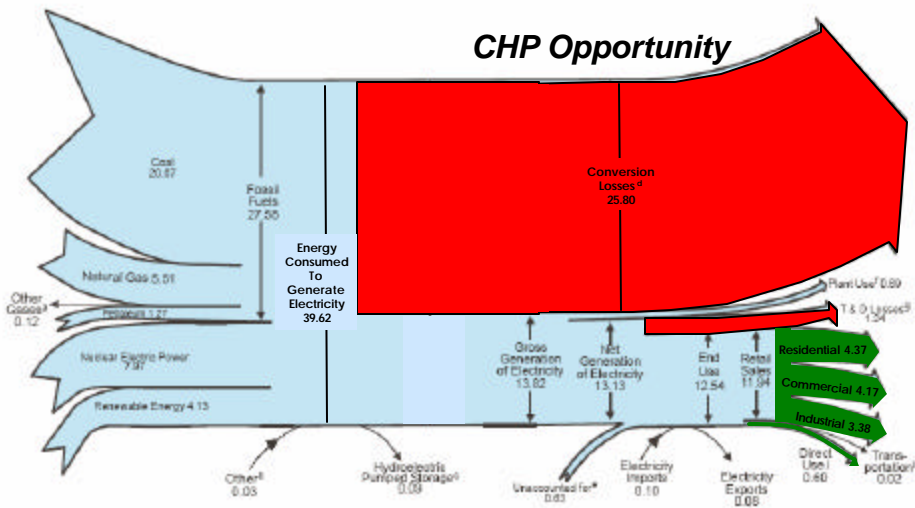


# Renewables (CHP), Global Warming, and Energy Efficiency

**Richard Brent**  
Solar Government Affairs  
Lake Tahoe, California  
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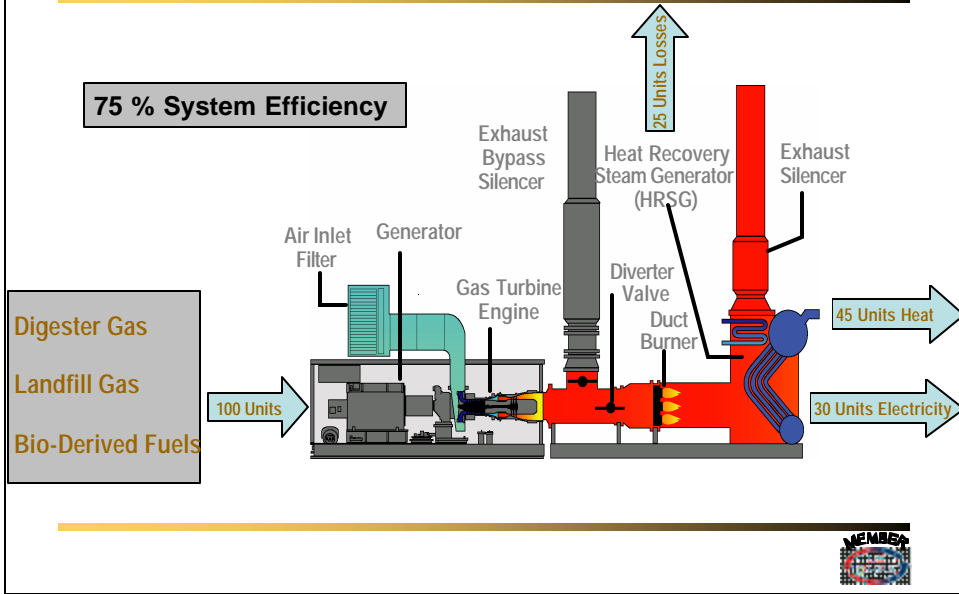
## 2003 Electricity Flow



Source: Annual Energy Review, Energy Information Administration, 2004



# CHP System



# CHP Potential in California

Scenario	Market Penetration (2005 -2020)	Description
Base Case	1,996 MW	Expected future conditions with existing incentives
High Deployment Case	7,340 MW	\$40/ kW year T&D capacity payments for projects < 20 MW, global warming incentives, wholesale export, extended SGIP (incentives on first 5 MW for projects < 20 MW), \$0.01/ kWh CHP production tax credit

## Expected Benefits

**Base Case:**

- 400 trillion BTUs of energy savings
- \$1 billion in reduced facility operating costs
- CO<sub>2</sub> emissions reduction by 23 million tons

**High Deployment Case:**

- 1,900 trillion BTUs of energy savings
- \$6 billion in reduced facility operating costs
- CO<sub>2</sub> emissions reduction by 112 million tons

Source: *Assessment of California CHP Market and Policy Option for Increased Penetration*, EPRI, Palo Alto, CA, California Energy Commission, Sacramento, CA: 2005