



The Honorable Kathy Castor  
205 Cannon House Office Building  
Washington, D.C 20515

The Honorable Richard Hanna  
319 Cannon House Office Building  
Washington, D.C 20515

January 28, 2016

Dear Representatives Castor and Hanna,

We are writing to express our support for the Clean Distributed Energy Grid Integration Act ([H.R. 4393](#)). We are grateful for your bi-partisan leadership in expanding opportunities for clean and efficient distributed generation, including combined heat and power (CHP) and waste heat to power (WHP). We believe that the Clean Distributed Energy Grid Integration Act will help make the U.S. electric grid more resilient, provide flexibility to U.S. electricity customers, and reduce emissions.

In May of 2015, Senator Jeanne Shaheen introduced the Clean Energy Grid Integration Act (S. 1201). At the time, we sent leaders on the Senate Energy Committee a coalition letter signed by 19 businesses, trade associations, energy-efficiency advocates, and unions that thanked them for their support of clean distributed energy resources.<sup>1</sup> This letter demonstrates the diverse support for this important legislation.

As we explained in our letter to Senators Murkowski and Cantwell last spring, centralized power generation is costly and difficult to locate. Clean and efficient distributed-generation sources can be deployed at a fraction of the cost, enabling the grid to be more resilient. This is particularly true in the case of energy sources that can function independent of the grid, providing enhanced reliability during extreme weather events, which may compromise central power plants. Distributed generation is also more efficient and avoids line losses associated with the transmission and distribution of centralized electricity. By investing in distributed generation, we can avoid costly upgrades to transmission and distribution infrastructure. Consumers should have the freedom to choose the type of energy that powers their homes and businesses. Unfortunately, a variety of barriers, like complicated and burdensome interconnection procedures, prevent distributed energy sources from reaching their potential. The Clean Distributed Energy Grid Integration Act helps identify and overcome these barriers, so that the U.S. electricity system can be more diverse and resilient. The Clean Distributed Energy Grid

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<sup>1</sup> Signers to the May 2015 letter included: Alliance for Industrial Efficiency, Alliance to Save Energy (ASE), American Council for an Energy-Efficient Economy (ACEEE), Biomass Thermal Energy Council (BTEC), Conservation Services Group, Environmental Defense Fund (EDF), Heat is Power Association (HiP), International District Energy Association (IDEA), Midwest Cogeneration Association, National Association of Energy Service Companies (NAESCO), National Electrical Contractors Association (NECA), The Pew Charitable Trusts, Primary Energy, Sheet Metal & Air Conditioning Contractor's National Association (SMACNA), Sheet Metal, Air, Rail and Transportation Workers (SMART) International Association, The Association of Union Constructors (TAUC), Unilever, United Steelworkers, and Veolia North America.



Integration Act reports on the status of grid integration and examines barriers that are limiting distributed generation sources from successfully connecting to the grid. It then establishes a stakeholder working group to determine the most appropriate way to overcome these barriers and provides competitive grants to states to demonstrate best practices for successfully integrating clean, distributed energy sources into the electricity grid. This low-cost approach identifies a problem and provides incentives for states to determine the best way to overcome it. It does not place any mandates on states or utilities.

We look forward to helping this important legislation become law and in continuing to work with your office to explore – and overcome - barriers to deploying distributed energy sources.

Sincerely,

Jennifer R. Kefer  
Executive Director, Alliance for Industrial Efficiency

*The Alliance for Industrial Efficiency is a coalition of business, labor and environmental organizations that are committed to encouraging the use of CHP and WHP to enhance U.S. manufacturing competitiveness, increase energy efficiency, and improve the environment. CHP systems generate heat and power simultaneously, which provides for greater energy efficiency. CHP systems also generate power onsite, providing industrial users with greater energy security during disruptions to the electric grid. WHP systems capture wasted heat resources from high-heat industrial processes, such as those employed by steel and paper mills, and convert the waste heat into electric power with no incremental emissions.*