

Why Supporting Hydropower Policy Actually Matters



Two years ago, Hartford's Metropolitan District Commission (MDC) surrendered an existing 3 MW hydroelectric station's Federal operating license, citing high maintenance costs and low financial viability. Hydropower facilities are typically long-term assets, providing 100+ years of reliable clean energy as well as other important public benefits. However, due to the undervalued energy market of hydropower generation in Connecticut, MDC's Colebrook hydropower station was prematurely shut down after only 33 years of service. This \$3.4 Million plant was shut down well before end-of-life or potential return on investment realized. If the MDC, a non-profit municipal entity, was unable to find a viable path forward, how can an independent owner be expected to succeed?

MDC is not alone. Due to financial strain, 5 other existing small hydro facilities have been decommissioned in CT in recent years. This is lost clean energy output that will likely be replaced by carbon-emitting sources, but greater, it is a loss of stewardship of the critical infrastructure that will fall into disrepair at the expense of the State. Lack of appropriate value recognition risks transitioning these valuable assets into public liabilities.

Hydropower was once a pillar of self-sustaining critical infrastructure throughout CT; creating the foundation of the State's manufacturing and industrial renaissance. Traditionally, these structures were financially independent through the sale of the clean

energy they produce. Currently, CT's small hydroelectric facilities are being squeezed as their energy and other important public benefits are sorely undervalued. Now, these critical infrastructure owners are struggling to provide the necessary maintenance their dams and energy sources desperately need or to enhance environmental performance. When, not if, the owner can no longer continue to economically justify operating, the ability to generate hydroelectric power through the Federal Energy Regulatory Commission will be surrendered and there will no longer be a revenue stream to support the structures. These structures then become regulated by the State of Connecticut. Poorly maintained dams do not just go away. At best they become a large financial burden for the State to bear, sometimes costing millions in upkeep or to remove, but at worst they become a serious risk to property and public safety. In 2019, the AP identified 12 high hazard, poor condition dams across CT as well as 42 in fair condition. These dams are located in communities across the State, from Enfield and Lebanon to Middletown and Stonington, they truly impact the entire state. This infrastructure cannot be ignored. Compromised dams can cost millions. The 1963 incident at Spaulding Pond Dam alone caused \$6 Million in damage.

There are people in CT who have dedicated their lives to maintaining and caring for these dams and energy sources, they just need an equal opportunity in the energy market to continue doing so.

MA, VT, NH, RI, and NY all have programs in place to support small hydro in the energy market because they recognize the greater value these small hydro assets actually provide. Changes to programs like Virtual Net Metering, which is utilized in neighboring States, provide an opportunity within reach to preserve these iconic State resources.