

**Statement of Congressman Scott Tipton**  
**September 19<sup>th</sup>, 2012**  
**Before the Senate Subcommittee on Water and Power**  
**Legislative Hearing on H.R. 2842, the “Bureau of Reclamation Small Conduit Hydropower**  
**Development and Rural Jobs Act of 2012”**

Thank you, Chairwoman Shaheen and \_\_\_\_\_ for convening today’s hearing on my bill, H.R. 2842, the Bureau of Reclamation Small Conduit Hydropower Development Rural Jobs Act.

At a time when our country needs to focus on domestic energy production and job creation, hydropower can play a critical role in providing clean renewable electricity while expanding job opportunities in rural America.

Hydropower is the cheapest and cleanest source of electricity available through modern technology. According to the Energy Information Administration, it’s the highest source of non-carbon emitting energy in the world and accounts for approximately 70% of the United States’ total renewable electricity generation, making it the leading renewable energy source of power. My home state of Colorado has hydropower, but there’s still enormous opportunity for new hydropower development at existing facilities. Canals and pipelines in the State, if developed, can generate as much power as the Glen Canyon Dam – enough emissions-free power for a million homes.

Increased conduit hydropower serves a number of purposes: it produces renewable and emissions-free energy that can be used to pump water or sell electricity to the grid; it can generate revenue for an irrigation district to help pay for aging infrastructure costs and facility modernization; and it can create local jobs and generate revenue to the federal government. It’s as simple, as this poster demonstrates; as easy as putting in a portable generator into moving canal water.

What’s stopping this low-hanging fruit from being picked? We are -- by allowing the federal regulatory framework to stifle development and entrepreneurial spirit. For this reason, I introduced my bipartisan legislation, The Bureau of Reclamation Small Conduit Hydropower Development and Rural Jobs Act.

This legislation authorizes power development at the agency’s conduits to clear up multi-federal agency confusion and duplicative processes and reduces the regulatory costs associated with hydropower development.

This legislation seeks to remove duplicative environmental analysis where doing so will considerably reduce costs for hydropower developers while retaining the level of analysis necessary to protect valuable natural resources. Under existing regulations, even though Bureau of Reclamation conduit hydropower units would already be on disturbed ground within existing man-made facilities such as those in these posters have already gone through federal

environmental review, another National Environmental Policy Act -- or NEPA -- analysis must still be done.

As an example, the House Natural Resources Committee heard from an Arizona witness who wanted to install 15 hydropower units on a federal canal that had already gone through NEPA. The cost of installing each turbine would have been \$20,000, but going through the additional NEPA review would have cost \$50,000 each, according to his testimony. That cost, according to this chart, is two and a half times the installation cost, making it cost prohibitive for the irrigation district. This simply makes no sense, but I understand that there are some concerns with the wording of these provisions in my bill and I am willing to work with you on resolving these concerns.

The legislation also substantially reduces administrative costs. Instead of the current process where the Bureau of Reclamation must painstakingly analyze each and every proposal for development, the bill gives the first development right to the entity/entities operating and maintaining the federal conduit. Most Reclamation irrigation and water supply projects have an arrangement where operation and maintenance activities are transferred to the local beneficiary as a way to reduce paperwork and other costs. The rationale for the legislation's right of first refusal provision is that the non-federal operator knows the details of the facility and is locally invested into the project. This provision would significantly decrease conduit hydropower planning costs.

The bill also protects water users by specifically re-affirming hydropower development as secondary to water supply and delivery purposes and ensuring that there will be no financial and operational impacts to existing water and power users.

I'm proud to have the support of the Family Farm Alliance, the National Water Resources Association, and the American Public Power Association, among others. If enacted, this legislation will jumpstart conduit hydropower development at the Bureau of Reclamation's facilities while supporting the creation of badly needed rural jobs. I stand ready to work with the Committee on making this bill a public law reality.

Thank you, Madame Chairwoman.