International Clean Energy Alliance

Role for Hydropower Partnership and Global Water Development

Debby Stone
Director of Trade Promotion
Who is the ICE Alliance?

- Clean energy technologies
- Key Clean Energy Trade Associations
- Leading Clean Energy Companies
  - Manufacturers
  - Service Companies
  - Joint Venture Partnerships and Investors
ICE Alliance Goals

- To foster a competitive environment for clean energy technology options
- To increase outreach to the administration and Capitol Hill on clean energy industry priorities
- To play a role in helping shape US position on clean energy issues
- To garner US government support in clean energy investment and development globally
- To play and active role in shaping international clean energy funds
- To provide industry expertise and support
ICE Alliance Activities

- Biweekly ICE Alliance member meetings with White House CEQ
- Regular meetings with Members of Congress and staff on climate and clean energy language, exports, and appropriations
- Outreach to Federal Agencies on climate and clean energy
- Outreach on international programs established in Subtitle 9 of the Energy bill
ICE Alliance Achievements

- Working to Secure Appropriations of $1B to support Clean Energy Export and Finance Programs
- Successfully pushed for report language in the Senate Energy Approps Bill 7/08
- Attended Meetings and Briefings on Foreign Operation and Commerce State Justice Approps
- Attended Meetings with House Leadership on Approps
Features of Clean Energy Programs

- President appoints a Chair to lead the effort
- Interagency programs include nine federal agencies
- US Departments of Commerce and Energy and USAID make up working group
- Central office to work on clean energy objectives is established
- Administrative budget for agency representatives
- Program budget to cover other clean energy export activities
US Hydropower Council Partnership

- Investor Owned Utilities
- Independent Power Producers
- Development Consortiums
- Media Publications

- Law Firms
- Engineering and Design Firms
- Manufacturer
- Suppliers
- Financiers
Major Hydropower Markets
Mission: To Foster a Competitive Environment for the International Development of Hydropower

- Broad base of member expertise and active involvement
- Market Identification
  - Resource Assessment
  - Political framework Analysis
- Policy Task Force
  - Privatization
  - Restructuring
Hydropower Potential

- Efficiency
- New
- Current

GW of Hydro

Year

1990  2005  2010  2020
Hydropower Investment Potential

- Total installed hydro capacity is 656,000 MW of hydro
- Less than 20% of investment came from private sector
- Over last two decades two-thirds of development has taken place in developed countries -- next two decades two-thirds will take place in developing countries
- By 2020 more than 500,000MW of new projects are to come on line
- Nearly all is expected to come from private sector—we must have access to multilateral investment
Barriers to Investment

- Global lack of necessary investment framework.
- Nascent period for multilateral and private financiers
- Uncertain project approval processes for private investors
- Lack of resources in host countries to meet project social and infrastructure needs
US Hydropower Council

Key Global Partners

- International Finance Community
- Policymakers and Development Programs
- Private Sector Partners
  - in-country associations
  - local companies
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Industry Policy Input

- India*
- Guatemala*
- Honduras*
- Brazil*
- Philippines*
- Indonesia*
- Ecuador*
- Turkey

*denotes USAID involved
US Hydropower Council

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Bhandardara Hydro Project, India

- 14 MW
- schedule water for irrigation purposes
- maintain reservoir for 10 /mo. Schedule
- part of master plan for irrigation
Pasabien Hydro Project, Guatemala

- 12 MW
- Schedule water for irrigation purposes, maintain reservoir
- Water supply for local communities
- Project included construction and maintenance of local school
San Roque Hydro Project, Philippines

- 330 MW of power
- 30 year flood control capability
- irrigation
- water supply
- Social and economic development - charcoal making, quilting, and testing for future agricultural processes
How can we work together?

- Identify private project opportunities to expand ancillary water development benefits
- Work with USAID and other development programs to address lack of policy to promote comprehensive energy/water development
- Work with USAID and multilaterals to remove policy and financial barriers in markets
- Support Public-Private Sector Partnership with USAID on Clean Energy/Water
Industry Case Study:
After several years of industry effort, outstanding issues in the PPA issued by the state government of HP handicaps hydropower investment. These include:

- 30-year power purchase agreement, but no escalation.
- Excessive duties keep being added, yet tariff has remained the same. (including water, land use, free power etc)
- Lack of resource assessment/prioritization of projects.
- No business model for rehab projects.
- Changes in regulatory body leadership.
- More than 20 agencies involved in technical/economic/ environmental clearances and policy on hydro with no federal oversight.
- Constant changes in policymakers acting in these capacities.
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