



NATURAL RESOURCES

COMMITTEE • DEMOCRATS
RANKING MEMBER, EDWARD J. MARKEY

H.R. ____, THE HYDRO 2.0 ACT (MARKEY, D-MA)

The Bureau of Reclamation (Reclamation) is the largest wholesale water supplier in the nation. Operating 348 reservoirs, Reclamation oversees a total storage capacity of 245 million acre-feet of water. An acre-foot of water is 325,000 gallons or enough water for a family of four for a year. Reclamation is also the second largest producer of hydropower in the nation. Reclamation's 58 power plants annually provide more than 40 billion kilowatt hours, generating nearly a billion dollars in power revenues and producing enough electricity to serve 3.5 million homes.

Hydro 2.0 Act

The Bureau of Reclamation [estimates](#) that a 1% efficiency improvement across Reclamation could produce 16.2 megawatts of additional power at all times. This extra power would be worth approximately \$5.7 million annually.

The Hydro 2.0 Act would give Reclamation the authority to develop power at existing projects through the Lease of Power Privilege Process. It would also provide a funding mechanism to repay the capital costs associated with power, allow for efficiencies at the existing project, and authorize funds for non-reimbursable purposes, including environmental mitigation.

Section by Section Analysis:

Section 1

- Lists the short title as the "Hydro 2.0 Act."

Section 2

- Authorizes the Secretary (acting through the Commissioner of the Bureau of Reclamation) to design, construct, operate and maintain generation additions, improvements, efficiencies and replacements at existing Bureau of Reclamation facilities.
- Revenues from the Lease of Power Privilege will be credited to the project where the power is generated.
- The revenues can be used for the following purposes:
 - Repay the reimbursable construction costs allocated to power
 - For use for any future improvements, efficiencies, and replacements that increase power generation at the facility
 - Environmental mitigation and other non-reimbursable costs.
- Nothing in this act shall alter or affect existing contracts or authorities in force and in effect.

Section 3

- Nothing in this act authorizes feasibility or construction of any new dams for the purposes of power.

Staff Contact: Camille Calimlim Touton (5-6065)