

# PRESERVING AND ENHANCING AMERICAN HYDROPOWER

BIPARTISAN, BICAMERAL INVESTMENT TAX CREDIT FOR  
INFRASTRUCTURE, DAM SAFETY, AND ECOSYSTEM UPGRADES






## THE CHALLENGE: AMERICA'S HYDROPOWER FLEET REQUIRES INVESTMENT TO REMAIN A RELIABLE SOURCE OF CARBON-FREE ENERGY

While Congress has taken steps to support new hydropower and pumped storage projects, it has yet to address the urgent maintenance and modernization needs of the nation's existing hydropower fleet. **Existing hydro provides over 100 GW of carbon-free, reliable, and dispatchable electricity to the grid, but it is aging—most facilities are over 50 years old.** Upgrades are essential to ensure continued safety, efficiency, and grid security.

Key investments—such as fish passage improvements, structural upgrades, and security enhancements—are not supported by the existing tax code. Without policy action, the lack of financial incentives for these projects **threatens the long-term viability of this critical resource.** To ensure hydropower can continue providing essential baseload energy, existing facilities must have tax parity with other renewable resources.

## WHY AMERICA NEEDS HYDROPOWER:

-  **Delivers Reliable, On-Demand Power** – Flexible and fast-responding, hydropower is a 24/7 renewable resource that enhances grid stability amid rapidly growing energy demands.
-  **Strengthens Grid Security** – Hydropower provides 40% of U.S. black start capability, essential for restarting the grid after outages. Hydro balances intermittent sources of energy generation to help balance the electric grid.
-  **Affordable and Job-Creating** – Hydropower is a low-cost energy source that keeps electricity prices stable while supporting nearly 70,000 American jobs in engineering, construction, and operations.

## THE SOLUTION: PASS LEGISLATION TO INCENTIVIZE HYDROPOWER UPGRADES

Congress should support the **Maintaining and Enhancing Hydroelectricity and River Restoration Act (H.R. 2160 and S. 1183)**. This bipartisan legislation establishes a 30% investment tax credit (ITC) for:

- ✓ **Improving Dam Safety & Security** – Funding critical upgrades and repairs, such as floodgate replacements, structural reinforcements, and security improvements.
- ✓ **Supporting Ecosystem Enhancements** – Supporting fish-friendly infrastructure, river sediment management, and water quality / habitat maintenance.

**Congress must act now to ensure America's existing hydropower fleet remains a reliable, safe, and firm energy resource for decades to come.**