A landmark study by Oak Ridge National Laboratory of U.S. hydropower potential found 12,000 MW of untapped renewable energy capacity at existing, non-powered dams. The National Hydropower Association estimates that converting these structures to electricity-generating facilities could create hundreds of thousands of jobs and power 12 million homes.

Key Provisions

- **Non-powered Dams and Pumped Storage**: Directs the Federal Energy Regulatory Commission (FERC) to explore a potential two-year licensing process for hydropower development at existing non-powered dams and closed-loop pumped storage projects.

- **Small Hydro**: Increases the FERC small hydro exemption from 5 to 10 MW.

- **Conduit Hydro**: Removes conduit projects 5 MW and under from FERC jurisdiction while preserving public review and increases the FERC conduit exemption to 40 MW for all projects.

- **Preliminary Permits**: Authorizes FERC to grant developers preliminary permit extensions to allow continued site investigation and license preparation work for projects that are proceeding in good faith and with reasonable diligence.

- **Studies**: Directs the Department of Energy to study pumped storage project opportunities to support integration of intermittent renewable resource development and provide grid reliability benefits, as well as a study of hydropower potential from existing conduits.

Jan. 2013 - Bill introduced by Reps. Cathy McMorris Rodgers (R-WA) and Diana DeGette (D-CO)
Feb. 13, 2013 - House approves the bill unanimously, 422-0
May 2013 - Senate Energy Committee unanimously clears reports bill
Aug. 9, 2013 - President Barack Obama signs the bill into public law (113-23)
Enactment of H.R. 678 into public law authorizes small conduit power project (5 MW and under) on Reclamation-owned infrastructure, while providing irrigation districts and water users associations the first right to develop the projects. The law also reinforces the water supply priority for Reclamation facilities used for hydropower development.

Additionally, it directs Reclamation to use its National Environmental Policy Act categorical exclusion process for small conduit applications and grandfathers existing FERC conduit applications on Bureau facilities.

"The enactment of this legislation underscores our efforts to develop renewable energy on canal and conduit sites managed by Reclamation across the west. This unlocks the door to developing new sources of energy at hundreds of our facilities across the West while creating new jobs at the same time." – Michael Connor, Commissioner, Bureau of Reclamation

The Bureau of Reclamation identified 103,628 kW of potential capacity, and 365,218,846 kWh of potential annual generation on 373 Reclamation conduit sites located in 13 western states in a report released in 2012.

The annual generation from those sites could provide over 30,000 American homes with access to low-cost, reliable hydropower.