A Maryland Story

Hosted by:
A Maryland Story - Background

• General Assembly passed EmPOWER Maryland Energy Efficiency Act of 2008 – 15% reduction by 2015
• 2016 – Public Service Commission sets 2% target
• Participating utilities
  – Baltimore Gas & Electric
  – Potomac Electric Power Co.
  – Delmarva Power & Light Co.
  – Potomac Edison
  – Southern Maryland Electric Cooperative
A Maryland Story – Partnership

• EmPOWER EE programs grew rapidly
• Separate CHP program evolved from the Custom path
  – Launched end of 2012
  – Program requirements/incentives identical throughout MD programs
• Maryland Energy Administration
  – Launched CHP Grant program in 2014
  – Current grant offering... up to $575/kW, capped at $500,000
  – mCHP (≤ 60kW) capped at $75,000
A Maryland Story - Status

BGE CHP Program Today

- 65% HHV, 100% on-site use

- Incentive Structure
  - ≤ 1 MW  $1,200/kW
  - > 1MW    $900/kW

- Payment Timing
  - 10% Design – Completed drawings and permits filed
  - 30% Commissioning – Subject to inspection
  - 60% Production – 12 contiguous months, based on actual data vs. estimated

- Project Cap
  - $2.5M maximum, one project/customer site/3-year program cycle

- Technical Field Support
  - BGE’s “secret ingredient”
## A Maryland Story - Impact

### Completed Projects

<table>
<thead>
<tr>
<th>Year</th>
<th>Projects</th>
<th>MWh</th>
<th>Incentive</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td>$184,875</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>5</td>
<td>17,531</td>
<td>$1,154,875</td>
<td>2 Schools, University, Casino, &amp; Hospital</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td>$909,217</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>3</td>
<td>59,703</td>
<td>$1,402,170</td>
<td>DOD, Sports Club, &amp; Food Processing</td>
</tr>
<tr>
<td>2017</td>
<td>2</td>
<td>30,900</td>
<td>$1,975,918</td>
<td>(2) Hospitals</td>
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<tr>
<td>2018</td>
<td></td>
<td></td>
<td>$1,963,093</td>
<td></td>
</tr>
<tr>
<td>YTD 2019</td>
<td></td>
<td></td>
<td>$1,794,716</td>
<td></td>
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<tr>
<td>Total</td>
<td>10</td>
<td>108,134</td>
<td>$9,384,864</td>
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</tr>
</tbody>
</table>

CHP brings three times more energy efficiency per dollar versus other programs.
A Maryland Story - Future

Looking Forward…

• Robust pipeline of potential projects
  – 2 X 2.5 MW coming on-line in January
• Potential incentive adjustment for 2021-23 Program Cycle
  – Higher incentive tier for ≤ 200 kW
• Employ DOE eCatalog to promote CHP to smaller facilities
  – Multifamily, nursing homes, & schools

“We spent a lot of time making sure the technology would work with our building’s operating characteristics. The availability of the incentives was a driving factor that helped facilitate the project and offset some of the costs. BGE’s technical support to validate the feasibility of the system also was critical.”

- Jeremy Scharfenberg, Energy Manager, Columbia Association
A Maryland Story – Plus DOE

Benefits of Packaged CHP

End-users select their system from DOE CHP eCatalog and begin project development swiftly.

Pre-engineered, packaged CHP systems can:
- Increase likelihood of project completion by 260%*
- Compress timeline by 40%*
- Reduce overall project cost by 25%*

*NYSERDA Catalog and Market Engagement Program