

ENACTED PROGRAMS CHAMPIONED BY CHAIRMAN MANCHIN TO SUPPORT HYDROPOWER AND PUMPED STORAGE PROJECTS IN WEST VIRGINIA

The Inflation Reduction Act of 2022

» ***Incentivizes construction of new hydropower projects and production.***

- Hydropower projects are eligible for either:
 - A production tax credit (PTC) for clean electricity at \$25 per megawatt-hour for the first 10 years of operation of the facility, or
 - An investment tax credit (ITC) for clean electricity equal to 30% of the investment in a new hydropower facility.
- Pumped storage and capacity upgrades at existing storage projects are eligible for a new investment tax credit for ten years equal to 30% of the investment in the pumped storage facility.
- All of these tax credits included a 10-percentage point bonus for facilities sited in certain energy communities, including those that have been home to coal plants.

» ***Manufacturers of waterpower generating equipment are eligible to apply to DOE for the 48C advanced energy manufacturing credit.***

- This credit provided up to a 30% ITC to re-equip, expand, or establish facilities that are used to manufacture hydropower and pumped storage equipment.
- This credit included a \$4 billion carve-out for use exclusively in communities where coal plants or coal mines have closed

» ***Expands DOE Loan Guarantees.***

- Unlocked up to \$40 billion in Department of Energy Title 17 Loan Guarantee Program guarantees for large-scale energy projects that use innovative technology to reduce, avoid, or sequester greenhouse gas emissions. Eligible projects include new hydropower development, repowering/upgrading existing hydropower, powering non-powered dams, and locks and canals.

Infrastructure, Investment, and Jobs Act of 2021

» ***Improvements at existing hydropower facilities.*** Provided \$553.6 million in funding for existing hydropower operators to maintain and improve their facilities for dam safety, environmental performance, and grid services.

» ***Retrofitting non-powered dams with hydropower generation.*** Provided \$125 million in funding for adding hydropower generation to existing non-powered dams and conduits.

» ***Hydropower efficiency improvements.*** Provided \$75 million in funding for hydropower efficiency improvements.

» ***Integration of wind and solar with pumped storage.*** Provided \$10 million for a new initiative to study integration of wind and solar with pumped storage for grid reliability.

» ***Manufacturing opportunities in coal communities.*** Provided \$750 million in DOE grants available for small- and medium-sized businesses to manufacture clean energy technologies in coal communities.

Energy Act of 2020

» ***Hydropower Research and Development:*** Included a number of provisions supporting research, development, and demonstration of hydropower and marine energy technologies.

» ***Reauthorized Production Incentives:*** Extended hydropower production incentives and expanded support to smaller facilities in areas with inadequate electric service.