Proceedings from the CHP Pacific NW Working Group Roadmap Session

October 15, 2002 Seattle, Washington

Prepared By Energetics, Inc.

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On October 15, 2002 the U.S. Department of Energy (DOE), U.S. Combined Heat and Power Association (USCHPA), and Washington State University Energy Program sponsored a Combined Heat and Power (CHP) workshop in Seattle, WA. The workshop, titled *Combined Heat and Power in the Pacific Northwest*, involved presentations from industry, government, university, utility, and consultant groups. An open forum during the morning of the event provided attendees with the opportunity to discuss needs, resources and barriers for implementation of CHP systems.

At the conclusion of the workshop attendees were invited to join in a facilitated CHP Pacific Northwest working group roadmapping session. Table 1 lists the participants in the session.

Table 1: CHP Session Participant List

| Name | Organization |
|------------------------------|--|
| Chris Cockrill | U.S. DOE |
| Chuck Collins | U.S. DOE – Seattle Regional Office |
| Michael Huber | Bonneville Power Administration |
| Jessica Majeski | Energy International |
| R Gordon Bloomquist | WA State University Extension Program |
| Jerry Wright | Avista Corporation |
| Luis Troche | U.S. EPA |
| John Nimmons | John Nimmons & Associates |
| Arun Jhaveri | U.S. DOE, FEMP – Seattle Regional Office |
| Suzanne Watson | NEMW, USCHPA |
| Ted Bronson | Gas Technology Institute |
| Sabine Brueske - facilitator | Energetics, Inc. |

The following is a summary of the facilitated discussion. Session participants were asked to provide thoughts on the most important actions needed to accelerate the installation of CHP in the Pacific Northwest. Table 2 lists the suggested actions provided by the group.

Table 2: Prioritized Actions for Accelerating the Installation of CHP in the Pacific NW

| Outreach & | Market | Technology | Models & | Regulatory Changes | Other |
|---|--|---|--|---|----------------------------------|
| Education | Development | Developments | Tools | | |
| Industry and utility publicized success stories *****(5) | Given the low cost of electricity, determine which markets are financially attractive *(1) | Promote life-cycle cost- effective CHP technologies *(1) | Follow Oregon's lead in adopting uniform interconnection standards and practices at the state level *****(5) | Legislative commitment to CHP policy *****(6) | Establish financial incentives |
| Hold a forum with public utility commission and power groups ****(4) | Take advantage of biomass resources *(1) | Conduct demonstration projects and case studies *(1) | Promote simple tools such as CHP pre- screening tools *(1) | Policy and regulatory support ***(3) | Recognize a NW CHP initiative |
| Recognize the importance of technical assistance (e.g., quality of consultants and engineering) **(2) | Develop a value proposal for CHP in the NW answering the question 'why is CHP attractive with low electric rates' *(1) | | Local government siting model | Make CHP goals and barriers a line item in city, state, and NW sustainable energy strategies and plans ***(3) | |
| Build the case for a U.S. DOE Application Center **(2) | | | | Align utility incentives with distributed generation and CHP ***(3) | |
| Educate and stimulate CHP action at the utilities *(1) | | | | Determine utility commission barriers to utility partnerships ***(3) | |
| Municipal leadership by educating the public through public-owned utilities | | | | Open dialogue with public utility commissions on CHP tariff issues **(2) | |
| Education on value Identify who is not here and should be | | | | Adopt FERC GIA | |

^{*(#)} Indicates the number of top-priority votes

Outreach & Education and Regulatory Changes were the most popular subjects of discussion amongst the group with the majority of recommended actions appearing in these categories.

When asked to vote on priority actions, the group decided on the following top three priorities:

- Legislative commitment to CHP policy
- Industry and utility publicized success stories
- Follow Oregon's lead in adopting uniform interconnection standards and practices at the state level

Two of the three priority actions listed above are closely related to actions identified during the Pacific Northwest Regional CHP Workshop in March 2000. In March 2000, showcasing CHP projects was identified as a top priority. Publicizing, or showcasing, CHP success stories in the Pacific Northwest continues to be a high priority for effective outreach and market development. The working group in March 2000 decided that agreeing on utility interconnect standards and building on Oregon's lead in streamlining the process were priority actions. Following Oregon's lead in uniform interconnection standards continues to be a high priority in the Pacific Northwest.

Legislative commitment to CHP policy proved to be the single highest priority action of the October 2002 roadmapping session. This topic was not identified as a priority in March 2000. Other priority actions identified by the group supporting this topic include policy and regulatory support of CHP, and making CHP goals and barriers a line item in city, state, and Northwest sustainable energy strategies and plans.

A number of actions suggested by the group fall into the common theme of improving communication with public utility commissions (PUCs) and utilities in the region. Some of the priority suggestions in this area included holding a forum with PUCs and power groups, determining PUC barriers to utility partnerships, and opening dialogue with PUCs on CHP tariff issues.

The actions and priorities identified in the 2002 roadmapping session will be incorporated into ongoing CHP Pacific Northwest Initiative activities. The CHP Pacific Northwest working group will use discussion topics from the workshop, open forum and roadmapping session as integral tools in determining future strategies.