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Shannon Ames, Executive Director
Low Impact Hydropower Institute
329 Massachusetts Ave, Suite 6
Lexington, MA 02420

RE: The Nature Conservancy's comments on the Low Impact Hydropower Institute's (LIHI) proposal to expand eligibility to new dam construction

Dear Shannon,

Thank you for the opportunity to review and provide comments as LIHI considers whether or not to expand eligibility of the certification program to new construction of conventional hydropower dams.

The Nature Conservancy (Conservancy) is a science-based conservation organization working in all 50 states and over 70 countries to 'conserve the lands and waters on which all life depends.' We recognize the urgent need to invest in low-GHG energy sources to minimize the significant threats of an already changing climate on communities around the world. We also recognize the urgency to ensure that rapid renewable energy deployment is undertaken in a way that avoids and minimizes impacts to the lands and waters that sustain our global biodiversity and the many ecosystem services that they provide. In support of this priority, it has been our privileged to participate on LIHI's Governing Board for more than a decade, and to support on the ground initiatives to advance the use of LIHI certificates in state regulatory and voluntary renewable energy standards and related markets.

Summary of our understanding of the proposal to expand eligibility to include new construction

Current eligibility is limited to (1) hydropower dams that were constructed before 1998, and (2) new incremental hydro on existing dams or conduits. LIHI proposes to change the current eligibility date from September 1998 to a rolling date of, 'in service for 5 years prior to the date of initial application.' Our understanding that that this proposal was made to address a two-part need;

- First, to remain relevant in both the voluntary market (Green-e and EPA's Green Power Partnership) and in some state compliance markets, and
- Second, to keep pace with advancements in the design of new dams and diversion designs and technologies that could result in a 'net benefit' to river health.

Specific comments on the proposal

The Conservancy offers the following specific comments, following LIHI's two-part rationale for proposing the program changes;

- 1. Relevance in voluntary and regulatory markets.** We value the role of a LIHI certificate in voluntary and regulatory markets, specifically, that the demand for certificates and the success of the broader program sends a clear signal that hydropower that meets environmentally and socially preferable criteria is valued differentially than hydropower that does not. Currently, LIHI is the only organization that provides this service. The Conservancy has actively supported the inclusion and retention of LIHI certification as a requirement for regulatory and voluntary renewable portfolio compliance in order to support this differentiation.

At this time, based on the information provided, we do not support the idea of a rolling 5-year cutoff date. Rather than introducing a rolling 5-year cut-off, we recommend moving the cutoff date from September 1998 to September 2008. Based on the information that has been shared, we hope this will meet LIHI's identified need to remain relevant in voluntary and regulatory markets, while addressing outstanding uncertainty on the proposal. Our rationale for this recommendation is as follows;

- The 1998 cutoff date has been in place, providing consistent assurance the LIHI certificate will not encourage new dam development, since the organization's inception. A 10-year shift will allow for a paced evolution to give the organization an opportunity to gather additional data and underlying support for both the benefits of, and necessity for a future change, in meeting LIHI's mission. Based on our understanding, moving the cut-off date from 1998 to 2008 date would;
 - allow for continued relevance in the voluntary market of Green-e and EPA GPP programs through 2023 at which time LIHI can revisit and propose changes supported by evidence of the need and benefits to the mission from doing so.
 - Provide a 10-year window for assessing post-construction project effects for newly eligible projects constructed between 1998 and 2008.
- With or without the proposed change in eligibility, incremental hydropower on nonpowered dams and conduits will still qualify for Green-e. Today, Green-e eligibility does not include facilities with new water storage.

Before making the proposed change, we would also recommend consulting with state resource agencies where newly eligible facilities were constructed (e.g. Alaska) and obtaining a letter of support, acknowledging their desire for, and the potential river and related-resource benefits of LIHI expanding eligibility to formerly ineligible facilities in their state. We would recommend that this support be made publicly available.

- 2. Keeping pace with advancements in new dams and diversions that could, 'improve river environments while providing additional hydropower supply.'** The Conservancy is optimistic about the advances in low-impact renewable energy planning and design and their potential to deliver better and more expedient provision of energy and natural resources – rivers, forests, deserts and oceans. However, we have not seen evidence of a new hydropower dam technology or project that has demonstrated a net benefit relative to the goals of LIHI's eight criteria.

Further, it is fair to say that the U.S., with more than 90,000 dams greater than 3 m tall, has transitioned from an era of dam construction to one dam removal, with more than 80 dams being removed per year to restore public safety, recreation and ecological benefits.

Certification of system-scale projects. Along those lines, we do see a promising opportunity for LIHI to institutionalize certifications for system-scale or watershed approaches to hydropower siting and barrier removal. While the net-benefit of a hydropower facility at an individual scale has not been demonstrated, we do have examples of net-benefit at a system or watershed scale. For instance, LIHI has already provided individual certifications for many of the facilities that are part of the watershed-scale Penobscot River Restoration Project¹. We see an opportunity to use this as a case-study to demonstrate a tangible approach and vision for assessing net-benefit across LIHI's criteria.

Demonstrating ecological and social benefits of current certificates. Related to the demonstration of net-benefit, it will be helpful for LIHI to first demonstrate and publicly share how the benefit of an individual certificate is assessed, now.

Additional criteria. Further, in order to address issues necessary to minimize the environmental and social impacts of new infrastructure, any future proposal to incorporate new hydropower dams should be accompanied by additional criteria that cover the costs/benefits of hydropower, for example; (1) GHG emissions reductions; (2) basin context – the facility should be sited to maximize use of existing infrastructure and minimize impact to environmental and social resources, and if possible, be part of a basin-scale management strategy; (3) irreplaceable resources – some rivers or river segments are not appropriate for new infrastructure development; (4) sediment regimes – this is not included in the revised criteria and would be needed to assure new on-stream hydro does not significantly impair sediment processes critical to river health, (5) significant new infrastructure – features necessary to operate and maintain the new facility, such as roads and transmission lines, should be reviewed for consistency with LIHI's program goals.

Again, we deeply appreciate the opportunity to comment on the proposed changes to LIHI's eligibility criteria and welcome any follow-up questions and conversation. After reviewing public comments, we'd request that LIHI share an outline of their decision process moving forward as well as electronic or online copies of the public comments submitted in response to this proposal.

Sincerely,



Tara Moberg
Senior Freshwater Conservation Advisor, North America Energy & Infrastructure

Cc: Nels Johnson, Director, North America Energy & Infrastructure

¹ <https://www.nrcm.org/projects/waters/penobscot-river-restoration-project/>