval process for unopposed exemption applications that meet certain specified criteria
 - For exemption (conduit and small hydro) applications that are not opposed, provide for the exemption to be deemed granted within 45 days after the notice period expires, unless the Commission issues an order to the contrary
- Modify the definitions for conduit exemption to the extent not modified through a clarification or policy statement
 - Some crossover with process / policy changes potentially
 - Goal is to adapt the language of the conduit exemption to match the reality in many irrigation canals and other conduits, where the primary points for energy recovery are associated with existing drops, weirs, check structures, etc.
 - Current language causes confusion about whether an installation that attaches to an existing drop structure in an existing conduit or canal will qualify for the conduit exemption because the definition includes the qualifying phrase “any facility, not including any dam or impoundment”

Additional Regulatory Changes

- Establish a procedure by which power may be sold from a small hydro development under a pilot process before completion of the licensing proceeding.
- Review study requirements for small hydro to determine if there is a less burdensome way to obtain necessary environmental data prior to regulatory approvals.
- Evaluate alternatives to protection, mitigation, and enhancement measures for a small hydro license or exemption that would better control costs while fulfilling environmental responsibilities.
- Enhance the ability of small hydro projects to obtain access to markets and interconnects to the interstate grid.

THANK YOU