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June 20, 2024

The Honorable Rep. Greg Vitali
Chair
Pennsylvania House of Representatives
Committee on Environmental Resources and
Energy
Harrisburg, PA 17120.

The Honorable Rep. Martin T. Causer
Republican Chair
Pennsylvania House of Representatives
Committee on Environmental Resources and
Energy
Harrisburg, PA 17120.

Re: HB 2277 – The Pennsylvania Reliable Energy Sustainability Standards Act.

Dear Chair Vitali, Chair Causer, and Members of the Committee,

The Low Impact Hydropower Institute (LIHI) commends the ongoing work on HB 2277 – ‘The Pennsylvania Reliable Energy Sustainability Standards Act’ (HB 2277). This bill contains important and strategic provisions that will help expand a diversified portfolio of clean energy generation in Pennsylvania, bring billions of dollars in private capital investment in the state, create tens of thousands of jobs, lower utility bills for customers, and take concrete actions to address carbon pollution. This bill builds on the current Alternative Energy Portfolio Standard (AEPS) to not only raise the target for the cleanest energy projects in Tier I and Tier II but also retain in its core reliable baseload resources such as hydropower, especially those that foster resilient ecosystems and serve communities. Over the last two decades, LIHI has had the honor to assist AEPS implementation through supporting low-impact hydropower. LIHI appreciates the continued thoughtful consideration of low-impact hydropower in HB 2277. This timely bill will deliver real benefits to Pennsylvanians and LIHI encourages the Committee on Environmental Resources and Energy to support HB 2277.

LIHI is a national 501(c)(3) organization that was established in 1999 with a mission to recognize and support hydropower that prioritizes environmental, recreational, historical, and cultural resource protection.¹ Since its inception, LIHI has served as a unique bridge between the hydropower industry and the environmental community to foster projects that avoid or significantly reduce their socio-environmental impacts and that invest in river stewardship beyond regulatory compliance. In the United States, LIHI offers the *only* science-based Low Impact Certification Program² for hydropower projects, regardless of their size or regulatory status. Since 1999, LIHI has independently reviewed and certified over 300 hydropower facilities in 24 states and 101 rivers based on eight Low Impact Hydropower Criteria.³

In Pennsylvania, the legislature and the Public Utilities Commission have relied on the Low Impact Certification by LIHI to assess hydropower’s eligibility as a Tier I ‘alternative energy

¹ Low Impact Hydropower Institute. About us. Available at: <https://lowimpacthydro.org/about-us-2/>

² Low Impact Hydropower Institute. Criteria & Standards. Available at: <https://lowimpacthydro.org/criteria-standards/>

³ Low Impact Hydropower Institute. Criteria & Standards. Available at: <https://lowimpacthydro.org/criteria-standards/>



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source' since the enactment of the Alternative Energy Portfolio Standards Act in 2004. Hydropower plays a key role in advancing Pennsylvania's diversified, clean energy goals: it provides reliable baseload generation and supports the integration of intermittent renewables. At the same time, hydropower can have serious impacts to rivers and the people, fish, and wildlife that depend on them. Recognizing the unique challenges and impacts of hydropower operations, the Pennsylvania legislature requires hydropower projects to demonstrate socio-environmentally responsible operations by meeting the LIHI Certification Program standard to receive benefits as a Tier I resource.⁴ As of 2024, about a third of all installed hydropower capacity in Pennsylvania was LIHI Certified[®] and according to the latest AEPS compliance report for the reporting year 2022-23, *nearly half* of all existing capacity of AEPS certified and active hydropower facilities (excluding pumped storage) was LIHI Certified⁵ illustrating its importance in advancing the state's clean energy goals.

HB 2277 retains the definition of 'Low-impact hydropower' and includes this resource as a 'Tier I PRESS energy source,'⁶ a provision that is more important than ever to incentivize enhanced socio-environmentally performing hydropower. The hydropower fleet in Pennsylvania is aging,⁷ and out of the 26 existing hydropower projects in the state, 12 are coming up for relicensing by 2035 under the Federal Energy Regulatory Commission's (FERC) jurisdiction and 8 have a lifelong FERC exemption.⁸ Retaining the existing requirements for Tier I 'Low-impact hydropower' will provide these existing projects the necessary support to remain economically viable and to finance critical upgrades, especially as they contemplate relicensing, while holding these projects accountable to continually protect and invest in the region's fragile ecosystem through the LIHI Certification process. Notably, LIHI Certified[®] projects typically demonstrate additional accountability and voluntary actions that benefit the environment and local communities. For example, two LIHI Certified[®] facilities in Pennsylvania have undertaken additional measures to safeguard water quality, cultural and historic resources, and the regional watershed; these same projects have been selected as recipients of the U.S. Department of Energy's Section 242 Hydroelectric Production Incentive Program.⁹ For existing hydropower projects, then, HB 2277's requirements can also open doors for additional funding. Relatedly, HB 2277's requirements for Tier I 'Low-impact hydropower' are also important for the future: the Pennsylvania Public Utilities Commission's and the Pennsylvania Department of Environmental Protection's estimate that the state has the potential to add more than 600 MW of new

⁴ Alternative Energy Portfolio Standards Act of 2004, P. L. 1672, No. 213, Section 2, "Tier I alternative energy source"

⁵ Pennsylvania PUC and Pennsylvania Department of Environmental Protection, Alternative Energy Portfolio Standards Act of 2004, Compliance for Reporting Year 2022-2023, see Table 5, p. 53.

⁶ HB 2277, Section 2. See definitions for 'Low-impact hydropower' and 'Tier I PRESS energy source.'

⁷ Pennsylvania PUC and Pennsylvania Department of Environmental Protection, Alternative Energy Portfolio Standards Act of 2004, Compliance for Reporting Year 2022-2023, p. 29.

⁸ See Pennsylvania PUC and Pennsylvania Department of Environmental Protection, Alternative Energy Portfolio Standards Act of 2004, Compliance for Reporting Year 2022-2023, see Table 5, p. 53.

⁹ U.S. Department of Energy, Grid Deployment Office, Hydroelectric Incentives Program. Available at: https://www.energy.gov/sites/default/files/2023-12/120823%20DOE_GDO_Updated_Hydroelectric_Production_Incentives_242_Fact_Sheet.pdf



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hydropower, particularly on non-powered dams,¹⁰ and HB 2277 can incentivize this development to occur in a socio-environmentally responsible manner.

LIHI strongly supports HB 2277 as this bill will spur rapid development of diverse clean energy resources, promote economic growth, and deliver real benefits to Pennsylvanians in the form of lower electricity bills, more jobs, and a cleaner, healthier environment. LIHI especially supports HB 2277's thoughtful approach towards the inclusion of only hydropower that demonstrates low-impact operations on an ongoing basis as a 'Tier I PRESS energy resource.' HB 2277's approach to continue to recognize and reward low-impact hydropower projects will be key to not only achieve the state's clean energy goals but also safeguard communities and make the ecosystem more resilient in the face of climate change.

Thank you to the Committee on Environmental Resources and Energy for considering these comments. LIHI is available to answer any questions and eager to assist in supporting hydropower projects that put people and the environment first.

Sincerely,

/s/Surabhi Karambelkar
Surabhi Karambelkar
Policy Director

/s/Shannon Ames
Shannon Ames
Executive Director

¹⁰ Pennsylvania PUC and Pennsylvania Department of Environmental Protection, Alternative Energy Portfolio Standards Act of 2004, Compliance for Reporting Year 2022-2023, p. 29.