



May 18, 2012

The Honorable Peter Stautberg  
Chair, House Public Utilities Committee  
77 S. High St  
11th Floor  
Columbus, OH 43215-6111

Dear Chairman Stautberg:

The U.S. Clean Heat & Power Association (USCHPA) is the voice of combined heat and power in the USA. The organization is a 501(c)(6) trade association whose membership includes manufacturers, suppliers, and developers of combined heat and power (CHP) systems, many of whom have existing facilities and/or projects in development in the State of Ohio. Currently supplying twelve percent (12%) of U.S. energy capacity, CHP systems can reach efficiencies above eighty percent (80%). There is approximately 82 GW of CHP installed in the U.S. and industry estimates indicate the technical potential for additional CHP at existing sites in the U.S. is approximately 130 GW (plus an additional 10 GW of waste heat recovery CHP).

USCHPA is pleased that lawmakers in Ohio have recognized the energy and environmental benefits of combined heat and power and waste energy recovery and are poised to adopt SB 315, which provides multiple incentives to encourage their adoption. I am writing to encourage your continued support for CHP and WER provisions within SB 315 and request your commitment in getting these provisions passed into law. In addition to provisions on Ohio's renewable and efficiency standards, SB 315 would require a review of cogeneration as an energy source for any new state owned facility with an estimated construction cost that exceeds \$50 Million.

CHP and WER provide cost effective compliance mechanisms for meeting both the renewable portfolio standard and energy efficiency resource standard. More than a dozen states currently permit CHP or WER projects to participate within such standards. These projects provide utilities and ultimately ratepayers a more diverse set of compliance options to cost effectively meet renewable standards and efficiency standards. Given that industrial energy consumption in Ohio is among the highest in the nation, CHP should serve as a primary energy resource for the state's industrial base. SB 315 will help ensure that it does.

It is important that CHP and WER have the option to qualify under either the renewable standard or efficiency standard. Industrial sited CHP and WER projects are not one size fits all because each project is designed to meet the needs of the particular industrial process and site. To spur development of these projects, policy needs to recognize the uniqueness of industrial sited CHP and WER projects as this

**105 N. Virginia Ave., Suite 204  
Falls Church, VA 22046  
703.436.2257  
[www.uschpa.org](http://www.uschpa.org)**

bill does. USCHPA is pleased the Senate-approved legislation encourages new CHP projects that meet clear efficiency standards of 60 percent, in keeping with federal law. However, USCHPA is concerned the legislation allows an exemption for existing CHP systems at state universities to qualify under the renewable standard. There are better mechanisms to recognize these efficient CHP projects.

USCHPA is encouraged by the fact that SB 315 identifies cogeneration as an energy resource that must be reviewed for certain state-owned buildings. The estimated technical potential for CHP in government installations in Ohio is significant – 246 MW. Thus, we are pleased SB 315 recognizes and qualifies electricity generated by CHP from commercial and institutional sites.

I appreciate the opportunity to comment on SB 315 and welcome any questions from you or your staff.

Sincerely,



Jessica H. Bridges, CAE IOM  
Executive Director