Glossary – dCHPP (CHP Policies and incentives database)

| Policy/Incentive Type | Description | Update Schedule |
|------------------------------|--|-----------------|
| Bond | State or federal bonds that support CHP projects or activities (either specifically or where eligibility includes CHP). | Bi-weekly |
| Commercial PACE | Commercial property assessed clean energy (PACE) programs allow building owners to receive full financing for | Annually |
| | eligible energy saving measures (which can include CHP), repaid as a property tax assessment for up to 20 years. | |
| | Entries only include those programs that include CHP as eligible and that are actively accepting applications. | |
| Electric Utility Rate | Rates offered by electric utilities with discounts or exemptions for customers with on-site power generation | Annually |
| | and/or CHP. These rates can be derived from state or federal policies, or they can come from individual utilities. | |
| | Electricity rates for customer-generators can take several forms including standby charges and related rates, exit | |
| | fees, buyback rates, and decoupling mechanisms. Design criteria that account for CHP can include a reduction or | |
| | exemption from standby rates and/or exit fees, the application of daily or monthly as-used demand charges, the | |
| | option to buy backup power at market prices, and guidelines for dispute resolution processes. | |
| Energy Regulation and Policy | Federal and state energy regulations and policies supportive of CHP including federal and state laws, executive orders, and FERC orders. | Annually |
| Environmental | Federal and state regulations supportive of CHP such as output-based regulations, special permitting procedures | Annually |
| Regulation | for CHP, and regional initiatives. | , |
| Feed-in Tariff | State or federal feed-in tariffs that support CHP projects or activities (either specifically or where eligibility includes CHP). | Bi-weekly |
| Gas Utility Rate | Rates offered by natural gas utilities with discounts for on-site power generation and/or CHP. These rates can be | Annually |
| , | derived from state or federal policies, or they can come from individual utilities. Gas utilities may only offer | • |
| | discounted rates for gas that is specifically used for power generation. | |
| Grant/Rebate | Federal, state, or utility disbursements of money in the form of a lump sum or on a per energy unit basis (e.g., | Bi-weekly |
| | \$/kW) used to support CHP projects or activities (either specifically or where eligibility includes CHP). Payments | |
| | may be made in advance, or after installation, depending on the program. | |
| Interconnection | Policies, regulations, and rules governing interconnection of distributed generation (DG) to the grid established | Annually |
| Standard | by state law, the State PUC for regulated utilities, or FERC regulation for generators under its jurisdiction. | |
| | Transparent and uniform technical standards, procedures, and agreements established for all system sizes can | |
| | reduce uncertainty and prevent time delays that clean DG systems, such as CHP, can encounter when obtaining | |
| | approval for electric grid connection. | |
| Loan | State or federal loans that support CHP projects or activities (either specifically or where eligibility includes CHP). | Bi-weekly |
| Net-Metering Policy | A state policy on how excess electricity generated by customer-sited distributed generators, such as CHP, can be | Annually |
| | accounted for and made available on the local electric grid. The policy is commonly implemented by state public | |
| | utilities commissions. Key criteria commonly addressed are system capacity limit, eligible system and customer | |
| | types, treatment of net excess generation, and ownership of renewable energy credits (RECs) associated with | |
| | customer generation. | |
| Portfolio Standard | State regulations that require utilities to obtain a certain amount of the electricity they sell from specified | Annually |
| | sources and/or achieve specified reductions in electricity consumption. Entries include only those standards that | |
| | specifically include CHP (i.e., fossil fueled CHP, waste heat to power, or where renewable CHP is specifically called | |

| | out as eligible). | |
|------------------------------|--|-----------|
| Production Incentive | State or federal production incentive payments that support CHP projects or activities (either specifically or where eligibility includes CHP). | Bi-weekly |
| Public Benefits Fund | Public benefits funds (PBFs) are pools of resources typically created by levying a charge on customers' electricity rates, which typically are used by states to support energy efficiency and renewable energy. Entries include those state programs where CHP systems appear to be currently—or potentially in the future—eligible for PBF-funded incentives, based on the stated energy efficiency and renewable energy objectives of the fund. Funding for CHP projects provided by these resources would be found under related dCHPP incentive types (e.g., loan, grant, or rebate). | Annually |
| State Climate Change Plan | This section includes state climate change action plans that include measures to support CHP. A climate change action plan lays out a strategy, including specific policy recommendations, that a state or local government will use to address climate change and reduce greenhouse gas emissions. | Annually |
| State Energy Plan | A state energy plan is a document that is an outcome of a planning process among State stakeholders to move toward meeting future energy needs based on agreed goals, objectives and criteria. A well-constructed state energy plan can provide an assessment of current and future energy supply and demand, examines existing energy policies, and identifies emerging energy challenges and opportunities. Entries include state energy plans that include CHP as a recommendation to achieve the agreed goals, objectives and criteria laid out in the plans. NASEO provides an inventory of all available state energy plans (http://www.naseo.org/stateenergyplans). | Annually |
| Tax | State or federal tax credits or favorable tax treatment that supports CHP projects or activities (either specifically or where eligibility includes CHP). | Bi-weekly |