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U.S. Department of Energy  
Office of Energy Efficiency and Renewable Energy  
Water Power Technologies Office

**Re: Request for Information: Defining “an area in which there is inadequate electric service” under Section 242 of the Energy Policy Act of 2005 (DE-FOA-0002511)**

The Hydropower Reform Coalition, an association of over 160 national, regional, and local conservation and recreation organizations dedicated to protecting and restoring rivers affected by hydropower dams, provides these comments in response to the Water Power Technologies Office’s (WPTO) July 2021 Request for Information on defining “an area in which there is inadequate electric service” under Section 242 of the Energy Policy Act of 2005 (RFI).<sup>1,2</sup> The Coalition appreciates the thoughtful questions posed in the RFI as well as the opportunity to review and comment upon the WPTO proposed definition.<sup>3</sup>

*Category 1: Inadequate Electric Service*

1. Resilience of the energy grid is an important factor that should be considered in the evaluation of what “inadequate electric service” means. This consideration should include an analysis of the best method for increasing grid resiliency and whether adding hydropower capacity is the best way to achieve this goal.

2. The cost terms “significantly above” and “typical” are vague and should be clarified.

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<sup>1</sup> Public Law 109-58

<sup>2</sup> Public Law 116-260, Section 3005(a)(1)

<sup>3</sup> Proposed definition: “An area in which there is inadequate electric service means a geographic area that lacks access to an interconnected electrical grid or where a customer may not reasonably access electrical energy services; is subject to frequent electric outages, based on common reliability metrics; or where the cost of electricity is significantly above the typical residential electricity cost.” U.S. Department of Energy EERE Funding Exchange. [DE-FOQ-0002511: Request for Information: Section 242 Hydroelectric Incentive Payments Updated Definitions.](https://www.eere.energy.gov/foia/foia_request/2021/0002511)

3. Inadequate electric service should be determined at the local utility service level in comparison to the state level.

*Category 2: Access*

4. The question should not be how owners and operators access the grid, but instead how customers access electrical services; this is the framing in the proposed definition and is one that we support. Determinations around access to the electrical grid should focus on where hydropower facilities can create additional consumer access to electricity in local areas that are not otherwise connected to a broader electrical grid.

5. WPTO should focus on household access to the grid in underserved areas, rather than on the entirety of an independently operating grid.

*Category 3: Frequent Electric Outages*

6. The suggested metrics are reasonable. Regardless of the metrics used, thresholds for what are considered acceptable versus unacceptable outage levels and the reasons for those thresholds still need definition and explanation. Additionally, analysis of outage levels needs to include whether unacceptable outage levels are caused by a lack of generation capacity, and if so, whether a hydropower project is the best way to address the lack of capacity and improve reliability. Incentives should not be granted to hydropower projects in areas where the real issue is an inadequate transmission system. Finally, any deliberate service interruptions, such as wildfire mitigation efforts by utilities, should be excluded from the analysis.

*Category 4: Affordability of Electricity*

8. Regardless of the metric used, any hydropower project that receives an incentive on the basis of the unaffordability of electrical service should be required to provide low-cost service to the local community for which the existing service is unaffordable. Otherwise, any incentivized additional capacity that is added to the electrical grid may simply be channeled towards communities that can afford electricity at higher rates.

9. Local affordability should be compared to the state average, using the annual average.

*Category 5: General Questions*

11. The definition of inadequate electric service should make clear that the inadequacy is due to a lack of generation capacity rather than transmission capacity. Incentives should only be available to projects that can actually address the electric service inadequacies in a given area.

We would welcome the opportunity to discuss these issues further. Please contact [colleen@hydroreform.org](mailto:colleen@hydroreform.org) with any questions.

Best regards,



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