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Executive Director's Message

The end of the century provides us with a perfect opportunity to take stock of where we have been, and most importantly, where we are going.

Over the last year, NHA has been driven to capture its strategic vision and provide more value to its members and their organizations by expanding our influence in energy policy, as well as increasing members' ability to exchange information. We have taken our message to the halls of Congress and the offices of the administration. We have spoken to reporters and have spent time in the states bringing NHA closer to your home.

We can all be proud of the new NHA web site that provides the public with more reliable information about hydropower and its many benefits. Just as importantly, the site provides a network for NHA members to seek and share information critical to their organization's success. Interactive e-mail exchanges, or listservs, put members directly in touch with each other with the click of a mouse.

More than ever, NHA is focusing on market issues and keeping hydro competitive. This year, we have insisted that hydro is a renewable, lobbying hard to ensure that hydro is eligible for proposed renewable incentives and green energy programs. The Board of Directors' creation of a Power Marketing subcommittee was an important step forward. Through it, NHA will continue to find ways in which we can make hydro not only competitive in the next century, but more importantly, thrive and grow!

We have demanded congressional action to improve the licensing process and have won champions for responsible reform bills and obtained additional oversight hearings. Administrative reforms, the second track of our reform strategy, have also advanced. We have met with key agency officials and urged the implementation of improved proce-

dures before this administration comes to a close. We have participated in EPRI's National Review Group and sponsored a historic licensing summit with the Western Governors' Association to find common ground with all relicensing stakeholders. We continue to provide input to the Interagency Task Force and were instrumental in getting the administration to create the federal advisory committee providing industry's input into interagency discussions.

NHA has made some tremendous gains. We have built better relationships with the federal family and moved closer toward ensuring positive change.

So, what is our vision for this next century? In my view, the hydro industry is poised for an important new revolution — a renaissance of sorts. As the century unfolds, it will be more crucial than ever that our nation embraces an energy strategy that furthers reliability, energy security and air emission reduction goals. Hydro is the most reliable energy source there is. It is domestic, renewable and emissions free.

Why, then, is hydro not taken more seriously? The answer is simple: all too often, our industry's successes in meeting new environmental challenges are ignored. That must change. NHA has worked hard toward that end. But more work is needed. It is time to take the next step.

As we move into the next century, we must collectively work to secure a new and more accurate image of the hydro industry. We must build on past successes and devise new strategies to herald an industry that is not only sensitive to the environment, but improves the environment and our quality of life.

We need to be more aggressive in telling our story. We need to mobilize, raise our collective voice and get the facts out. We need to be more engaged in the political process and demand an acceptance of our sustainable technology. We are an energy source for the future, and together we can make a hydro renaissance a reality.

Thank you for your continued support of this association and the hydro industry. I look forward to another exciting year and "Another Century of Clean Energy."

Linda Church Ciocci
Executive Director

President's Column

This is an exciting time for hydropower, with licensing reform, market restructuring and an increasing demand for clean, renewable sources of energy all changing the way we do business. Through it all, the National Hydropower Association continues to fight hard for the respect hydropower deserves — and we continue to gain ground.

When the Board of Directors met last May in Rockport, Maine, we set out to make NHA a one-stop shop where people would turn for information on hydropower. We have worked hard this past year to make this a reality. The journey is long, but we are well on our way.

We began a process of increasing NHA's value to its membership in the area of technology at our strategic retreat. We provided a half-day forum at the 1999 NHA Annual Conference and will do so again at the 2000 conference. We have laid the groundwork for, and hope to initiate this coming year, a Technology (O&M) committee.

We developed a new web site that has increased our visibility and the ability of our members to exchange information with one another. Associations, newspapers and other media rarely produce or publish an article about hydropower without first

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President's Column

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calling NHA for input. And these same media outlets now search us out and request interviews and articles originating from the association. What used to be an article or two a quarter is now an article or two a week. National Public Radio produced a segment on dam removal in which I was honored to represent industry. Our standing continues to rise.

Why is this so? There are two primary reasons. First, we have made a commitment to telling our story publicly. But second, and more importantly, we continue to tell a story that has credibility. We have not staked-out far 'wing' positions. We have simply told a positive story of a sound resource that deserves more respect. Our legislative reform agenda is reasonable and makes sense. As we move forward, it is no surprise that the legislative train for licensing reform continues to gain momentum. At the same time, we have

continued to meet with the Western Governors' Association and the EPRI National Review group, and to advise the Interagency Task Force through the FACA process: all with the hope of finding solutions that will benefit hydropower and the environment.

We have also worked hard to bring the Association closer to you. The Washington Beltway is no longer a constraint holding us within the Washington inner circle. We held two regional conferences, one in Asheville, North Carolina, the other in Wausau, Wisconsin. Both conferences were well attended, provided a wonderful opportunity for interaction with member companies and provided NHA with your thoughts about what is important for the industry.

NHA became a frequent invited guest to speak at association meetings and conferences. I spoke at the annual conferences of the Canadian Hydropower Association, the Northwest Hydropower Association and the Washington Public Utility District

Association. Christine Stallard spoke at a conference in the Northwest on behalf of NHA, and David Tuft and Nino Mascolo represented NHA at the Conference for Environmental Journalists in Los Angeles, California.

I can hardly believe my term is already coming to an end, but it has been a great honor to serve you this past year. All of you believe passionately in what you do and what you represent. The opportunity to share that passion with all of you has been exciting, educational and rewarding for me. Together, we can continue to ensure that the future of hydropower looks bright, indeed.

Michael A. Murphy
NHA President

New Members 1999

We'd like to recognize several new members who joined NHA in 1999. They include:

GENERATORS representing companies with hydroelectric generation capacity.

- AmerenUE
- American Electric Power
- California Department of Water Resources
- Carolina Power & Light Company
- FPL Energy
- Tri-Dam Power Authority

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

- ACRES International
- ERM Mid-States, Inc.

INDIVIDUALS AND ASSOCIATES representing small companies and hydro generators less than 1 MW as well as individual consultants and other hydro advocates.

- Ascent Group
- Connecticut Small Power Producers Association
- East Bay Municipal Utility District
- Garcia and Associates
- Dan Seligman
- Sorenson Engineering
- Strategic Weather Services
- Jan Veltrop

We extend a warm welcome to these individuals, organizations and companies. We would like to encourage their participation in NHA activities, particularly through the committee system. Like those who have preceded them, we hope NHA membership adds value to their bottom line.



Our thanks to Portland General Electric for the design and production of the NHA 1999 Annual Report.

NHA: The Year in Review

Protecting and Expanding Opportunities in the Newly Competitive Marketplace

NHA works to improve members' competitive edge by effecting change in energy policy and, where appropriate, directly in the marketplace. As the utility industry undergoes market restructuring, NHA has been quick to seize new opportunities and guard hydropower's market share.

Protecting hydro's renewable status

Early in the year, NHA attends a two-day working session and comments on revisions to an initial draft of anti-deception guidelines developed by the **National Association of Attorneys General (NAAG)**. The proposed guidelines are to be used by the states' top law enforcement officials in evaluating environmental claims made by electricity marketers. Many of NHA's suggestions are incorporated into the subsequent draft of "Green Guidelines for Electricity," which recommends that a claim of renewable energy is to be evaluated by its commonly understood definition. Also conforming to NHA recommendations, the authors remove harmful language defining state-mandated disclosure labels.

The association jousts with the Clinton administration throughout the year on hydropower's inclusion in renewable energy policy. NHA sharply criticizes the administration's electric restructuring bill in April, saying it had "missed its target" for hydropower. The proposal neither includes hydro in a renewable incentive program nor excludes hydroelectric generation from the requirement.

In June, when an administration Executive Order is released excluding hydropower from a greenhouse gas reduction procurement standard, NHA launches a lobbying and media effort demanding change. It warns the administration that its actions, while affecting only government purchases, would nonetheless resound in the marketplace, placing a stigma on hydropower nationwide.

One particular provision of the Order, requiring the Energy Secretary to determine criteria for "low environmental impact" hydropower, particularly

galls the association. NHA reminds the Department of Energy (DOE) that the federal government already has a rigorous environmental screening process for hydropower, known as the FERC hydroelectric licensing process, and that an additional federal certification process is unnecessarily duplicative.

In November, NHA again takes the administration to task after Energy **Secretary Bill Richardson** omits hydropower from a discussion of renewable energy policy options at FERC's Distinguished Speaker series. In a letter to the Secretary, NHA raises its concern over the administration's failure to recognize hydropower and its obvious disconnect between its renewable and global warming policies.

Making a difference in the marketplace

The NHA Board forms a new subcommittee of the Legislative Affairs committee to respond to market opportunities and areas of concern at its summer meeting. The Power Marketing subcommittee led by PG&E Co.'s **Angela Risdon** monitors legislation, regulatory rules and market conditions to ensure a level playing field for hydropower, and connects NHA members with energy customers where appropriate.

In a separate effort led by **Chris Hocker** of CHI Energy, Inc., the NHA Board comments on "Low Impact Hydropower" criteria developed by American Rivers and Greenmountain.com, neither endorsing nor opposing it. However, NHA insists that the program be strictly voluntary and obtains a letter of support from the criteria's authors. Following up with DOE's handling of the Clinton Executive Order, NHA successfully prevents the program from being federally mandated.

Finally in December, NHA files comments on a proposed Montana rulemaking that includes only "low impact hydro" in its renewable definition. NHA recommends that Montana recognize the many benefits of hydropower as a clean, renewable energy resource and include all hydropower in its renewable category. By commenting swiftly, the association hopes to not only prevent Montana's rule from being adopted, but also prevent other similarly misguided state policies.

Renewable effort gains Hill support

In Congress, NHA works with **Senator James Jeffords'** (R-VT) office over the summer to improve the definition of renewable energy as it pertains to hydro in a restructuring proposal offered by Democrats. While unable to have hydro included in the bill's RPS, NHA succeeds in adding language that exempts hydro generators from the bill's purchasing requirements.

In October, **Rep. John Shadegg** (R-AZ), who sits on the House subcommittee overseeing electric industry restructuring, successfully introduces an amendment that would expand the Renewable Energy Production Incentive (REPI) program to include small hydro projects. During the winter holiday recess, the Congressman, a strong supporter of hydropower, looks to the association for guidance in crafting an expanded proposal to encourage hydropower generation.

NHA continues to engage the administration and Congress on hydro's inclusion in renewable energy policy and incentive programs, and will commit substantial effort to encouraging hydro's viability in the marketplace.

Reducing Regulatory Barriers and Unnecessary Costs

Licensing reform gains significant momentum in 1999 driven by NHA's relentless pursuit of restoring balance and fairness to the hydro relicensing process. NHA makes the case to Congress, the administration and state officials that the licensing process is too time consuming, costly, cumbersome, contentious and generally frustrating.

Congress at epicenter of change

NHA is very active all year long on Capitol Hill, meeting with members of Congress and key legislative staff. NHA successfully educates legislative policymakers on the need for regulatory reform and strengthens industry's voice.

Early in the year, NHA spearheads the formation of an industry task force dedicated to gaining process improvements through congressional action. **Mark Oakley** of Duke Power is appointed NHA's representative on the task force's executive committee joining representatives from the Edison Electric Institute (EEI) and American Public

Power Association (APPA). A solicitation for lobbying and grassroots services is executed, and by April, The Wexler Group, headed by former White House aide **Anne Wexler** and former Rep. **Bob Walker**, is hired along with **Mike Tongour**, former chief of staff to Senator Alan Simpson (ret.).

In June, H.R. 2335, the Hydroelectric Licensing Process Improvements Act of 1999, is introduced by **Congressman Ed Towns** (D-NY) as a companion bill to S. 740 introduced earlier in the year by **Senator Larry Craig** (R-ID). The bi-partisan call for reform brings new credibility and momentum to the issue. By the year's end there are over 20 co-sponsors of the legislation.

NHA, the industry task force and the lobbying team roll up their sleeves and go to work in an all-out effort to drum up support for the twin bills. Industry is encouraged to send letters and visit their own congressional representatives at their district offices. Work begins on the formation of a broad-based coalition to call on Congress for fundamental reform of the hydro licensing process.

In October, the Task Force unveils **WaterPower: the Clean Energy Coalition** at a press conference on Capitol Hill. The grassroots coalition includes over 250 members including hydro producers and suppliers, municipalities, businesses, and environmental, consumer, labor, recreational and farming groups from around the country. **Betsy Moler**, former FERC chairwoman, serves as the group's spokesperson at the announcement. By the year's end, the coalition's membership has nearly doubled.

Responding to the NHA and the Coalition's call for action, the Senate Subcommittee on Energy and Power holds oversight hearings in late October to learn firsthand whether the actions of the federal resource agencies were diminishing the hydropower resource. **Chairman Gordon Smith** (R-OR), full committee **Chairman Frank Murkowski** (R-AK) and subcommittee members **Conrad Burns** (R-MT), **Larry Craig** (R-ID) and **Jeff Bingaman** (D-NM) ask the agency representatives about their responsibilities when conditioning a license. The officials from Commerce, Interior and the Forest Service build a strong record that they consider only resource protection goals during relicensing. FERC, for its part, testifies that it lacks the authority to balance power and non-power values.

In December, the Energy Information Administration cites

regulatory actions in licensing as a reason for a projected decline in hydropower generation in its annual energy forecast — a significant finding supporting NHA's position.

NHA prods agencies, FERC for improvements

From the get-go, it is clear that licensing reform is a two-track process, requiring the engagement of FERC and the many federal resource agencies. Focusing equally on this second front, NHA ensures industry's participation in a variety of forums designed to effect administrative changes to the process.

The year is barely begun when members of NHA's **Regulatory Affairs Committee** meet with FERC staff; **Carol Sampson**, OHL director; and **Mark Robinson**, licensing and compliance director, to discuss a host of licensing issues.

In March, NHA **President Mike Murphy**, **Vice President Wayne Dyok**, and NHA staff meet with **Jamie Rappaport Clark**, director of Interior's Fish and Wildlife Service (FWS), to brief her about the industry's legislative campaign to secure reforms of the hydro licensing process.

In June, Regulatory Affairs committee members meet with the Department of the Interior's (DOI) **Alex Matthiessen** to continue agency outreach and to reaffirm NHA's strong commitment to working toward administrative improvements to the hydro licensing process. Mr. Matthiessen reports on the progress being made on the year-long **Interagency Task Force (ITF)**, which is working on administrative reforms.

Earlier in the year, NHA **Executive Director Linda Church Ciocci** had met with representatives from FERC and the DOI to discuss a proposed body to provide public comment to the ITF. The group would be formed under the **Federal Advisory Council Act (FACA)**. Over the summer, the creation of the advisory committee moves forward with the appointment of industry representatives. They include **Julie Keil** from Portland General Electric, **Nino Mascolo** from Southern California Edison, **Mike Akridge** from Alabama Power Co., **Daniel Berical** from the New York Power Authority and **Douglas Ancona** from Grant Co. PUD. Each stakeholder group involved in hydro relicensing has its own representative.

The **Federal Advisory Committee on Hydroelectric Relicensing Improvements** holds its first meeting in September in

Washington, DC. FERC is the host, and FERC general counsel **Doug Smith** chairs the meeting. Two papers from the ITF are presented for the advisory committee's input: the first dealing with FERC noticing and the second dealing with NEPA procedures. DOE representative **Dan Adamson** raises the issue of hydro's role in reducing greenhouse gases and learns that no agency, including Commerce, Forest Service, Interior and FERC, appears to be factoring it into its decision-making.

The advisory committee meets for the second time in December at DOI. The meeting is co-chaired by FERC's **Doug Smith** and Interior's Deputy Secretary **David Hayes**. Detailed policy papers created by the ITF Work Groups are reviewed. Issues discussed include federal and state mandates, the collaborative process and the role of environmental studies. The meeting ends with an agreement to produce some type of work product for use by agencies, policy officials and industry participants at the commission's close.

Other efforts to forge working relationships with the administration on relicensing reform include meetings with officials from the **Council on Environmental Quality (CEQ)** and the **Office of Management and Budget (OMB)**. Both agencies express concerns but pledge to work with industry on the issue. The year ends with another meeting between **Dan Adamson**, now the head of FERC's hydro licensing office, and the Task Force. Mr. Adamson reiterates his interest in relicensing reform and is carefully monitoring both the administrative and legislative approaches under way.

Historic relicensing summit examines state issues

In May, NHA holds a historic meeting with the **Western Governors' Association (WGA)** under the umbrella of the **EPRI National Review Group** process. Nearly eighteen months in the making, the **Western Region Hydro Relicensing Summit** is sponsored by NHA, the WGA, **American Rivers** and EPRI and is hosted by **Portland General Electric**.

Representatives from industry, Western state agencies, federal resource agency personnel, FERC and a host of river conservation groups seek common ground on issues of hydro relicensing. Areas of common interest include gaining broad public participation, information sharing, better data for more timely decisions, understanding individual stakeholder perceptions,

funding collaboration and sharing responsibility for funding, and the important role public trust plays, especially as it relates to the use of mandatory conditioning authority.

Forging Unique Partnerships and Developing New Tools

NHA members work collectively to innovate and advance hydropower technology and operations. Environmental, operational and regulatory challenges are fertile ground for industry collaboration. Yet, no matter how good the idea or the quality of performance, success is only achieved through the development of strong personal relationships.

Building strong alliances

In July, NHA President **Mike Murphy** and staff sit down with **James Hoecker**, chairman of FERC, and discuss the recently announced merger of the Office of Hydropower Licensing and parts of the Office of Pipeline Regulation. The meeting gives NHA an opportunity to air industry's concerns and gain reassurance that the reorganization will not divert resources and expertise away from hydro licensing. NHA urges that the leadership of the new office be well acquainted with the hydro licensing process.

Five days into his tenure as director of FERC's new **Office of Energy Projects**, **Dan Adamson** meets with NHA's Regulatory Affairs committee to discuss his vision of the new office and hears firsthand from industry about the need for reform. Mr. Adamson pledges to continue his efforts to factor hydro's contribution to greenhouse gas reduction into the FERC decision making process.

In February, NHA staff meets with California's **Regional Council of Rural Counties (RCRC)** as part of an effort to gain support from non-traditional partners for our legislative campaign. Representatives from **Yuba County Water Agency**, **Tehama County** and RCRC staff discuss the need to mobilize California local water officials and elected county officials to secure support for the bill. RCRC agrees to consider a resolution in support of legislative reform of the relicensing process.

Also in February, the **Advisory Council on Historic Preservation (ACHP)** hosts a meeting in Washington, DC, between FERC and NHA representatives to explore recent developments in cultural resource assessments in relation to hydro licensing proceedings. The deliberations facilitate in-depth discussions about the different participants' roles and concerns during hydro relicensing and demonstrate that there is a range of issues requiring the attention of all involved parties.

In August, staff meets with the **Renewable Energy Policy Project (REPP)** and finds broad agreement on the hydro research needs including the effect of the relicensing process on generation. The **Union of Concerned Scientists (UCS)** and **Public Citizen** come to NHA offices in October to discuss such topics as hydropower licensing reform, project mitigation, green energy and hydropower potential.

During the NHA annual conference, **Dick Fisher** of Voith Hydro, **Pat March** of TVA and NHA's executive director meet with EPA's **David Gardiner** regarding hydropower's role in climate change policy as the administration struggles to meet its Kyoto promise. The meeting provides a good first step in educating the EPA about the importance of hydro and the need for the administration's support of the resource.

Technological and operational innovations advance industry goals

Since 1994, NHA has leveraged industry resources to gain government funding and coordination for the development of a new generation of environmentally sensitive turbines. In 1999, NHA lobbies and wins \$5 million for the **Advanced Hydro Turbine Systems (AHTS)** program, a 54 percent increase in funding.

In November, testing for fish survival begins on a modified Kaplan runner, known as the **Minimum Gap Runner**, at Bonneville Dam. The test data will be compared to fish survival models to determine if AHTS theories are valid. Also in 1999, construction of a test tank begins for the concept turbine being developed by **Alden Research Labs**. The wholly new, helical turbine, named because of its corkscrew shape, will be built to scale and will test live fish in the tank.

At the NHA conference, a new land use database is unveiled. Created by the **Regulatory Affairs Committee** and designed by **EA Engineering**, the database allows NHA members to provide contact information on projects with licensing issues similar to their own. The records are added at the July WaterPower '99 conference, and the database is available to members for assistance with land use issues.

In the spring, NHA mobilizes its membership to comment on a draft fisheries management plan (FMP) for the American eel that was developed by the **Atlantic States Marine Fisheries**

Commission (ASMFC). The New York Power Authority's **Tom Tatham** testifies in March, and two "action alerts" solicit member comment and urge participation in upcoming public hearings.

In late October, **Daniel Berical**, also of the New York Power Authority, testifies before the **International Joint Commission (IJC)** on issues related to the management of waters shared by the United States and Canada. Mr. Berical discusses how exporting water from the Great Lakes could adversely affect hydropower production in facilities that depend on those flows.

At its May strategic retreat, the **NHA Board of Directors** establishes a new task force to explore ways for the association to become more involved in technical issues. The board recognizes other organizations' efforts and examines creating partnerships to address technical needs.

Providing a Forum to Exchange Ideas and Develop Creative Solutions

If there is one function for which NHA is widely recognized, it is its networking capabilities — keeping members apprised of what other industry professionals are doing. There are more networking opportunities in 1999 than in any year previous, reaffirming the idea that perhaps there is no greater return on membership than information exchange.

At the 1999 NHA Annual Conference, *Generating a Cleaner Tomorrow*, attendance soars to levels that have not been seen for several years. Industry hears from old friends and new champions. Members are challenged by divergent points of view from both the left and right. Contacts are made and deals are consummated. And, best of all, conferees are energized with the sense of a hydroelectric industry on the move.

Rep. Ed Towns (D-NY), a self-proclaimed "liberal Democrat from Brooklyn," tells industry why he supports reform and promises to deliver a reform bill with **Senator Larry Craig (R-ID)**. FERC **Commissioner Curt Hebert, Jr.** reiterates his opinion that, as a "strict constructionist," the FERC decommissioning policy is based on an "erratic and inconsistent view" of the Federal Power Act. From the federal resource agency perspective, we hear from **David Hayes**, counsel to the Secretary of Interior, who tells the audience that despite his sledgehammer, **Secretary Bruce Babbitt** "understands the importance of hydropower in our economy."

with nearly twenty individual panels to choose from, one could hardly walk away without a new appreciation of some aspect of hydropower.

Blueprints to Success, a series of regional workshops begun by NHA in 1998 and designed to forge partnerships with regional hydro and state hydro associations, reconvenes in Wausau, Wisconsin in September. In partnership with the **Midwest Hydropower Users Group (HUG)**, the workshop, titled "Sharing Key Strategies for Success," attracts more than 50 representatives from industry along with state officials and representatives from the NGO community. The potential for license re-openers, peaking and storage in the aftermath of recent relicensings, Section 401 certifications and wrestling with Purple Loosetrite are all topics of discussion. **Mike Murphy** and **Linda Ciocci** urge attendees to get politically involved in NHA's campaign to secure licensing reform.

Asheville, North Carolina is the site for the Southeast regional workshop held the following month. Cooperation among all stakeholders in relicensing and the need to maintain an economically healthy hydro community in the Southeast are common themes at the meeting, titled "Proactive Approaches to Emerging Issues." Seventy officials from industry, federal and state resource agencies, and the NGO community attend. The resource agencies provide attendees with invaluable insights to their priorities and interests. Small hydro developers add their perspective on relicensing.

In March, NHA members participate in a 5-day training workshop for federal agency employees in Lacy, Washington, designed to better prepare agency field staff for the pending wave of hydro relicensings. Former NHA **President Julie Keil** of Portland General Electric provides course participants with an overview of the industry's position on several topics and helpful hints for agency employees who may not be accustomed to dealing with industry representatives on natural resource issues.

In September, NHA holds its Regulatory Affairs committee retreat at Timothy Lake, Oregon. Included on the agenda is a collaborative process workshop led by **Tom Sullivan** of Gomez and Sullivan, and **Jim Teitt** of ERM. NHA members discuss the many lessons learned in dealing with the collaborative processes and are given helpful suggestions. **Ken Kearns** of Kearns & West leads a discussion on adaptive management. The Reg. committee sets out to establish some general principles on adaptive management. Those principles are fine-tuned during the November NHA Board meeting and are given further consideration by the Reg. committee.

And for an instantaneous forum that's available 24 hours per day, 7 days per week, NHA launches a redesigned world wide web site in November. Intended as a "one-stop shop" for hydro information, the feature-rich web site provides the general public with direct access to industry priorities as well as giving members better access to their associations and each other. The web site increases NHA's exposure to the press, other organizations and the general public.

New features that enhance member communications are developed, including interactive e-mail "listservs," the transfer of the NHA Land Use Database and the creation of a Members Only section. Board reports, committee minutes, regulatory affairs briefing papers and *NHA Today*, as well as an easily accessible calendar of events, are also found on the Members Only side.

Communicating the Value of Hydropower to the Public

It would not be an overstatement to say that 1999 will be remembered as the year NHA's communications program really took off. Between the launching of the new NHA web site and the number of inquiries from policy makers, journalists and the general public, NHA fulfilled its mission of championing hydropower as it could only dream of just a few years ago. And not a moment too soon, as the national spotlight turned to questions of hydropower dam removal as well as licensing reform.

Taking a proactive approach to media relations, NHA launches a report in April citing five hydropower projects as examples of environmental stewardship on the same day that American Rivers' "Most Endangered Rivers" list is released. A hard copy of the report, "Outstanding Stewardship of America's Rivers," is produced, and an electronic version appears on the NHA web site. For reporters, a national release and five regional releases are distributed for maximum coverage.

In July, the removal of Edwards Dam takes center stage and the association is prepared. NHA releases a statement that states, "healthy rivers and dams can co-exist, and yes, even thrive." A dozen news outlets contact NHA for its perspective, and **Linda Ciocci** is quoted in an AP story that runs in newspapers across the country.

Other high water marks include a story running in the *Wall Street Journal* on the difficulties with the hydro relicensing process. Appearing on the prominent "Politics and Policy" page, the story

focuses on **Cushman Hydroelectric Project** and quotes NHA's executive director extensively. **Mike Murphy** appears on NPR's "Talk of the Nation" in September, squaring off with proponents of dam removal. The program is broadcast live over most public radio stations nationally. NHA is also quoted in a *USA Today* story on the removal of PacificCorp's **Condit Dam**.

For the second year in a row, NHA attends the **Society of Environmental Journalists** conference and deepens its relationships with environmental reporters in September. An informal, free-wheeling luncheon discussion on dam removal is the focus of NHA's participation at the Los Angeles conference. **Nino Mascolo** of Southern California Edison and NHA staff provides industry perspective on the value of hydro dams and the process of decommissioning and dam removal.

Christine Stallard of Grant Co. PUD, and a former NHA officer, delivers a keynote address on behalf of NHA during a business seminar held in Portland, Oregon. She tells representatives from industry, federal and state agencies, and river conservationists that hydro can play a major role in the new competitive electric market, but securing regulatory reform is key to this future. **Mike Murphy** delivers an address to the **Canadian Hydropower Association** at their very first annual meeting in October. He discusses the status of hydropower in the U.S. and NHA's role in promoting hydropower as a sustainable energy technology. Mr. Murphy travels twice to the Northwest to address the **Northwest PUD Association** and the **Northwest Hydropower Association**.

This year also saw the development of a new NHA logo to propel the association into the new millennium. The NHA "swoosh" or wave is a particularly clean design that signals a "clean" industry. It is suitable for electronic communication and will help brand our many products with a single look.

Finally, 1999 saw the long-awaited, much-anticipated teacher guides mailed to all NHA members. "Water Works: A Question of Balance" is a key component in industry's goal to educate the general public about the benefits of hydropower. From these original copies, member companies can print copies and provide them to local schools. NHA also makes available a sample marketing plan for the curriculum.





1999-2000 NHA Leadership

Executive Committee

President	Michael A. Murphy	E/PRO Consulting, LLC
Vice President	Wayne Dyok	Harza Engineering Co.
Treasurer	Brian L. Barels	Nebraska Public Power District
Secretary	Dan Pfeiffer	Avista Corp.

Board of Directors and Their Terms

Michael Bahleda	Electric Power Research Institute	TE: appointed one year advisory
Brian L. Barels	Nebraska Public Power District	TE: 2000
L.G. Byrnes	Southern Company Services	TE: 2000
Gregg Carrington	Chelan County PUD	TE: 2001
Donald H. Clarke	Wilkinson Barker Knauer & Quinn	TE: General Council, advisory
John J. Devine	Duke Engineering & Services	TE: 1999 serving as past president 2002
Philip K. Dutton	United American Energy Corp.	TE: 2002
Wayne Dyok	Harza Engineering Co.	TE: 2000
James H. Hancock	Balch & Bingham LLP	TE: appointed one year advisory
Chris Hocker	CHI Energy	TE: 2001
Mary Ann Hosko	Consultant	TE: appointed one year advisory
Kenneth D. Kearns	Kearns & West Inc.	TE: 2001
Julie Keil	Portland General Electric/Enron	TE: serving as past president 2001
Michael G. Kline	PG&E Generating	TE: 2002
Diane C. Lear	Voith Hydro Inc.	TE: 2002
Barry K. Lovett	Alabama Power Co.	TE: appointed one year advisory
James Miller	Idaho Power Co.	TE: 2001
Michael A. Murphy	E/PRO Consulting, LLC	TE: 2003
E. Mark Oakley	Duke Power	TE: 2000
Dan Pfeiffer	Avista Corp.	TE: 2002
Angela Risdon	Pacific Gas & Electric Co.	TE: appointed one year advisory
Jack Robinson	Harza Engineering Co.	TE: 2001
Ron Schroeder	Southern California Edison	TE: 2000
James H. Weldon	Denver Water Board	TE: 2002

Committee Chairpersons and Coordinating NHA Staff

Legislative Affairs	Chair: Gregg Carrington Vice-Chair: James H. Hancock Supporting NHA Staff: Mark Stover	Chelan County PUD Balch & Bingham LLP ext. 104
Public Affairs	Chair: Diane C. Lear Vice-Chair: Marla Barnes Supporting NHA Staff: David Tuft	Voith Hydro HCI Publications ext. 105
Regulatory Affairs	Chair: Barry K. Lovett Vice-Chair: Kelly Fargo Supporting NHA Staff: John Thomas	Alabama Power Co. Kleinschmidt Associates ext. 106
Research & Development	Chair: Stephen Brown Supporting NHA Staff: David Tuft	Grant County PUD ext. 105
Revenue	Chair: Chris Hocker Supporting NHA Staff: Terry Walker	CHI Energy, Inc. ext. 102

Affiliated Organizations

Hydro Research Foundation (HRF)	Chair: A. Wayne Elkins Supporting NHA Staff: Linda Church Ciocci	Southern Company Services ext. 101
U.S. Hydropower Council for Int'l Development	Chair: Phil Hoover Executive Director: Donald H. Clarke Supporting Staff: Debby Stone	H&M Engineering (202) 783-4141 (202) 383-2536

NHA 2000 Events Calendar

Hydropower ... Another Century of Clean Energy	Washington, DC	April 2 - 5
NHA Committee Meetings	Washington, DC	April 2
Hydro Research Foundation Board Meeting	Washington, DC	April 2
Annual Member Meeting	Washington, DC	April 3
EarthFair 2000	Washington, DC	April 22
Adaptive Management Summit w/NHA, WGA & HRC	Seattle, Washington	May 8 - 9
NHA Strategic Retreat	Denver, Colorado (tent.)	TBA
NHA Committee Meetings	Charlotte, North Carolina	August 7
Summer Board Meeting	Charlotte, North Carolina	August 8
HydroVision 2000	Charlotte, North Carolina	August 8 - 11
Northwest Regional Meeting, "Blueprints for Success"	TBA	Fall 2000
Fall Board Meeting	Washington, DC	November 2000
Winter Board Meeting	Washington, DC	TBA 2001

1999 NHA Awards

Hydropower Advocate Gets Industry Honor

Donald H. Clarke, an attorney at Wilkinson, Barker, Knauer & Quinn, LLC, was the 1999 recipient of the prestigious Kenneth Henwood Award. There's "magic in our falling water," said Clarke, who was recognized for his representation of hydropower interests in licensing, relicensing and legislative issues. He promised to continue to "do my part to protect hydropower's rightful place in the mainstream of society."

Clarke has extensive legal and policy experience in federal regulation of the electric, hydropower, co-generation and natural gas industries. His clients include electric utilities, municipalities, irrigation districts, independent developers, consultants, investors and others involved in the construction of electric generating projects. He came to his current position from FERC, where he served 15 years with distinction, including as senior legal advisor to the chair.

In addition to his legal work, Clarke currently serves as the executive director of the U.S. International Council for Hydropower Development, as the Northwest Hydroelectric Association's Washington representative and as NHA's general counsel.

The Kenneth Henwood Award is presented to those who show great leadership in their field. It was established in memory of Dr. Kenneth Henwood, an engineer and project developer whose life was tragically cut short in 1990.

The Hydro Achievement Awards

Established in 1994, the Hydro Achievement Awards recognize members of the hydroelectric industry who push the envelope of regulatory, technical and educational challenges and help expand industry's commitment to the environment and local communities. Nominations are judged by a panel of NHA members on the basis of a standard set of criteria.

The 1999 Hydro Achievement Awards winners were: **Avista Corp.**, winning in the category of Stewardship of Water Resources for its application of the progressive alternative licensing process; the **Oroville-Wyandotte Irrigation District**, which won in the Technical Solutions category for its environmentally responsible approach to dam rehabilitation; and, in the area of Public Education, **Grant County Public Utility District**, for its production of "It's Hydrological," an interactive, computer-driven educational kiosk.

Five Hydro Projects Cited for Environmental Accomplishments

In 1999, NHA released its inaugural list of energy projects recognized for their environmental accomplishments beyond providing clean, renewable power. Titled "Outstanding Stewardship of America's Rivers," the projects on the list were:

- **PG&E Generating** for habitat protection of anadromous and resident fish and conservation of land for birds and mammals at its Deerfield River Hydroelectric System;
- **Nebraska Public Power District and The Central Nebraska Public Power & Irrigation District** for endangered species protection and recovery at its Kingsley and Sutherland projects;
- **Seattle City Light** for salmon restoration and wildlife habitat protection at its Skagit River Hydroelectric Project;
- **Tennessee Valley Authority** for water quality improvements to sustain coldwater fisheries at South Holston Project; and
- **Alabama Power Co.** for improved fisheries and fishery habitats at its Yates and Thurlow Hydroelectric Project.