



H.R. 2842 (TIPTON, R-CO) TO AUTHORIZE ALL BUREAU OF RECLAMATION CONDUIT FACILITIES FOR HYDROPOWER DEVELOPMENT UNDER FEDERAL RECLAMATION LAW

The Bureau of Reclamation is the largest wholesale water supplier in the nation, operating 348 reservoirs with a total storage capacity of 245 million acre-feet of water. These reservoirs provide irrigation water to 10 million farmland acres through hundreds of miles of canals. There has been some interest in developing small-conduit hydropower at Reclamation water canals and pipelines.

H.R. 2842 would amend the Reclamation Project Act of 1939 to allow for the development of small conduit hydropower (1.5 megawatts or less) at Bureau of Reclamation facilities. Developers must use the Lease of Power Privilege (LOPP) process in order to develop hydropower at Reclamation facilities where hydropower is an authorized use.

H.R. 2842 would:

- Amend the LOPP, as authorized in the Reclamation Project Act of 1939, to authorize the development of small conduit hydropower at Reclamation project facilities.
- Specify that all Reclamation conduits would fall under the LOPP process, instead of determining if it may qualify under the Federal Energy Regulatory Commission (FERC) process as is sometimes done under current law.
- Designate the Reclamation Power Resources Office as the lead office for any small conduit hydropower activities. Small conduit hydropower projects are defined as projects producing 1.5-megawatt or less.
- Require that, in developing small conduit hydropower, the Secretary must first offer the LOPP to the irrigation district or municipality that currently operates the project.
- Provides safeguards for existing project users explicitly stating that hydropower development is secondary to the authorized project purposes, and that no financial and operational costs will be incurred by existing water and power users. The Power Marketing Administrations are not obligated to purchase or market the power produced.
- Gives Reclamation the authority to develop small conduit hydropower, but does not provide a process to do so.

H.R. 2842 would be non-controversial, if did not include a controversial provision that completely waives National Environmental Policy Act (NEPA) compliance for small hydro projects- which is different from a categorical exemption under NEPA. Such categorical exemptions are given by the appropriate federal agency only after they have met the statutory and regulatory criteria and do not have the potential for significant environmental impacts.

Proponents of the legislation argue that NEPA compliance for small conduits hydropower is unnecessary and hinders developers from pursuing small conduit hydropower projects. Opponents argue that the existing process which allows federal agencies to grant categorical exemptions is working and that there is no need for a blanket exemption to NEPA to be adopted.