

















November 13, 2019

The Honorable Jeanne Shaheen 506 Hart Senate Office Building Washington, DC 20510

Dear Senator Shaheen,

The undersigned businesses, labor, clean energy organizations, and environmental organizations are committed to encouraging the use of Combined Heat and Power (CHP) and Waste Heat to Power (WHP) to enhance U.S. manufacturing competitiveness, increase energy efficiency, and improve the environment. We write to thank you for your work on the Heat Efficiency through Applied Technology Act ("HEAT Act"). Your bill will help overcome regulatory barriers that have prevented CHP and WHP from reaching their full potential. We look forward to working with you in the coming months to see that this important legislation is enacted into law.

CHP and WHP provide a clean and efficient source of homegrown energy that can help make U.S. manufacturers more competitive. By generating both heat and electricity with a single fuel source, CHP is significantly more efficient than the conventional separate generation of heat and power. By capturing waste heat from existing industrial processes, WHP can generate additional electricity with no incremental emissions. What's more, because CHP projects can operate independently of the grid, this legislation contributes to resilience by helping America's factories, hospitals, and universities keep the lights on during extreme weather events.

CHP already provides 8.5% of U.S. power generation, but the potential is far greater. However, many existing regulatory requirements are preventing these technologies from reaching their full potential.

The DOE has long recognized interconnection, standby fees and tariffs, and environmental permitting as areas where procedures could be streamlined to encourage greater CHP and WHP deployment. The HEAT Act begins to tackle some of these barriers. This provision will spur competitiveness enhancing energy efficiency investments within both energy intensive industrials such as steel, aluminum, glass, chemical, and other sectors such as food and consumer goods. What's more, because CHP projects can operate independently of the grid, this legislation will help America's factories, hospitals, and universities "keep the lights on" during extreme weather events.

By addressing the challenges facing CHP and WHP, the HEAT Act will help strengthen local economies and support national energy policy goals. Our







organizations look forward to working with you to see this legislation enacted into law.

Sincerely,

Sterling Energy Group, LLC

2G Energy
AB Energy USA
American Council for an Energy-Efficient Economy
Broad USA
Combined Heat and Power Alliance
Enginuity Power Systems
Heat is Power Association
Int'l Association of Sheet Metal, Air, Rail, and Transportation Workers
Midwest Cogeneration Association
Ormat Technologies
Sheet Metal and Air Conditioning Contractors' National Association