LOW IMPACT HYDROPOWER INSTITUTE

68 Harrison Ave, Ste 605, PMB 113938 | Boston, MA 02111
www.lowimpacthydro.org

March 14, 2025

The Honorable Sen. Janeen Sollman
Chair
Senate Committee on Energy and Environment
Oregon State Legislature
900 Court St. NE,
Salem, Oregon – 97301.

The Honorable Sen. David Brock Smith
Vice Chair
Senate Committee on Energy and Environment
Oregon State Legislature
900 Court St. NE,
Salem, Oregon – 97301.

Re: Testimony of the Low Impact Hydropower Institute Opposing SB 634: Relating to the Use of Hydroelectric Energy to Comply with a Renewable Portfolio Standard; Declaring an Emergency.

Dear Chair Sollman, Vice Chair Smith, and members of the Senate Committee on Energy and Environment,

The Low Impact Hydropower Institute (LIHI) appreciates the opportunity to provide written testimony on SB 634: Relating to the use of hydroelectric energy to comply with a renewable portfolio standard; declaring an emergency (SB 634). **LIHI opposes the changes proposed by SB 634 regarding hydropower's eligibility in the Oregon Renewable Portfolio Standard (RPS) since these changes would undermine public interest and safety, impair environmental protection, and threaten the integrity of the Renewable Energy Credit (REC) market.**

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 Program[2] for hydropower projects, regardless of their size or regulatory status. Recognizing the unique challenges and impacts of hydropower operations, several states—including Oregon—use LIHI Certification to verify hydropower facilities' responsible operational practices and to assess their eligibility for state RPS programs.[3] 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. This includes several hydropower projects in Oregon that annually generate over 2400 Gigawatt-hours of renewable electricity.[4]

[1] Low Impact Hydropower Institute. About us. Available at: https://lowimpacthydro.org/about-us-2/
[2] Low Impact Hydropower Institute. Criteria & Goals. Available at: https://lowimpacthydro.org/certification-program/
[3] LIHI Certification is used as a criterion for determining hydropower's eligibility in state RPS programs in Oregon, Massachusetts, Vermont, Pennsylvania, and Delaware. Criteria similar to LIHI Certification are also included in Utah, Ohio, and New Jersey's RPS programs.
[4] Low Impact Hydropower Institute. Low Impact Certifications and Pending New Applications. Available at:

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Oregon's current RPS statute strikes a critical balance in recognizing the important contribution of hydropower in advancing the state's climate goals, while ensuring that eligible projects promote environmental stewardship.[5] Indeed, hydropower can provide reliable generation and support the integration of intermittent renewables; yet, hydropower can have serious impacts to rivers and the people, fish, and wildlife that depend on them. To ensure that only socio-environmentally high-performing projects receive additional incentives from RPS participation, Oregon's current RPS statute includes common-sense and necessary eligibility requirements for hydropower—such as ensuring that they are not located on ecologically protected areas, areas protected under the federal Wild and Scenic Rivers Act or the Oregon Scenic Waterways Act, and for projects built before 1995, that they are certified low-impact.[6] These requirements have been widely supported since the creation of the Oregon RPS program.

SB 634 removes all requirements for hydropower's eligibility in the RPS program with the detrimental outcome of allowing any hydropower project to qualify for RPS benefits notwithstanding a project's safety, community, and environmental impacts. In Oregon, climate change and the mounting pressures on river systems have already highlighted the growing tensions between power generation and ecosystem health.[7] Consequently, it is important now more than ever to ensure that hydropower operations protect rather than harm communities, Tribes, and the local ecosystem. Instead, SB 634's blunt approach will do the opposite by removing any opportunity to provide oversight over hydropower's participation in the RPS and allow even projects with safety concerns and those that harm communities and local river systems to be rewarded through the RPS program.

Furthermore, **by allowing any hydropower to qualify for the RPS, SB 634 may create the unintended outcome of undermining the integrity and value of the REC market by flooding the market with a large volume of hydropower**, given that it is a dominant energy generating source in Oregon[8] and the Pacific Northwest. This, in turn, could potentially crowd-out investments in other renewables, including solar and wind. **Weakening the RPS eligibility requirements could also negatively impact the economics of hydropower projects that currently participate in the RPS program, and critically, disincentivize these projects from continuing innovations and investing millions of dollars in funding that directly benefit Oregon's local ecosystems and communities.[9]**

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https://lowimpacthydro.org/map/

[5] See, https://www.oregonlegislature.gov/bills_laws/ors/ors469A.html

[6] See generally, ORS 469A.020 and 469A.025, https://www.oregonlegislature.gov/bills_laws/ors/ors469A.html

[7] See, https://oregoncapitalchronicle.com/2024/07/12/army-corps-misses-key-deadline-to-report-to-congress-on-ending-willamette-hydropower-to-save-salmon/

[8] See, https://www.eia.gov/state/print.php?sid=OR

[9] For example, one LIHI Certified® hydropower project that participates in Oregon's RPS program developed and patented an innovative fish screening system that is now available to others; this same project made financial contributions to support the development of a local watershed action plan. In another example, a LIHI Certified® project that participates in Oregon's RPS program contributed millions of dollars to a fund that was used to mitigate the project's impacts to wetlands, terrestrial and aquatic species' habitats, and soil loss and soil productivity.

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Oregon's RPS program provides critical incentives for supporting renewable energy projects. Any project that qualifies for the RPS should ultimately deliver benefits to the public; projects should only be paid more for doing more for public safety and environmental stewardship. Consequently, as the legislature contemplates potential changes to the RPS to support hydropower, it will remain critical to retain the current RPS hydropower eligibility requirements that protect local communities and the region's fragile ecosystem rather than remove them in their entirety as envisioned under SB 634. Simply put, **the proposed changes to hydropower eligibility requirements under SB 634 should not be supported.**

Thank you to the Senate Committee on Energy and Environment for considering LIHI's testimony. LIHI is eager to assist in developing policy alternatives to support hydropower projects that put people and the environment first.

Sincerely,

/s/Surabhi Karambelkar
Surabhi Karambelkar
Policy Director

/s/Shannon Ames
Shannon Ames
Executive Director