CONSIDERATIONS FOR SMALL HYDROPOWER SITING, DESIGN AND LICENSING

MCWRA SMALL HYDRO WORKSHOP MARCH 22, 2013

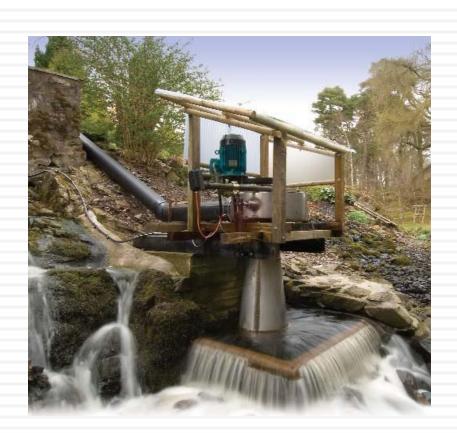


Agenda

- Definitions of "Small Hydro"
- Site Selection
 - Conventional vs. in-line/conduit projects
 - Power production estimates
 - Existing dams vs. new construction
- Turbine Alternatives
 - Traditional vs. Emerging Turbine Technologies
 - Turbine Performance Comparisons
- Licensing and Exemptions
 - Comparison of Exempt vs. Non-Exempt Regulatory Process
 - Overview of FERC License Exemption Criteria
- Development Trends in California



Definitions of "Small Hydro"



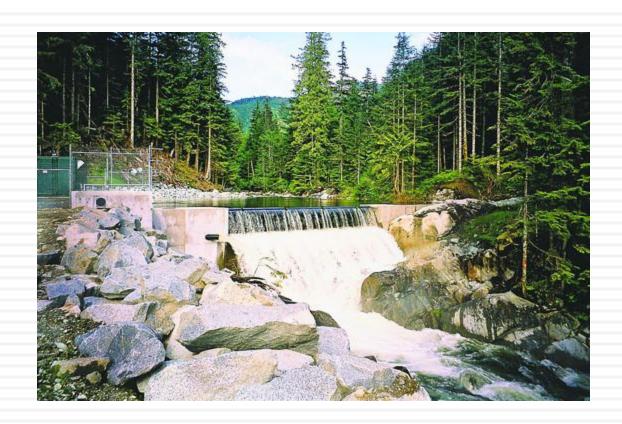


Definitions of "Small Hydro"

- Electrical capacity and physical size do no correlate well in hydropower
- Sometimes based on regulatory language and/or perceived environmental impacts
- Generally-accepted (US) terms based on capacity
 - Small Hydro all projects <30 MW</p>
 - Mini Hydro 100 kW to 1 MW
 - Micro Hydro all projects <100 kW</p>



Site Selection





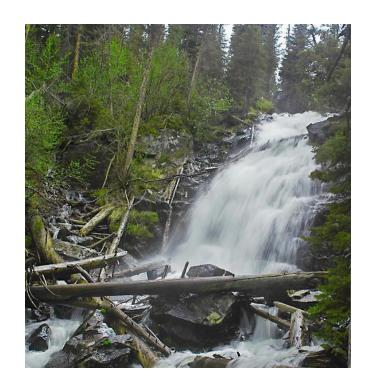
Site Selection

- Conventional small hydro
 - Powering existing dams/diversions
 - "Minimum flow" units resulting from FERC relicensing process on existing projects
 - New diversion projects
- In-line/conduit small hydro
 - Includes drop structures in existing canal/flume systems
 - Generally more scalable than conventional hydro
 - Often co-located with other necessary infrastructure
- Transmission access considerations



Site Selection (cont'd)

- Power Production Estimates
 - Head and flow exceedance curves
 - Available hydrology
 - Influence of snowpack/snowmelt
 - Consider minimum instream flows for new diversions
 - Ungaged watersheds surrogate data methods





Site Selection (cont'd)

- Modifications at Existing Dams
 - Don't forget about water rights!
- New Construction



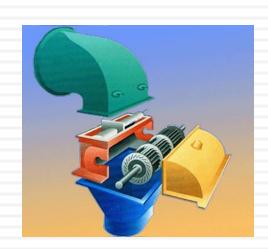




Turbine Alternatives

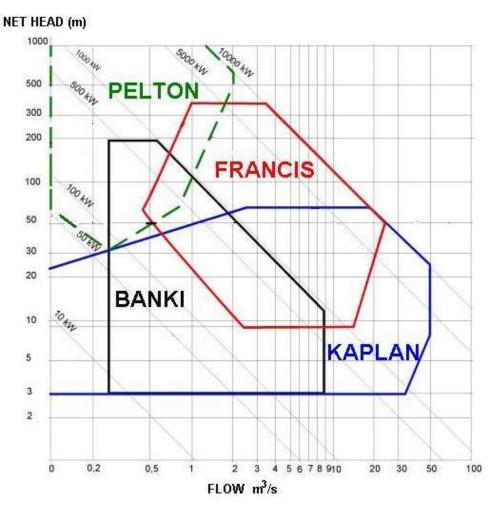






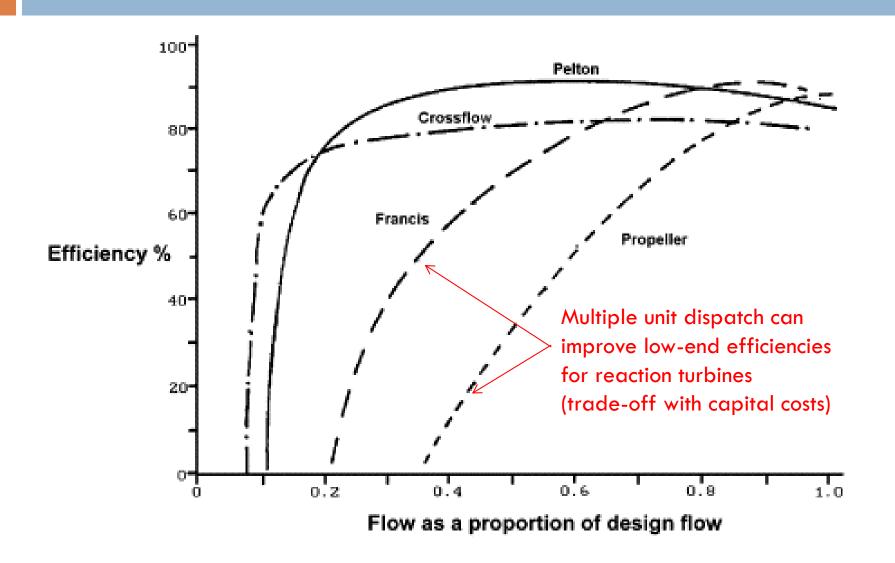


Turbine Alternatives



- Traditional TurbineTechnologies
 - Reaction
 - Kaplan/Propeller
 - Francis
 - Impulse
 - Pelton
 - Turgo/Banki/Crossflow
- Emerging Turbine Technologies
 - Natel hydroEngine
 - ReverseArchimedes Screw

Turbine Alternatives (cont'd)



Licensing and Exemptions

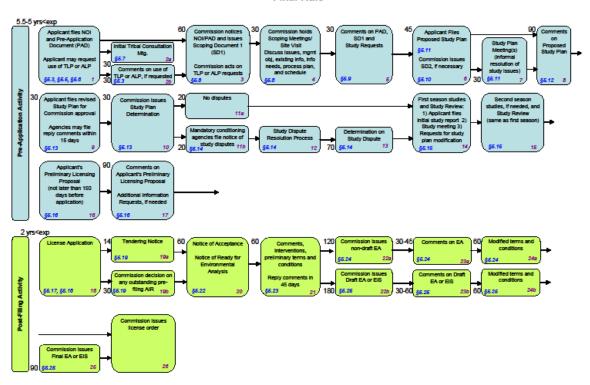


Licensing and Exemptions

- □ Licensing for "Major" Projects (>5 MW)
 - Integrated Licensing Process (ILP) vs. older processes
 - State and Federal fish and wildlife, cultural and water resource agencies have jurisdiction over license conditions
 - Typically 7-8 year process, not withstanding 401 water quality certification
 - 30 to 50 year license term



Integrated Licensing Process Final Rule





- □ Exemptions for Small (<5 MW) and Conduit Hydro</p>
 - Based on Traditional Licensing Process
 - 4-6 month typical turn-around for exemptions (sometimes faster)
 - Less resource agency scrutiny, particularly for conduit projects (Section 30(c) conditions)
 - Issued in perpetuity
 - □ Small Hydro: Powerhouse must be <500' from existing dam, and >36% of head must be provided by the dam



Key Differences between 5 MW and Conduit Exemptions

Category	5 MW Exemptions	Conduit Exemptions
Location	Existing dam or natural water feature	Any manmade water conveyance not primarily used for hydro
Max Capacity	5 MW	15 MW (private) 40 MW (muni)
Land Ownership	Not Required	Required
NEPA Eligibility	Yes	Categorically Exempt



- Ways to Expedite Exemption Applications
 - Unlikely to affect T&E species or need fish passage
 - Little change to range and timing of flows
 - Develop stakeholder consensus early in process
 - Applicant owns all lands needed for construction and O&M
 - Application is complete

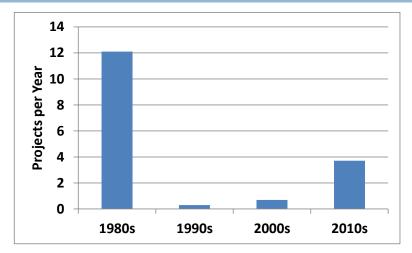


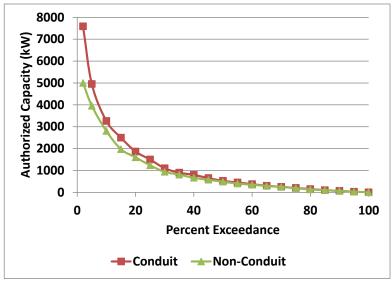
Development Trends in California



Development Trends in California

- 1980s small hydro boom (PURPA), 1990s-2000s market limitations, 2010s growth led by conduit projects and new renewables legislation
- Size distribution of projects by type are remarkably similar, and conduit projects are (surprisingly) larger





Development Trends in California (cont'd)

- Renewable Portfolio Standards eligibility
 - Small Hydro >30 MW nameplate capacity
 - Cannot have adverse impact on instream beneficial uses or cause change in volume/timing of flows (limits eligibility to run-of-river)
- Benefits of RPS certification and RECs
 - Renewable Energy Credits (RECs) current values range from \$10-50/MWh
 - RECs can be sold "bundled" or "unbundled"
 - Public awareness



End of Presentation

