



# UTC Power

A United Technologies Company

## Summary:

Large FC/CHP Program in NJ – UTC Power Comments

## Submitted by:

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- Item 1: Program should define a maximum bid
  - Should allow lower bids to cultivate competition
- Item 2: Incentive funding should be 100% grant
  - When money is provided upfront, projects move more quickly
  - Recommend an initial capacity payment of 50%; remaining 50% to be paid out over three years on a \$/kWh basis
- Item 3: Competition factors should include:
  - Recommend a HHV efficiency between 50-60%
    - Efficiency range allows for more technologies to participate in the program
  - Air emissions factor
    - All technologies should have to meet a published air emissions requirement (recommended: CARB)
  - Public benefit factor
    - Clean technologies that can operate isolated from the grid should be considered over grid connect only technologies

# Comment Summary (cont.)

- Item 4: Incentive structure should be based on technology type, in the following order from lowest to highest incentives
  - CHP only
  - Fuel cell (electric only)
  - Fuel cell and CHP
- Item 5: Several solicitations throughout the year are recommended
  - Each solicitation should have a reasonable amount of funding available in order to encourage viable project bids
- Item 6: No comment
- Item 7: A 10 year service contract (including O&M) should be required for all projects
- Items 8 & 9: No comment

- Item 10: Air Emissions Criteria and Permitting
  - See “Item 3 – Air Emissions Factor”; air emissions criteria should be required for all projects
  - DEP permit should not be required at time of application
- Item 12a: The minimum project requirement should be 55% HHV efficiency
- Item 12b: Evaluation criteria should be first come, first served granted all minimum project requirements are met
- Item 12c: For fuel cell + combined heat and power projects, up to 2MW, an appropriate incentive level would be \$2.50/Watt