

July 14, 2017

The Honorable Lamar Alexander
Chairman
U.S. Senate
Committee on Appropriations
Subcommittee on Energy & Water
Development
Washington, D.C. 20510

The Honorable Diane Feinstein
Ranking Member
U.S. Senate
Committee on Appropriations
Subcommittee on Energy & Water
Development
Washington, D.C. 20510

The Honorable Mike Simpson
Chairman
U.S. House Committee on Appropriations
Subcommittee on Energy & Water
Development
Washington, D.C. 20515

The Honorable Marcy Kaptur
Ranking Member
U.S. House Committee on Appropriations
Subcommittee on Energy & Water
Development
Washington, D.C. 20515

Dear Chairman Alexander, Ranking Member Feinstein, Chairman Simpson and Ranking Member Kaptur:

We write to urge you to support the Department of Energy's (DOE) Combined Heat and Power (CHP) Technical Partnership program and CHP Technical Assistance Partnerships (CHP TAPs) that save consumers money, increase economic competitiveness, strengthen our nation's energy security and resiliency, and reduce harmful emissions through the use of CHP. Specifically, we seek \$12 million in FY2018 funding for the CHP Technical Partnership program and CHP TAP activities at DOE, along with language in the bill or accompanying report that delineates and recognizes the value of these programs. The undersigned organizations house the CHP TAPs, providing educational opportunities for our students and facilitating greater use of this important technology.

CHP provides a cost-effective, near-term opportunity to improve our nation's energy, economic, and environmental future. By producing both heat and electricity from a single fuel source, CHP is an efficient and clean approach to generating on-site electric power and useful thermal energy. What's more, because a CHP system can operate independently off the grid, facilities that install CHP can maintain energy services during extreme weather events.

It is our understanding the Office of Management and Budget has called for the elimination of the CHP TAPs under the Administration's proposed budget. Doing so would chill efforts to help US manufacturers, hospitals, and universities save money on their energy bills, increase the reliability of the electric grid, and reduce emissions through the use of CHP. The CHP TAPs work with their partners to address barriers and in particular, provide technical assistance to prospective end-users, educate market sector groups on the benefits of CHP, and educate state and local policymakers on best practices for CHP implementation. In recent years (FY14 through FY17 (2Q)) alone, the network of CHP TAPs has conducted:

- 1,476 technical assistance activities, including qualification screenings and feasibility studies;
- 280 educational workshops, webinars, and presentations to tens-of-thousands of energy personnel from end-user groups; and
- 377 meetings, workshops, webinars, presentations, and other communications to public utility commissions and state policy makers about best practices.

These activities have led to 436 CHP system installations that began operation in the 2014 to 2016 timeframe around the country with a combined capacity of 1.5 gigawatts. On average, this translates into an annual operating savings of \$500,000,000, an annual energy savings of 37.5 trillion Btus and an annual reduction of 5.5 million metric tons of CO₂ (equivalent to removing over 900,000 cars off the road).

DOE's most recent CHP technical potential report identifies 149 gigawatts of additional CHP potential at existing commercial and industrial facilities – or the equivalent of 300 additional power plants.

Cutting support for the CHP Technical Partnership program would undermine America's progress toward realizing this potential, making our manufacturers more efficient and competitive, increasing the reliability of the electric grid, and lowering emissions. Accordingly, we urge the Appropriations Committee to specifically retain funding (\$12 million) for these valuable activities in FY18.

Sincerely,

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