Executive Director’s Review

1996 was a tremendous year, both for NHA and hydropower. NHA led the way, scoring highly visible successes on Capitol Hill and before the federal regulatory agencies. As a result, hydropower is now working more closely than ever with decision-makers on all levels to build solutions to the concerns facing our industry.

One of the year’s highlights was NHA’s success in building Congressional awareness of the importance of hydropower issues as we move toward restructuring. As a result of NHA’s efforts, Congress has now agreed to hold oversight hearings to address our concerns, and provided another year of funding for the Advance Hydro Turbine Research Project. The NHA Policy Forum, which was held this December in Keystone Colorado, served as a springboard for the development of specific, consensus-based solutions to the issues facing hydro.

NHA has also worked aggressively to develop support for the hydro relicensing reform proposal. In late November, the FERC issued a NOPR on NHA’s proposal signaling its desire to move forward with streamlining the relicensing process and reducing the regulatory burden on hydro in preparation for competition. Several key members of Congress have come on board, offering strong support for our initiative. Meanwhile, NHA has worked to educate state governors on the difficulties presented by a two-tier regulatory scheme, while reminding regulators that implementation of the NHA proposal will not restrict state authority under the Tacoma decision.

NHA’s efforts have also resulted in increased support for hydro issues and decision-makers are looking closely at restructuring, its impact on hydro, and strategies that will ensure that hydro remains a viable part of our nation’s energy mix.

We also continue to reach out aggressively to build public awareness of the advantages of hydropower. As a result, NHA has placed information with influential organizations throughout the country, including key educational and policy institutions. Meanwhile, NHA has enhanced our efforts to develop key strategic alliances with organizations that recognize the benefits of hydropower.

The past year has been one of outstanding progress at NHA. As a result of hard work, both by NHA staff and the membership, hydro is poised to take on the challenges of restructuring and competition. NHA is stronger than ever before, and there is a sense of excitement and enthusiasm on all fronts. I encourage each of you to participate fully in NHA, and by doing so, to share with other members of the hydropower industry your talents and experience. I thank each of you for your encouragement, support and the many things you do to make NHA a success. Together we can build an even brighter future, both for NHA and the hydropower industry!

EXECUTIVE DIRECTOR
Linda Church Ciocci
President’s View

The past year has been one of tremendous growth and change, both for NHA and the hydropower industry. And while NHA’s accomplishments are many, first and foremost has been our success in creating an organization that will serve you more effectively than ever before.

This process started with the reorganization of the association’s staff. Responding to the changing needs of NHA members, the Board of Directors carefully evaluated our organization’s priorities before filling vacancies on the NHA staff. The result was a realignment of responsibilities, and the targeting of resources to fill NHA’s key strategic objectives in the most efficient manner possible. This allows NHA to respond even more effectively to the needs of the hydro industry, and to provide maximum value for your dues dollar. In short, NHA is working to provide you with the most efficient, effective association possible.

During the past year, the NHA staff, Board of Directors, and membership has also worked aggressively to strengthen our internal communications and relationships. This includes clarifying the respective responsibilities of the Board, the staff, the committees, and the membership. By doing this, we are building an organization that serves the needs of the hydro industry in the most effective manner possible.

Finally, our entire organization has worked closely to reinforce our association’s commitment to be one where all are welcome. This means that each and every NHA member, their ideas, talents, and contributions are both valued and respected. You are an integral part of this organization. Without you, NHA could not be the success that it is.

The coming year will be one of continuing growth and opportunity for NHA as we move closer to restructuring and the new world of challenges and great opportunities for the electric industry. This means that it will be more important than ever that we work together to find consensus-based solutions, to promote the highest standards of professionalism, to encourage all NHA members to participate fully in the organization and to build a stronger and more effective NHA.

I look forward to 1997 with a sense of enthusiasm and excitement. At the same time, I look back on 1996 with a sense of accomplishment and pride in the many achievements made at NHA. Thank you for your encouragement, support, and commitment!

NHA PRESIDENT
Henry Martinez

Hydro Year in Review

January 1996

NHA meets with the Council on Environmental Quality to develop strategies that will build support for the hydropower relicensing reform proposal. Working aggressively with CEQ, the natural gas industry and other organizations, NHA examines ways to streamline the NEPA process as it pertains to FERC licensing.

Elections for the NHA Board of Directors are held.

NHA begins discussions with EPRI on a comprehensive study of the economic benefits of hydropower.

NHA conducts meetings with key Hill staffers to develop specific legislative strategies for the second session of Congress. Discussions focus on the political feasibility of a Senate campaign to secure language in the Clean Water Act to address the Tacoma decision. Meanwhile, NHA educates legislators about the decision’s impact.

The reorganization of NHA creates the first Director of Governmental Affairs position to meet the association’s regulatory needs.

February 1996

NHA steps up efforts to build strong relationships with key members of Congress, including Senators Daniel Patrick Moynihan (D-NY), and Dirk Kempthorne (R-ID). Numerous meetings are held on the Hill, with NHA working aggressively to enhance our relationship with both staffers and members of Congress.

New NHA officers are elected, with Henry Martinez of TVA chosen as President.

The Legislative and Regulatory
Affairs Committees begin the process of filling the Director of Governmental Affairs position. Several hundred applications are received, making the process a lengthy one.

NHA participates in a US AID sponsored US ECRE led mission to India. NHA’s delegation holds meetings on reforming hydro policy and on creating standard contracts for private hydro projects. The committee also lays groundwork for holding an India Policy Forum at Hydrovision ‘96 in Orlando in August.

Meanwhile, NHA staff and members put in place the finishing touches for the 1996 Annual Conference.

**March 1996**

NHA’s Annual Conference “Hydropower: Capturing the Competitive Edge,” assembles industry experts, Congressional leadership, the financial community, regulatory agencies and conservation organizations to discuss ways to ensure the continued viability of the hydropower industry as we move toward deregulation. Speakers include FERC Commissioner Don Santa, who examines the role of hydro in a restructured environment.

In addition, Rep. Randy Tate (R-WA), and Paul Portney of Resources for the Future, address the issues facing hydro in a restructured marketplace and the value of hydro in the new world order.

NHA’s legislative activity at the Annual Conference is expanded. A Midwest Regional Breakfast is added, which helps NHA members develop legislative solutions targeted to specific regional concerns.

The International track at the NHA Annual Conference brings in key Washington contacts from federal agencies, non governmental organizations, and the multilateral bank community. Sessions on emerging markets for international hydropower development and finance issues receive rave reviews.

The NHA Public Education Committee releases the Resource Action Guide, a comprehensive resource that helps NHA members enhance their public education and communications programs. In addition, the committee releases a prototype of the “Water Works: A Question of Balance” poster.

**April 1996**

NHA exhibits at the Renewable Energy Exposition sponsored by the newly formed Renewable Energy Caucus. Over 400 members of Congress and Congressional staffers attend the exhibit, learning more about the benefits of hydropower and the need to streamline the hydro relicensing process.

NHA also works closely with the Industry Coalition for Hydropower to educate governors about the impact of the Tacoma decision. NHA explains that its Relicensing Reform Proposal will change only the procedural hurdles involved in the relicensing process, and will not restrict state regulatory agencies.

The Public Education Committee obtains funding for a second year of Project Aware. Project Aware provides NHA members with materials, including the Resource Action Guide, that help build public awareness of the advantages of hydropower.

**June 1996**

NHA holds numerous meetings on Capitol Hill, including with Energy and Power Subcommittee member Michael Crapo (R-ID). As a result, NHA obtains support from key members for Congressional oversight of hydro issues during the ongoing debate on restructuring.

NHA holds a ground-breaking board meeting for the purpose of long-range strategic planning. A stronger, more
effective organization results. Development of the strategic plan also allows for efficient targeting of NHA resources, as well as effective internal operations and communications.

NHA provides a review of proposed energy legislation for the Guatemalan Congressional Energy Commission, and offers expertise in drafting regulatory language.

Meeting with Department of Energy officials, NHA pushes for ongoing funding for the Advanced Hydro Turbine Research Project. NHA also works aggressively to enhance the coalition supporting the NHA research and development program.

July 1996

NHA’s International Program participates in the International Hydropower Association Meeting in Switzerland to promote NHA program activities in international project development, public education and pumped storage issues.

Members of the American hydro industry meet with top Indian energy officials to discuss ways to increase Indian use of hydropower. In addition, discussion focuses on ways to establish a regulatory and policy framework that will promote development of a sound Indian energy policy.

Representative Dan Schaefer (R-CO), widely considered a key supporter of the hydropower industry, writes to the FERC expressing his concern in seeing action on the NHA Hydro Relicensing Reform Proposal. In his letter, Rep. Schaefer ties the need for relicensing reform to restructuring.

Congress recesses for the summer, wrapping up three months of intense NHA activity on the Hill.

Eric Bonetti starts work as NHA’s new Manager of Communications and Marketing. Meanwhile, NHA staff and members prepare to attend the August HydroVision ’96 meeting.

August 1996

NHA meets to discuss the formation of a working group on fish passage issues that would include industry, the resource agencies, and other interested parties. Goals for the working group include the development of criteria for performing studies of fish passage as well as how to treat the results of the studies.

NHA hosts an Indian Policy Forum, including 17 delegates from India and U.S. industry. The NHA International Committee also hosts a reception for international delegates at the Hydrovision ’96 conference.

Following extensive discussions with NHA, Congress agrees to earmark $1 million in FY 97 for the Advanced Hydro Turbine program.

Speaking at Hydrovision, Catherine Van Way of the House Commerce Committee updates industry on the status of Rep. Schaefer’s electric restructuring legislation. NHA also announces the Third Annual NHA Policy Forum at Hydrovision. Senator Frank Murkowski (R-AK), Chair of the Senate Energy & Natural Resources Committee expresses his concern about the need for hydro relicensing reform in a letter to the FERC.

September 1996

NHA’s International Committee announces a trade mission to the Philippines and Indonesia. Set for October 7-18, the group includes several members of the U.S. hydropower industry. A series of business development meetings is scheduled in conjunction with the trade mission.

NHA also participates in a trade mission and conference to promote renewable energy policy in Nicaragua.

NHA works closely with members of the Industry Coalition for Hydropower - EEI and APPA - to revise the National Dam Safety Act to eliminate the possibility of duplicative dam safety requirements on FERC-licensed projects.

Following productive discussions between NHA and members of the Hydropower Reform Coalition, a joint letter is sent to Capitol Hill supporting full funding for the FERC.

October 1996

NHA invites over 50 key Congressional and administration staff to the NHA Policy Forum to be held in Keystone Colorado in December. The invitation list, developed with the advice of the NHA Washington Representatives group, includes representatives of all relevant Congressional committees and subcommittees, the House and Senate leadership, the Department of Energy, the FERC, and the Council on Environmental Quality.

NHA leads a delegation of the hydro industry to the Philippines and Indonesia to explore hydropower development opportunities in both markets. The mission also lays groundwork for an Asia Pacific Conference to be held in Jakarta Indonesia in Fall ’97.

November 1996

NHA secures an important policy objective when the FERC issues a proposed rulemaking intended to streamline the relicensing process. “We agree with NHA that every effort should be made to lessen the
burden of such proceedings on the participants,” the Commission states. NHA immediately begins preparing its response to the NOPR.

The NHA Board of Directors meets to approve the 1997 strategic objectives and budget. NHA holds the line on dues, marking the third straight year that the organization does more with less.

Planning begins for the 1998 NHA Annual Conference, with NHA staff working aggressively to secure superior service and affordable rates.

NHA prepares for the Third Annual NHA Policy Forum. Task forces finalize options for legislative solutions to be discussed with Congressional staff, setting the stage for the 105th Congress and an increased emphasis on hydro issues.

December 1996

NHA held a Policy Forum in Keystone, Colorado. Using the strategic alliances formed at the forum between the hydropower industry and key decision-makers, work began on strategies for the upcoming Congress. Discussion focuses on the impact of the restructuring proposals that will be considered by the new Congress.

NHA staff finalizes a new communication strategy for an aggressive pro hydro educational campaign targeting the public and key decisionmakers.

The NHA home page, located at http://www.hydro.org makes its official debut. Containing information on hydro as well as NHA, the website provides a cost-effective way to tell about the benefits of hydropower.

1996 NHA Awards

Since 1991, NHA has accepted nominations for and presented the Kenneth Henwood Award to an outstanding member of the hydropower community at the NHA Annual Meeting. The Award, established by the NHA Board to honor Dr. Henwood, a strong leader and champion of hydropower, recognizes dedication to our industry. The 1996 Henwood Award was given posthumously to Dr. Gordon A. Marker, a founding member of NHA’s precursor NAWE.

The NHA Hydro Achievement Award, established in 1994, recognizes members of the industry who, through outstanding and innovative technologies or methods, have championed hydropower. Nominations for the Award and are accepted by the Association are judged by a panel of NHA members on the basis of a standard set of criteria. The 1996 Hydro Achievement Awards were presented in three categories:

- Acres International and Adirondack Hydro Development Corporation won the Technological Solutions category for an initiative utilizing post-tensioned rock anchors to realign and stabilize a spillway and to preserve an upstream island.

Southern California Edison won one of two awards presented in the Stewarding of Water Resources category for its successful balancing of competing demands on the San Joaquin River. This was accomplished through amendments to the basin’s Mammoth Pool Agreement, resulting in increased water levels, more efficient production of electricity, and enhanced irrigation.

The second award in the Stewarding of Water Resources Category went to the Tennessee Valley Authority for its creation of world-class whitewater rapids along portions of the Ocoee River. Initiated in preparation for the ’96 Olympics, the project involved coordinating water releases with long-term recreational, economic development, and educational strategies.
1996-1997 NHA Leadership

Executive Committee

Henry Martinez, President
Tennessee Valley Authority (1998)

Chris Hocker, Vice President
Consolidated Hydro (1998)

Jerry Sabattis, Secretary

Leslie Eden, Treasurer
HCI Publications (1997)

Board of Directors

John Suloway,
New York Power Authority (1997)

D.G. "Sonny" Cook,
Duke Power (1997)

Kathy Billings,
Bangor Hydro Electric (1997)

Neil MacDonald,
CH2M Hill (1997)

Julie Keil,
Portland General Electric (1998)

R. Michael Akridge,

John Devine,
Northrop Devine & Tarbell (1999)

Alan Soneda,
Pacific Gas and Electric (1999)

Keith Corneau,

William Rhoads,
Montana Power (1999)

Christine Stallard,
Grant County PUD #2 (1999)

Non-Voting Advisory Members (annual appointment)

Roger Woodworth, Washington Water Power (Past President, 1997)

Roger Purdom, Chelan County PUD No. 1 (Past President, 1998)

Donald Clarke, Wilkinson, Barker, Knauer & Quinn

Ken Knapp, Wisconsin River Power (General Counsel)

George Whitener, Tacoma City Light

Wayne Dyok, Foster Wheeler Environmental

C. Edward Miller, Southern California Edison

Stefan Lindgren, ABB Power Generation, Inc.

1996 NHA Committees 1996 Chairpersons  Coordinating NHA Staff

Finance

Leslie Eden, HCI Publications

Betty Carreiro

Hydro Energy Storage Council (HESC)

James Meyers, Voith Hydro

Linda Church Ciocci

International Programs

Keli Covin, Hydro West

Debby Stone

Rick Miller, Duke Engineering & Services

Legislative Affairs

Chris Hocker, Consolidated Hydro

Shelley Stahl

Membership Committee

John Devine, Northrop Devine & Tarbell

Eric Bonetti

Public Education

Christine Stallard, Grant County PUD

Eric Bonetti

Regulatory Affairs

Julie Keil, Portland General Electric

Shelley Stahl

Research & Development

Wayne Elkins, The Southern Company

Linda Church Ciocci
Meet the NHA Staff

Linda Church Ciocci

NHA’s Executive Director is Linda Church Ciocci. Since coming to NHA in 1991, the organization has increased its membership by 70%, doubled its budget, and stabilized its finances.

Prior to joining NHA, Linda served as Legislative Representative for the American Public Power Association, where she worked on hydro and bond issues. Her previous experience includes seventeen years lobbying issues that include regulatory reform, taxation and finance, welfare reform, public infrastructure and economic development.

Eric Bonetti

Eric joined the NHA staff last July, and serves as Manager of Communications and Marketing. Eric comes to NHA from the American Public Gas Association, where he served as director of government and member relations. Eric holds a law degree from the Dickinson School of Law, and has served as editor of several trade publications. He is an active volunteer in the community, including serving on the Greater Washington Society of Association Executives Salary Survey Committee.

Betty Carreiro

NHA’s Manager of Finance and Administration is Betty Carreiro. Betty holds degrees in accounting, hospitality management, computer information systems, and recently completed her Master’s Degree in human resources. While on the NHA staff, Betty has enhanced organizational efficiency through implementation of the fax-on-demand program as well as streamlined accounting procedures and policies. In addition, through negotiations with NHA’s bank, she has increased NHA’s interest income by 35 percent.

Shelley Stahl

Shelley Stahl serves as NHA’s Director of Governmental Affairs. Formerly a principal with the public affairs consulting firm Capitoline/MS&L, and a Vice President with the Washington International Group/Neill & Company, Shelley has thirteen years’ experience in government relations, including expertise in arms control and security issues. In addition, Shelley has served as a lecturer for the Foreign Service Institute on the role of lobbying in the U.S. government.

Debby Stone

Debby Stone has worked at NHA since 1993. In her current capacity, she serves as U.S. ECRE’s liaison with the hydropower industry and staffs the NHA International program. The program is designed to enhance export opportunities for goods and services in foreign markets, and works to facilitate international hydropower development. Ms. Stone’s previous international professional experience includes more than 10 years in Latin American and European markets, focusing on marketing and promotion of U.S. exports.

New Members 1996

The many benefits of NHA membership have been extended to several new members in 1996:

GENERATOR LEVEL; representing companies with hydroelectric generation capacity.

- Minnesota Water & Light
- Sacramento Municipal Utility District

SERVICE INDUSTRY LEVEL; representing companies supplying services and equipment to the hydroelectric industry.

- Woodward Governor Company, Loveland Colorado
- Tetragenics, Butte, Montana

INDIVIDUAL LEVEL; representing small companies and hydro generators less than 1 MW as well as individual consultants and other hydro advocates.

- 6 new individual members

We extend a welcome to these new members and encourage their participation in NHA committees.
Preview for 1997

Legislative Initiatives

The 105th Congress promises to be the most important Congress yet for the hydro industry. Restructuring legislation will provide the backdrop for hearings centered on the need to streamline government regulation of hydro projects. Both the Endangered Species Act and the Clean Water Act are expected to be high on the list of environmental measures to be considered in the coming two years—each carry issues of importance to the industry. The 105th Congress will lay the groundwork for the profile of the hydro and electric industries of the future. NHA will initiate an aggressive campaign to get hydro’s issues out front early in the Congressional debate and ensure that the industry remains able to compete in the new era.

Hydro Policy Forums

The Association will conduct its fourth annual legislative Policy Forum in order to maintain the momentum achieved toward securing the solutions crafted at the December 1996 NHA Policy Forum.

NHA 1997 Conference March 1997

NHA’s 1997 annual meeting, *Hydro: Building the Future*, will take place March 22-26 at the Grand Hyatt Hotel in Washington, D.C. Focusing on maintaining hydro’s economic viability, the conference will emphasize Congressional plans to legislate restructuring. In addition, the meeting will examine specific ways that we can work together to improve our industry’s competitive edge.

Public Education

NHA will expand our communications efforts with the unveiling of a new newsletter. The NHA Resource Action Guide will be expanded as NHA works to build public awareness of the advantages of hydropower.

Regulatory Proposal

NHA will continue to lead the way in the fight for hydro relicensing reform. This includes preparing comments in response to the FERC’s NOPR, keeping Congress apprised of developments, and building public awareness of the need for change. In addition, the year will start off with an effort to aggressively reach out and work more closely with DOE, Fish and Wildlife, the Forest Service, and other key federal agencies.

Waterpower ’97, August 1997

Waterpower ’97 will bring the industry together in Atlanta this August, with NHA acting as a cooperating organization. NHA committees will meet during the conference, building coalitions of support at the meeting and developing strategies for the second half of the year.

Emerging International Markets

In an effort to bolster the U.S. hydropower industry position in the global marketplace, NHA’s International Committee will undertake several initiatives in 1997. Activities will include industry participation in regional conferences in Latin America and Asia. REIA ’97 will be held July 8-11, in Rio de Janeiro, Brazil and the Asia Pacific Conference will be held October 14-17, in Jakarta, Indonesia.