

EL-3/ERE-1/GS-3 Resolution in Support of the Deployment of Combined Heat and Power

WHEREAS, The industrial sector accounts for over 30 percent of all energy consumed in the United States, and energy costs affect competitiveness in the U.S. industrial sector; *and*

WHEREAS, The U.S. Environmental Protection Agency (EPA) Clean Air Act pollution standards (Boiler MACT) for large and small boilers will affect a wide range of industrial facilities and institutions; *and*

WHEREAS, The U.S. EPA estimates that the total number of boilers affected by the standards is about 200,000; *and*

WHEREAS, While our Nation's manufacturing industry has made progress in energy efficiency, there is an opportunity to accelerate and expand these efforts with investments to reduce energy use through more efficient manufacturing processes and facilities and the expanded use of combined heat and power (CHP); *and*

WHEREAS, This investment has the potential to improve the competitiveness of United States manufacturing, lower energy costs, free up future capital for businesses to invest, reduce air pollution, and create jobs; *and*

WHEREAS, President Obama issued an Executive Order on August 30, 2012, encouraging accelerated deployment in industrial energy efficiency, formalizing interagency coordination and directing certain executive departments and agencies to convene national and regional stakeholders to identify, develop, and encourage the adoption of investment models and State best practice policies for industrial energy efficiency and CHP and provide technical assistance to States and manufacturers; *and*

WHEREAS, On August 30, 2012, the Federal Energy Regulatory Commission's (FERC) Chairman Wellinghoff issued a statement that FERC is using its existing statutory authorities to increase efficiency and facilitate evaluation of innovative solutions to the Nation's energy needs by investors, State legislatures, and State utility regulators; *and*

WHEREAS, The U.S. Department of Energy (DOE) is offering technical assistance to the owners of facilities with boilers to make them aware of cost-effective clean energy strategies for compliance; *and*

WHEREAS, It is the responsibility of State Commissions to carry out their policies, including, ensuring availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service; *and*

WHEREAS, State Commissioners are responsible for energy assurance and energy preparedness including estimating statewide and regional needs for energy which will reasonably balance requirements of State and regional development, protection of public health and safety, preservation of environmental quality, maintenance of a sound economy, and conservation of energy and material resources, *now, therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC) convened at its 2012 Annual Meetings in Baltimore, Maryland, and encourages State public service commissions to evaluate opportunities for combined heat and power; *and be it further*,

RESOLVED, That NARUC encourages State public service commissions to work with stakeholders and other agencies, as needed, to encourage cost effective investment in CHP opportunities; *and be it further*,

RESOLVED, That State public service commissions explore educational opportunities and forums on CHP; *and be it further*,

RESOLVED, That State commissions evaluate regulatory mechanisms and consider and identify ways to best deploy cost-effective CHP technologies.

Sponsored by the Committee on Electricity, the Committee on Energy, Resources and the Environment, the Committee on Gas, and endorsed by the Task Force on Environmental Regulation and Generation

Adopted by the NARUC Board of Directors, November 13, 2012

Adopted by the NARUC Committee of the Whole, November 14, 2012