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AEP Ohio Combined Heat and Power and Waste Energy Recovery Program



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What is Combined Heat and Power?

As Defined by SB 310

- Combined Heat and Power is “the coproduction of electricity and useful thermal energy from the same fuel source...”
 - “...designed to achieve thermal-efficiency levels of at least sixty percent”
 - “...with at least twenty percent of the system's total useful energy in the form of thermal energy”*

*Source legislature.state.oh.us



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What is Waste Energy Recovery?

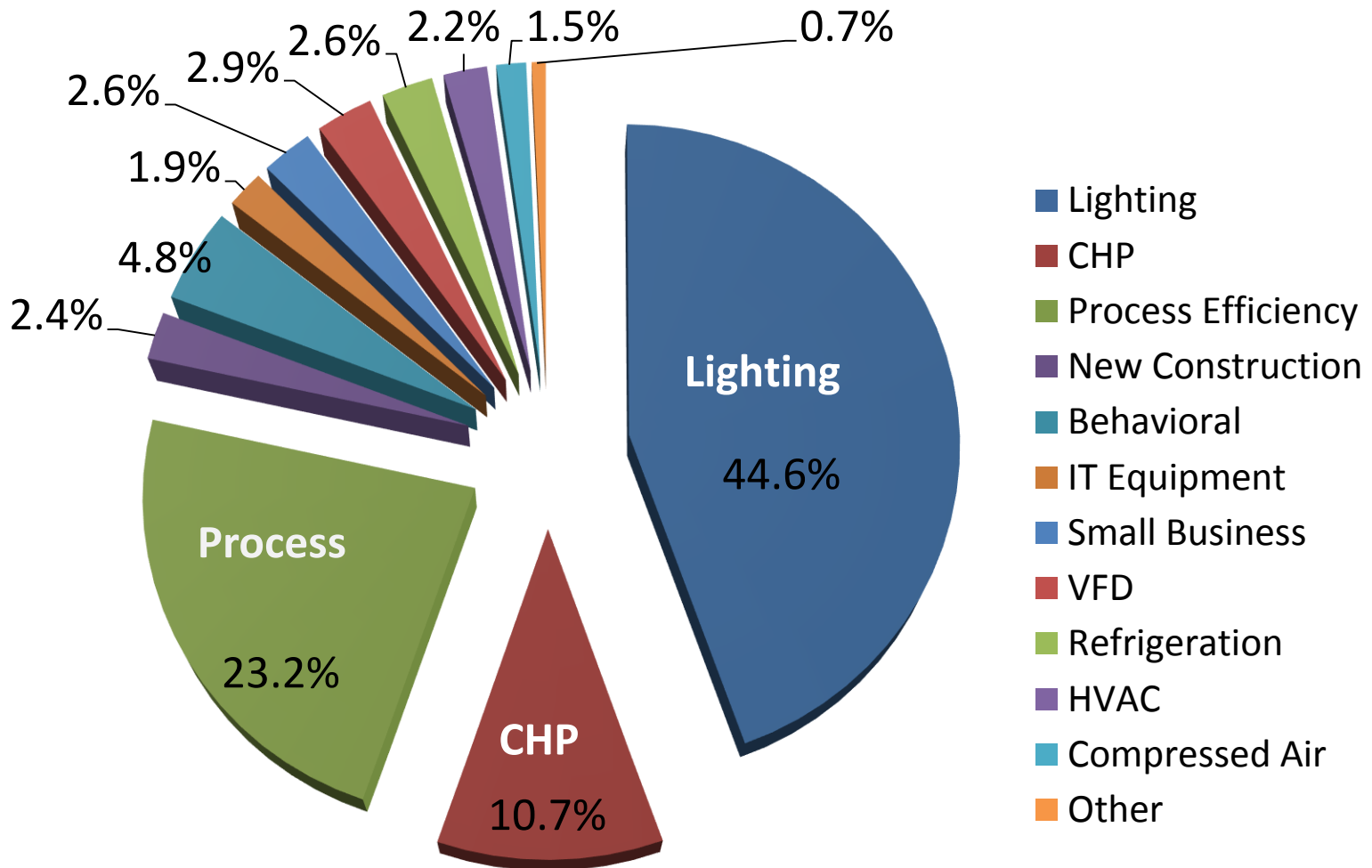
As Defined by SB 310

- Waste Energy Recovery is the “generation of electricity through the conversion of energy [from]...”
 - Exhaust Heat
 - Reduction of pressure in gas pipelines before gas is distributed through the pipeline

*Source legislature.state.oh.us

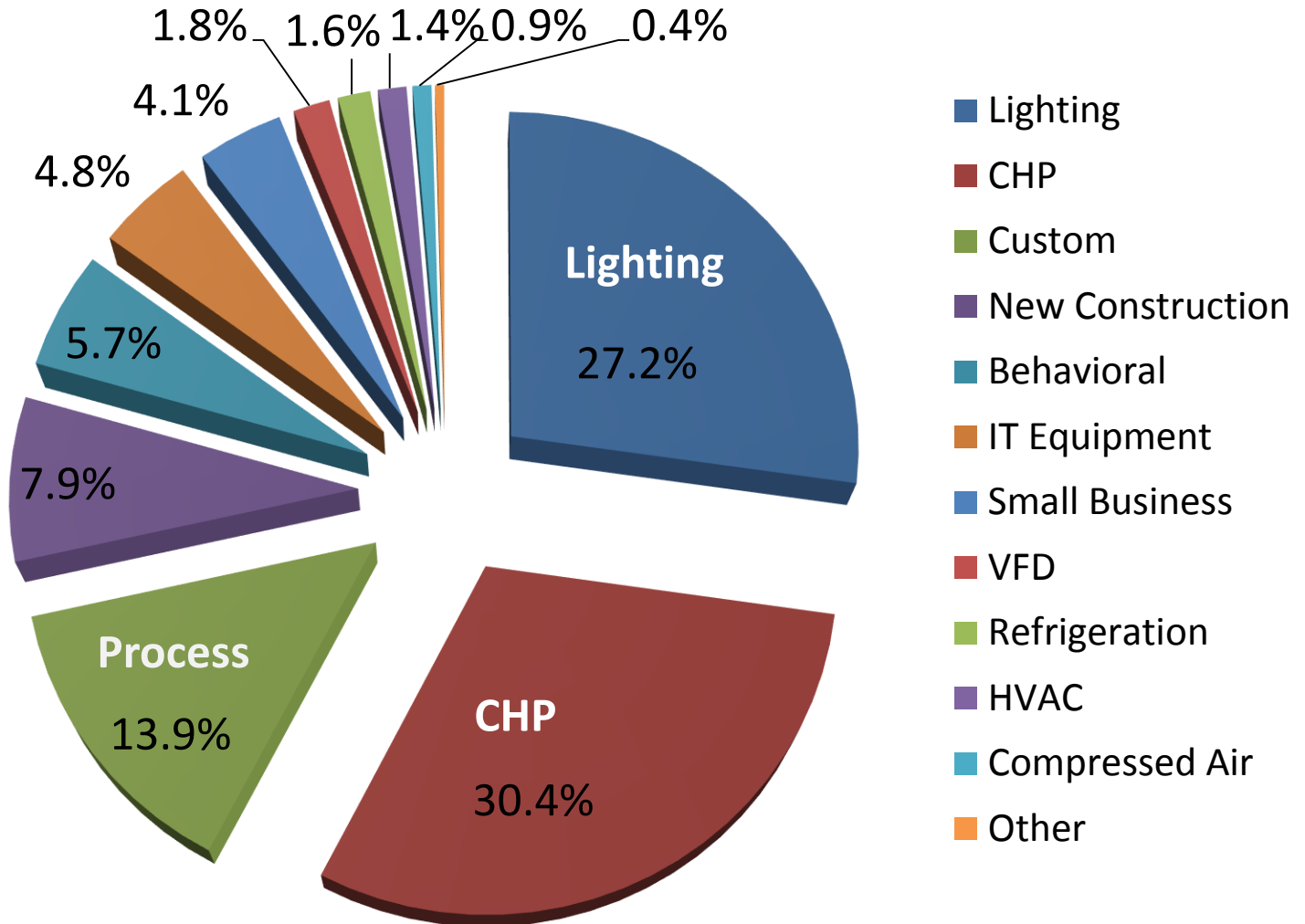


AEP Ohio 2016 kWh Savings for Business Customers





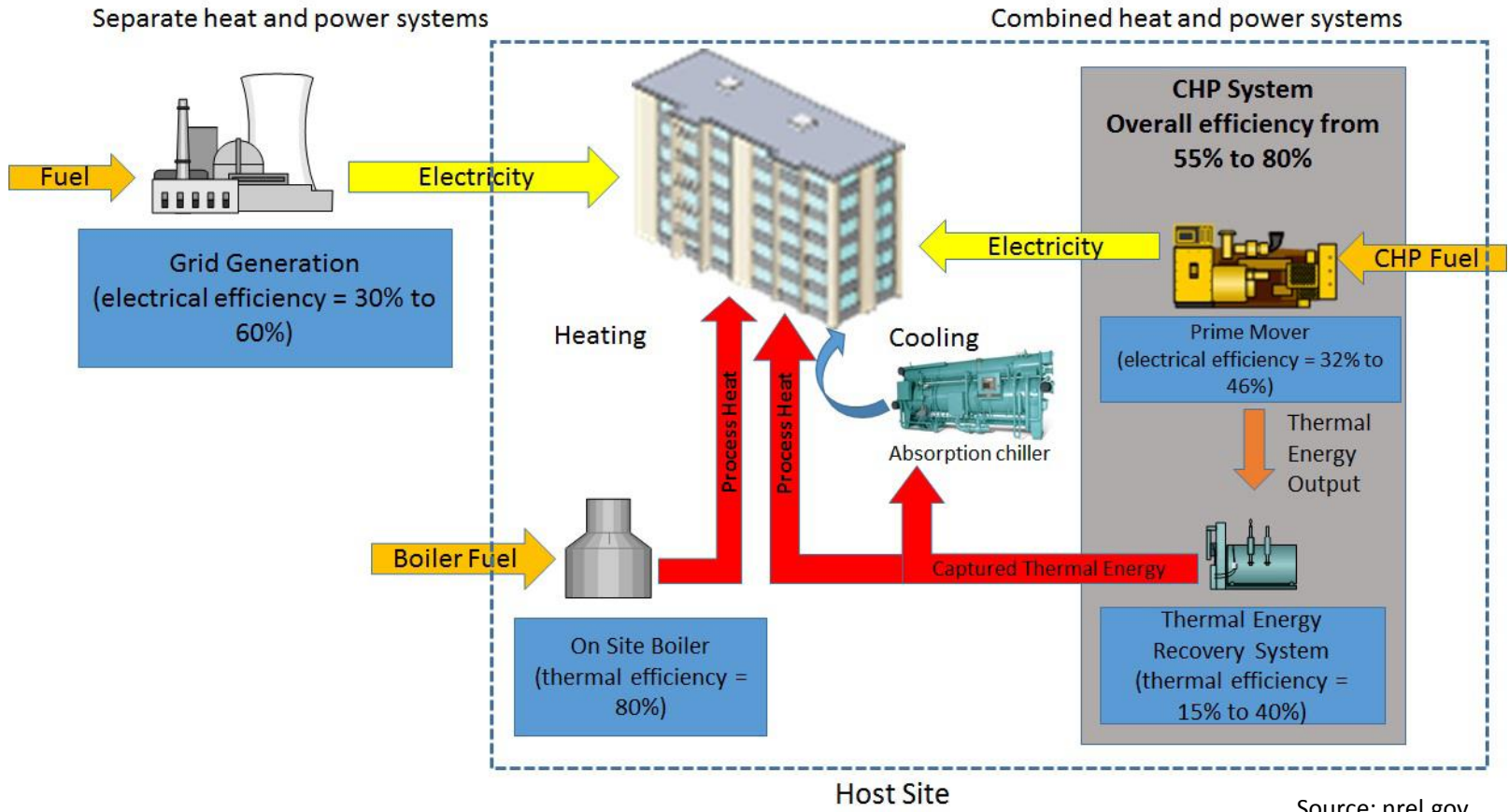
2017 to 2020 kWh Savings Plan for Business Customers





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What is Combined Heat and Power





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AEP Ohio's CHP Program

AEP Ohio is offering incentives to customers for eligible CHP projects



- AEP Ohio distribution customer
- Targeting Industrial and Institutional
- Minimum generation of 500,000 kWh per year
- Design of 8000 minimum run hours per year



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AEP Ohio CHP Program Incentives

Systems >
1000 kW

- Incentive rate – 3.5 cents per annual Net kWh generated
- Payment period of 1 to 5 years

Systems ≤
1000 kW

- Incentive rate - 5 cents per annual Net kWh generated
- Payment period of 1 year preferred but may be up to 5 years

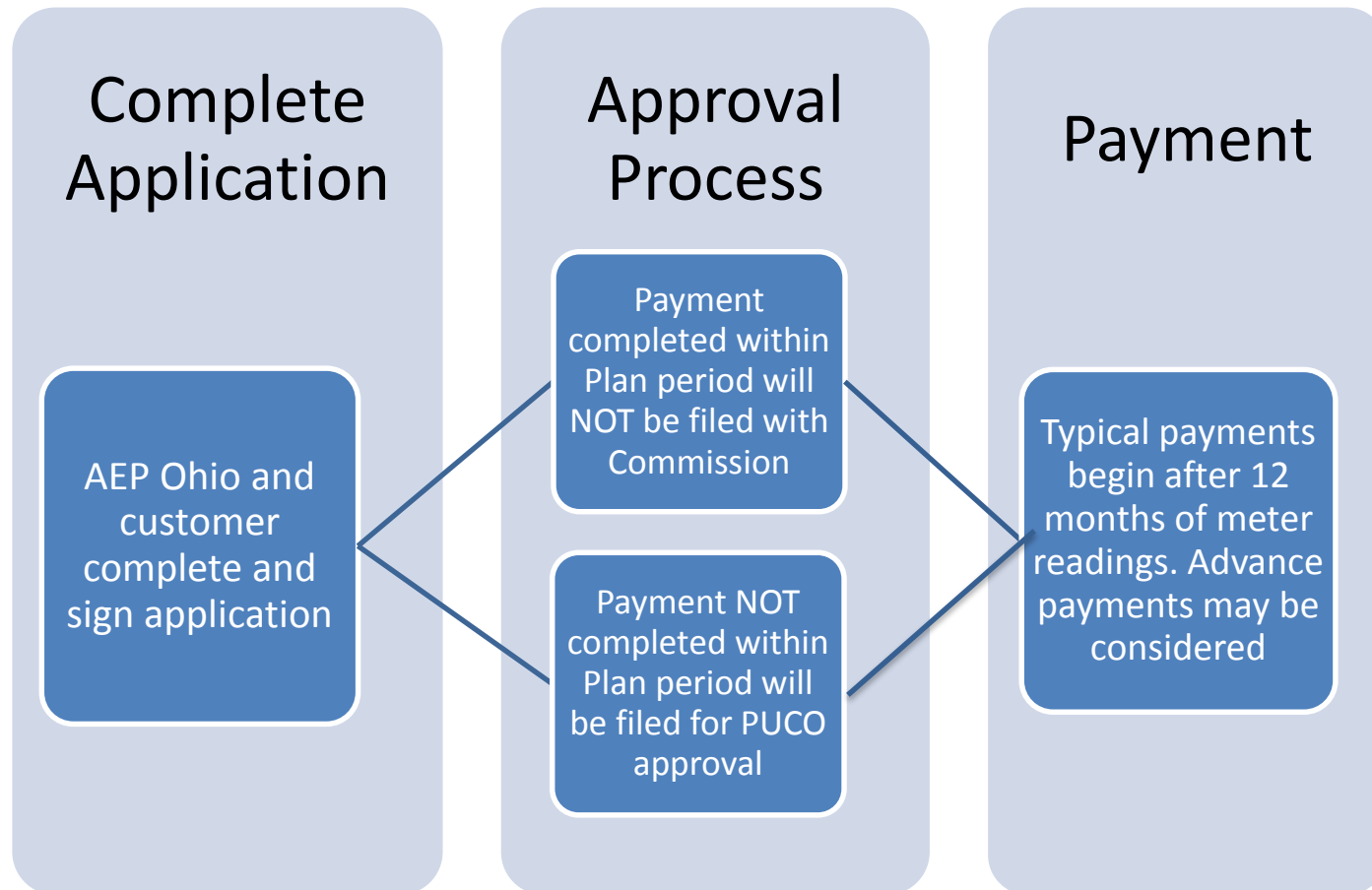
Caps

- \$500,000 cap per project per year



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AEP Ohio CHP Program Process





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Incentive per NET kWh generated

- Electric meter ANSI C-12.20 and accuracy $\pm 0.5\%$
- Parasitic losses will be removed from gross kWh generation
 - Meter may be located to measure the net of the parasitic losses
 - Estimated from the DOE Uniform Method Protocol if unable to measure 3-6%





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Project Screenings

- Visit aepohio.com/solutions for information regarding
 - High level checklist to determine project viability
 - Link to free screening
 - OMA link for manufacturers
 - US DOE link for all customer segments
 - Additional feasibility studies recommended



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Program Information

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Visit our website at aepohio.com/solutions