Frequently Asked Questions



Water Resources Program

Revised May 2014

Hydropower Fees

This FAQ answers basic questions on hydropower fees. These are fees for using water to produce power.

The hydropower fee structure was last updated in 2007, the first update since 1929.

Q: What are the fees?

A: The fees for all projects are:

| Table 1: Projects in operation | |
|--|--------------------|
| For each and every theoretical horsepower (hp) claimed | Fee per horsepower |
| From 51 to 1,000 hp | 18 cents |
| From 1,001 to 10,000 hp | 3.6 cents |
| Over 10,000 hp | 1.8 cents |

Table 2: FERC projects in operation. The following fee schedule applies <u>in addition to</u> the fees in Table 1.

| For each and every theoretical horsepower (hp) of capacity | Fee per horsepower |
|--|--------------------|
| From 51 to 1,000 hp | 32 cents |
| From 1,001 to 10,000 hp | 6.4 cents |
| Over 10,000 hp | 3.2 cents |

RELATED INFORMATION

The Dept. of Ecology works with the Federal Energy **Regulatory Commission** (FERC) licensing process to evaluate how hydropower projects can meet existing environmental requirements. When an applicant requests a license, either to re-license or for new construction, Ecology works with the utility and reviews studies, analyses and plans. Based on this information, Ecology adds conditions that go into the new FERC license.

Ecology's Dam Safety Office regulates non-hydropower dams. FERC regulates dam safety for hydropower.

Contact information

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Special accommodations

If you need this document in a format for the visually impaired, call the Water Resources Program at 360-407-6872.

Persons with hearing loss, call 711 for Washington Relay Service. Persons with a speech disability, call 877-833-6341.

Q: Are there any fee exemptions or reductions for undeveloped or partly developed projects?

A: Yes.

- For undeveloped projects: the fee is 1/2 the rates for projects in operation (see Table 1).
- For projects partly developed and in operation:
 - For the developed and in operation portion: the fees are the same as the fees for projects in operation (see Table 1)
 - For the remainder of the power claimed under such project: the fees are 1/2 the rates for projects in operation (see Table 1).

Q: Are there any other fee exemptions or reductions?

A: Yes. The required fees do not apply to:

- Any hydropower project owned by the United States.
- The use of water for the generation of 50 horsepower or less.

Q: Are any of the fees refundable?

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A: No.

Q: What happens to the collected money?

A: All hydropower fees will be used by Ecology for:

- Stream gauging, and investigations and surveys of natural resources; and
- Expenses associated with staff at Ecology and the state Department of Fish & Wildlife working on FERC licensing and license implementation.

Q: Where can I find information about the last fee update?

A: The Governor signed a new law in April 2007 that updated the fee structure for hydropower fees. Substitute Senate Bill 5881 amended two sections of Chapter 90.16 RCW, "Appropriation of water for public and industrial purposes" (RCW 90.16.050 and .090).