



[6450-01-P]

**DEPARTMENT OF ENERGY**

**Office of Energy Efficiency and Renewable Energy**

**Guidance and Application for Hydroelectric Incentive Payments**

**AGENCY:** Wind and Water Power Program, Office of Energy Efficiency and Renewable Energy, Department of Energy.

**ACTION:** Notice of availability of guidance and open application period

**SUMMARY:** The U.S. Department of Energy (DOE) is publishing Guidance for the Energy Policy Act of 2005 Section 242 Program. The guidance describes the hydroelectric incentive payment requirements and explains the type of information that owners or authorized operators of qualified hydroelectric facilities can provide DOE when applying for hydroelectric incentive payments. This incentive is available for electric energy generated and sold for a specified 10-year period as authorized under section 242 of the Energy Policy Act of 2005. In Congressional appropriations for Federal fiscal year 2015, DOE received funds to support this hydroelectric incentive program for the first time. At this time, DOE is only accepting applications from owners and authorized operators of qualified hydroelectric facilities for hydroelectricity generated and sold in calendar year 2014.

**DATES:** DOE is currently accepting applications from [INSERT DATE OF FEDERAL REGISTER PUBLICATION] through [INSERT DATE 45 DAYS

**FOLLOWING FEDERAL REGISTER PUBLICATION].** Applications must be sent to hydroincentive@ee.doe.gov by midnight EDT, **[INSERT DATE 45 DAYS FOLLOWING FEDERAL REGISTER PUBLICATION]**, or they will not be considered timely filed for calendar year 2014 incentive payments.

**ADDRESSES:** DOE's guidance is available at: <http://energy.gov/eere/water/water-power-program>.

Written correspondence may be sent to the Office of Energy Efficiency and Renewable Energy (EE-4), by e-mail at hydroincentive@ee.doe.gov.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information should be directed to Mr. Steven Lindenberg, Office of Energy Efficiency and Renewable Energy (EE-4), U.S. Department of Energy, 1000 Independence Avenue, SW, Washington, DC 20585-0121, (202) 586-2783, hydroincentive@ee.doe.gov. Electronic communications are recommended for correspondence and required for submission of application information.

**SUPPLEMENTARY INFORMATION:** In the Energy Policy Act of 2005 (EPA 2005; Public Law 109-58), Congress established a new program to support the expansion of hydropower energy development at existing dams and impoundments through an incentive payment procedure. Under section 242 of EPA 2005, the Secretary of Energy is directed to provide incentive payments to the owner or authorized operator of qualified hydroelectric facilities for electric energy generated and sold by a qualified hydroelectric

facility for a specified 10-year period (See 42 U.S.C. 15881). The conference report to the law that made appropriations for Fiscal Year 2015 includes \$3,960,000 for conventional hydropower under section 242 of EPAAct 2005.

DOE developed and announced guidance in January 2015 describing the application process and the information necessary for DOE to make a determination of eligibility under section 242. See 80 FR 2685 (January 20, 2015). The guidance announced today includes certain minor modifications to the January 2015 guidance based on DOE's experience with the January 2015 application process. Specifically, DOE is amending some portions of the guidance document to more precisely describe what types of production are considered "new" production and the information necessary to demonstrate adequate metering. The final guidance is available at: <http://energy.gov/eere/water/water-power-program>. Each application will be reviewed based on the guidance. DOE notes that applicants that received payments for calendar year 2013 and that are eligible for calendar year 2014 payments must still submit a full calendar year 2014 application.

When submitting information to DOE for the Section 242 program, it is recommended that applicants carefully read and review the complete content of the Guidance for this process. When reviewing applications, DOE may corroborate the information provided with information that DOE finds through FERC e-filings, contact with power off-taker, and other due diligence measures carried out by reviewing officials. DOE may require the applicant to conduct and submit an independent audit at its own expense, or DOE may

conduct an audit to verify the number of kilowatt-hours claimed to have been generated and sold by the qualified hydroelectric facility and for which an incentive payment has been requested or made.

Issued in Washington, DC, on December 10, 2015.

---

Douglas Hollett,  
Deputy Assistant Secretary for  
Renewable Power,  
Energy Efficiency and Renewable Energy.

[FR Doc. 2015-31618 Filed: 12/15/2015 8:45 am; Publication Date: 12/16/2015]