

California Looks To Combined Heat And Power Systems

Californian Governor Arnold Schwarzenegger has signed a bill designed to encourage the development of combined heat and power systems in the American state and reduce greenhouse gas emissions. The bill requires utilities to purchase electricity from cogeneration facilities, though it calls for purchases to be “ratepayer indifferent”, meaning utility ratepayers should not be required to pay higher costs because of the facilities. The California Public Utilities Commission will need to establish limits on the amount of electricity that utilities would purchase from cogeneration system. Separately, the CEC will need to adopt operating guidelines by 2010, requiring cogeneration systems to operate efficiently. Although utilities may view cogeneration as a form of competition from customers, California’s climate law and power needs helped draw support for the measure, according to Schwarzenegger. Schwarzenegger vetoed another bill that would have allowed owners of small-scale renewable generation facilities to sell excess power to investor-owned utilities at rates set by the PUC. In his veto message, Schwarzenegger expresses concern that the bill would have allowed utilities to own all renewable energy credits associated with such facilities.

[Source essa news]