



**Legislative Summaries
(Updated April 2012)**

Duke Proposal (draft)

- Tax credit to utility investors in CHP
- Utility ownership capped at 50% over 10MW
- Tax credit is tied to 48C or is 20%; thus CHP gets 10% of 15MW up to 50MW and WER gets 20%
- Industrial pays back credit
- One-time lost sales recovery restriction for utility
 - USCHPA supports but has requested reconsideration of the 48C limitation on the tax credit. If this is to incentivize CHP and is opening the tax code, then let's open it. Additional revisions were requested in exchange for USCHPA's continued support with the 50% ownership restriction removed.

Shaheen Regulatory Barriers Bill (draft)

- Requires the DOE to develop, and states to *consider* adoption of, standard interconnection procedures and associated fees for CHP and WHR systems up to 20 MW.
- Requires the DOE to develop, and states to *consider* adoption of, standard rules for standby and backup power fees that fairly represent the cost of providing those services.
- Creates a new grant program that would provide each state with \$100,000 to be used to update state and local air permitting procedures to incorporate Output-Based Standards.
- Adds CHP and WHR as technologies that are eligible for the DOE Loan Guarantee Program.
 - USCHPA supports. USCHPA has made support for the utility incentive proposal contingent upon Sen. Shaheen's equal commitment to the advancement of this bill to reduce barriers to non-utility CHP deployment.

"Shaheen-Portman" (S. 1000)

- Updates to commercial/residential model building codes (IECC/ASHRAE)
- DOE assessment of distributed generation & onsite renewable power for buildings
- Grants to higher-ed schools for R&D in distributed generation for buildings
- \$400M lump sum for building EE retrofits
- \$400M annually for 2012-2021 (state revolving loan program)
- AMO R&D partnerships to support increased efficiency
- Reports on distributed generation in energy intensive industry sectors
- Establish Centers of Excellence at Industrial Assessment Centers; authorization for technical assistance
 - USCHPA supports.

"Bass-Matheson" (HR 4017)

- Requires ESPCs by federal agencies
- Requires agencies participate in demand response programs
- Requires DOE report on advanced metering best practices for federal facilities

- \$400M lump sum for EE building retrofits
- Requires coordination of EE R&D
- Requires DOE plan to produce 170 GW from CHP by 2020
 - USCHPA supports but has communicated realities of 170GW goal to Bass staff.

CES (S. 2146)

- CES for utilities of 24% in 2015 up to 40% in 2035
- Small utility exemption for less than 2 million MWh decreasing to 1 million
- Clean energy credit to sources that generate electricity with a carbon intensity less than 0.82 metric tons per megawatt hour
- CHP qualifies at 50% efficiency (20% electric and 20% thermal)
- CHP awarded additional partial credits to reflect utilization of heat
- WER credited for electricity produced
- Requires DOE report on carbon intensity for qualified renewable biomass
- Requires report on clean energy sources that do not generate electricity (biomass thermal, geothermal heat pumps, WER, district heating)
 - USCHPA supports.