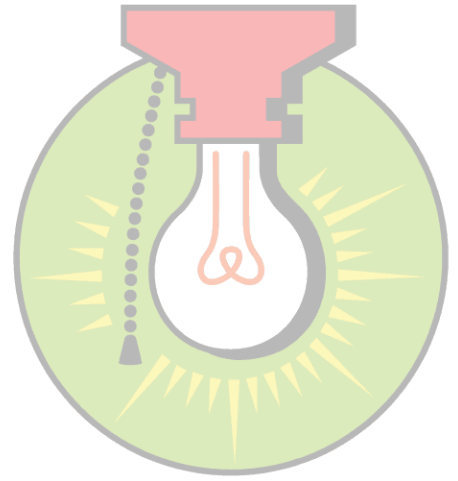


NEWS



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GOVERNOR AND LEGISLATURE MUST HELP: CLEAN, EFFICIENT ELECTRICITY AT RISK

SACRAMENTO – Calling this a critical moment for the future of cogenerated electricity, representatives of California cogenerators are asking the state’s elected officials to add their voices in support of cogeneration.

“We are here at the Capitol to tell our governor and our legislators that cogenerated electricity is at risk, if the California Public Utilities Commission fails to implement policies to preserve its continued use,” said Audrie Krause, communications director for CogenWorks, a coalition representing electricity cogenerators in California. “Today we will be delivering this report to the governor and to every legislator – to put in their hands the facts about this clean, reliable source of electricity – and the risk to cogeneration, which supplies 17 percent of our electricity.

“With the California Energy Commission warning policy makers that the state could face severe energy shortages in the next few years, the preservation and expansion of cogeneration becomes more important than ever.”

(more)

The CogenWorks report, "Cogeneration: Clean, Efficient Energy At Risk," identifies 748 megawatts (MW) of cogenerated electricity, produced under contracts which will expire next year. That is enough electricity to supply 748,000 homes. The Energy Commission has reported that as much as 2,000 MW of cogenerated power could be lost within the next four years.

Cogeneration uses a single fuel, usually natural gas, to produce two types of energy, usually electricity and steam heat. California's cogenerators range from schools, cities and hospitals, to refineries, canneries and paper mills, and together supply 9,000 MW of electricity.

Because cogeneration is more efficient, the Governor's Climate Action Team has also identified the use of cogeneration as a strategy for reducing greenhouse gas emissions. Existing cogeneration already results in emission reductions equivalent to removing 5 million cars a year from state highways.

"The Energy Commission has provided regulators at the PUC with a blueprint for policies to preserve and expand the use of clean, efficient cogenerated electricity," CogenWorks' Krause explained. "Those recommendations include: setting specific targets for how much electricity should come from cogeneration; requiring greater transparency to ensure that utilities buy electricity from cogenerators at prevailing wholesale prices, as required by law; and standardizing an open contracting process which will be fair to consumers, cogenerators and utilities.

(more)

“However,” Krause continued, “at the same time the PUC has been holding hearings on these issues, it has also lobbied for a proposal in Washington, and supported legislation in Sacramento, that would undermine cogeneration in California. We believe the debate on the future of the source of 17 percent of our electricity, as well as the source of significant clean air benefits – cannot occur only in regulatory hearing rooms. It is time for our elected officials and all Californians to help ensure that cogeneration is preserved.”

The full report, as well as more information about cogeneration and CogenWorks can be found at www.cogenworks.com.

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