COLORADO’S INDUSTRIAL PLANTS GET NEW INCENTIVES FOR PRODUCING CLEAN ENERGY

Approval of First Recycled Energy Program Applauded as New Zero Emission Source

For Immediate Release

DENVER, Colo. (Jan. 9, 2015) — Colorado’s industrial plants and manufacturers have a new opportunity to participate in Colorado’s clean energy economy by taking advantage of incentives from Xcel Energy that help them turn their wasted heat from operations into profits.

In a Dec. 26 ruling, the Colorado Public Utilities Commission approved Public Service Company of Colorado, a subsidiary of Xcel Energy, to provide financial incentives to industrial facilities that convert waste heat to power, known as “recycled energy” in Colorado.

“The ruling—a first for the state—places recycled energy technologies alongside better-known renewables like wind, solar, biomass, and geothermal,” said Christine Brinker, director of combined heat and power at the Southwest Energy Efficiency Project (SWEEP). “These innovative and advanced technologies deserve attention because they produce electricity with no added emissions and no added fuel, making them just as pristine as wind or solar.”

“A Recycled Energy Program coming to Colorado is fabulous news for businesses and in general for all Colorodoans,” stated Gwen Farnsworth. “This new program expands customer choice, adding another type of clean, renewable energy technology in addition to solar that Xcel’s business customers can invest in directly.”
Brinker was an expert witness at the PUC hearing and was sponsored by Western Resource Advocates (WRA). Both groups actively advocated for several improvements that the Commission approved as part of the recycled energy program.

The ruling allows Xcel Energy to pay an incentive of about $500 per kilowatt of recycled energy. The incentive is paid over 10 years, which reduces the payback period on a company’s initial investment.

The ruling also allows Xcel Energy to count up to 20 megawatts of recycled energy per year through 2016 toward its goals of 30% renewable energy by 2020 under the Renewable Energy Standard originally adopted by the state legislature in 2007. Individual projects can be as large as 10 megawatts. There is no minimum project size.

Industrial and manufacturing sectors such as steel, glass, metals, chemicals, oil and gas, cement, bakeries and pipeline compressor stations often have operations suited to recycled energy projects. The incentives help make affordable the cost of turning a wasted resource—excess heat from operations—into energy that can be used onsite or sold, boosting their bottom line.

Recycled energy is a way to capture heat from exhaust stacks or pipes that would otherwise be lost and convert it into electricity. Recycled energy technology puts waste heat – a common element of many industrial processes – to productive use by converting it to electricity. These systems are typically used continuously so they provide a reliable, consistent form of electricity generation. Recycled energy can displace consumption of electricity from highly polluting resources, such as coal plants.

**About SWEEP:** The Southwest Energy Efficiency Project (SWEEP) is a public interest organization dedicated to advancing energy efficiency in Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming. To learn more, visit [http://www.swenergy.org](http://www.swenergy.org).

**About Western Resource Advocates:** For the last 25 years Western Resource Advocates has been the West’s premier group of experts protecting the region’s air, land and water. WRA’s pragmatic team of lawyers, scientists and economists craft innovative solutions for the most complex natural resource challenges in the region. Go to [www.westernresourceadvocates.org](http://www.westernresourceadvocates.org) and follow us on Twitter @WRADV.

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