



# NEWSLETTER

Midwest Cogeneration Association, Inc.

November, 2002

Vol. 17, No. 4

## November 20, 2002 Bimonthly meeting

### A Friendly Dialog with ComEd

Join us for this exciting and intriguing presentation by ComEd. Steve Baab of ComEd will be making a formal presentation on the technical aspects of interconnection and also addressing some of the issues like Rate 6L and its non-availability for accounts with >3MW of demand, the future availability of the PPO and forecast price, back-up power availability under Rate 18 or Open Access, along with trends in wholesale and retail power pricing levels. A portion of the evening will be set aside for an open dialog between members and ComEd. This promises to be a very lively and informative meeting; a benefit to all of us, including ComEd.

Those wishing to address specific questions or topics for the meeting my contact Tom Riemer at (630) 665-9090 or [jtrind@ameritech.net](mailto:jtrind@ameritech.net).

**LOCATION:** Willowbrook Holiday Inn  
7800 S. Kingery Hwy  
Willowbrook, Illinois

**TIME:** Social Hour: 5:30 p.m.  
Dinner: 6:30 p.m.  
Presentation: 7:30 p.m.

**COST:** \$35

**RESERVATIONS:** Call the MCA voicemail at (630) 323-7909 or e-mail your reservation to [mca@cogeneration.org](mailto:mca@cogeneration.org) by *10:00 a.m. Monday, November 18, 2002.*

## **MIDWEST CHP INITIATIVE AND APPLICATION CENTER**

On October 2<sup>nd</sup>, John Moore of the Environmental Law and Policy Center, John Cuttica of UIC's Energy Resource Center, and Ted Bronson of GTI presented "The Role of Combined Heat and Power in Illinois' Energy Future" to the Illinois Commerce Commission. The Commission appeared to receive the presentation well, with Commissioner Terry Harvill committing to ask for a staff report on interconnection issues, which would be the first step towards development and adoption of DR Interconnection Standards in Illinois. This is huge, not only for CHP, but for every Distributed Energy resource from solar to wind. Members of the Midwest Cogeneration Association provided critical technical input to the presentation.

John Moore led the effort, coordinating with the ICC and leading the presentation. Mr. Bronson discussed the purpose of the meeting as follows: to summarize the benefits of CHP, including meeting diverse consumer electricity requirements, energy conservation, and grid enhancement; to review policies that support CHP and DR; to discuss barriers to realizing the full promise of CHP and other DR in Illinois, and to recommend changes to Illinois law and policy. Mr. Bronson also discussed how the Midwest CHP Initiative,

Application Center, and the Midwest Cogeneration Association are working together to reduce barriers and accelerate deployment of CHP in the Midwest.

Next, Mr. Cuttica gave an overview of CHP technologies, followed by a detailed summary of the CHP installation at UIC. This presentation included key benefits to UIC such as financial payback and emissions benefits. He then spoke of government commitments to CHP including President Bush's National Energy Policy, the Illinois Energy Policy, and the City of Chicago's Energy Plan, as well as the Repowering the Midwest Study performed by ELPC that showed that CHP provides one of the largest potentials for Clean Energy in Illinois.

Mr. Moore next delved into the meat of the meeting, providing an overview of barriers to DR and six concise examples of how existing barriers to CHP have hindered or stopped projects in Illinois including the following: 1) Network interconnection issues creating a barriers to CHP installations in downtown buildings, 2) Interconnection delays, fees, high standby charges and complicated interconnect agreements bogging down a 30 kw downstate CHP installation, 3) High costs of

utility-proposed interconnection equipment costing project delays and studies to demonstrate equipment was not needed, 4) Interconnection delays, high costs, and cost associated with delays in meeting utility commitment hindering installation of CHP at prominent Chicago landmark, 5) Interconnection delays, costs, and confusion on the same system approved by the utility on seven other sites by same developer, and 6) high interconnection fees hindering a 1 kw PV installation.

Throughout the meeting a good dialogue developed between the Commissioners and the presenters including issues concerning jurisdiction, and a discussion of the recently released draft Interconnection rules established for Wisconsin.

The meeting closed with a discussion of next steps. John Moore requested that the ICC take two actions: 1) Expedite adoption of standard interconnection terms and conditions including addressing networking issues, and 2) Convene workshops to study standby charge issues and tariffs to recognize the benefits of CHP and DR. Mr. Harvill closed the meeting by committing to request a staff report on interconnection of DR.

*Continued on page --.*

# MCA ACTIVITIES

## MIDWEST COGENERATION ASSOCIATION

P.O. Box 283  
Western Springs, IL 60558-0283  
Voicemail: (630) 323-7909  
Website: www.cogeneration.org

### 2002 OFFICERS and BOARD OF DIRECTORS

#### President

Tom Riemer  
JTR Industries, Inc.

#### Vice-President

Bill O'Shea  
O'Shea Environmental

#### Secretary

Larry Hagemeyer  
Dial Corp.

#### Treasurer

Kenneth W. Jacobs  
Stanley Consultants, Inc.

#### Board of Directors

Robert J. Conway  
Charles Equipment Co.

Gary Ephraim  
CITCO

Freddi L. Greenberg  
Freddi L. Greenberg Attorney at Law

Dean Karafa  
EME Engineers & Consultants, LLC

Jim Kezerle  
Ricardo Engineering

David A. Miller  
Energy Choices, Inc.

Raymond Protich  
Reliable Power, Inc.

Michael Smedley  
Trigen-Peoples District Energy Co.

Kieth Vogelsang  
Cummins Onan Northern Illinois

Alden T. Wulff  
Retired



## NEW MEMBERS

**Scott Boeckman**  
Peer Foods, Inc.

**Brian Boomsma**  
Dutch Farms Inc.

**Kevin Buzard**  
Peoples Energy

**Robert W. Columbia**  
RW Consulting

**Geroge H. Cornell**  
GEV Corp.

**Kip B.F. Doyle**  
Industrial Technology Group

**James Dudek**  
ComEd

**Michael J. Hanek**  
Encompass Electrical Technologies

**Tim Hangsterfer**  
Encompass Electrical Technologies

**Ryan Hansen**  
APC Legendary Reliability

**Larry Hansen**  
Engineered Aeroacoustics, Inc.

**Terry Harper**  
ComEd

**Terry Hillis**  
Metropolitan Pier & Exp. Authority

**Karl Johnson**  
Sweetheart Cup

**Jill Jonkouski**  
U.S. Department of Energy

**Phil Larson**  
Ballard Engineering

**John Leibforth**  
ComEd

**Bob Mackey**  
Boncosky

**Mark Moreno**  
IFC Power

**Peter Mrakovich**  
Equity Office

**Tim O'Malley**  
Boncosky Oil Company

**Antonia Ornelas**  
City of Chicago

**Dean Pietkiewicz**  
Electrical Application Inc.

**Robbie Robison**  
Brook Field Farms

**Steve Schutta**  
ComEd

**Joseph L. Suchecki**  
EMA

**Andrew Toy**  
ComEd

**Larry Ward**  
IFC Power

## **INDUSTRY NEWS**

### **Joint Advisory Task Force (con't.)**

As a result of these meetings, the Midwest CHP Initiative and Application Center are requesting letters from their members and the members of the Midwest Cogeneration Association to the Commission urging them to support the requests made above.

The Midwest CHP Initiative is a coalition formed to remove marketplace barriers and accelerate clean CHP deployment. Participants include the Delta Institute, the Environmental Law and Policy Center of the Midwest, the Gas Technology Institute, NiSource, the Energy Resource Center of the University of Illinois at Chicago, Indiana Department of Commerce, Illinois Department of Commerce and Community Affairs, the Iowa Department of

Natural Resources, the Michigan Department of Commerce, the Minnesota Department of Commerce, the Missouri Department of Natural Resources, Wisconsin Division of Energy, U.S Department of Energy, U.S. Environmental Protection Agency, and the Northeast-Midwest Institute.

The Midwest CHP Application center is an education and outreach organization funded by the Department of Energy and centered at the University of Illinois at Chicago's Energy Resource Center, as a joint partnership by UIC's ERC and GTI. The mission of the Application Center is to provide information, education, and the tools necessary to support CHP project development in the Midwest.

### **PET, Kinectrics and MWH Join to Implement Innovative Cogeneration System**

Plasma Environmental Technologies Inc. (PET) is pleased to announce that it has signed a Memorandum of Understanding (MOU) with MWH, Inc. and Kinectrics Inc. to pursue consulting, engineering, procurement, and construction services for PET's and Kinectrics' Plasma Assisted Gasifier (PAG) technology. This MOU follows PET's Agreement with Kinectrics Inc., announced August 8, 2002, to develop and test the PAG Technology.

The PAG technology is a unique cogeneration system that safely and effectively destroys organic wastes while producing electricity. The system incorporates a graphite plasma reactor that operates as a closed system without combustion, and is consequently much cleaner than incineration and cost competitive with other destruction technologies and landfills. The electricity produced can be sold, or used internally to enhance cost-efficiency. The PAG represents a cost-effective, environmentally-safe diversion from landfills and incineration, in particular, and is of interest to all levels of government and industry seeking safe, affordable solutions for waste disposal.



## **We Want and Need To Hear From You!**

This newsletter offers a forum to communicate with turnkey design build contractors, equipment suppliers, potential customers, regulators and utilities. We look forward to featuring your comments and editorials. If you would like to submit comments, an editorial or be featured in an article, please address comments to the MCA mailbox at P.O. Box 283, Western Springs, IL 60558-0283, the voicemail system at (630) 323-7909, the website at [www.cogeneration.org](http://www.cogeneration.org) or an e-mail to [MCA@cogeneration.com](mailto:MCA@cogeneration.com).

## **INDUSTRY NEWS**

### **PET, Kinectrics (con't.)**

“MWH has the expertise and global network to help propel our PAG technology into exciting commercial applications,” said Alex Falconer, President of PET. Together with Kinectrics, we are very excited about the opportunities that this relationship represents.”

Mr. Stanleigh Fox, Vice President, Power Systems at MWH, commented, “We look forward to building this partnership and realizing the potential of the plasma-based technologies to destroy waste in a safe and effective manner, while also generating electricity. We believe that this technology has tremendous potential, and the partnership with PET and Kinectrics represents a strategic opportunity to implement this technology. The market for the successful application of this technology is, of course, massive, including industry and government.”

### **Turbine Fleet Management Launched to Serve Combustion Turbine Power Plants and Fleets**

Turbine Fleet Management LLC (TFM) has been launched to provide comprehensive fleet maintenance, repair, operations and related services to owners and operators of combustion turbine power generating facilities. The Charlotte, N.C.-based company will bring together the technical, labor, management and information technology resources of Duke/Fluor Daniel, Liburdi Engineering, Strategic Power Systems and Fluor Power Services. “Duke/Fluor Daniel brings to TFM its comprehensive capabilities in operations and maintenance. Through our alliance with Liburdi Engineering, we bring the industry’s leading metallurgical and engineering technology services,” said Ted Rosiak, president and chief executive officer - TFM. TFM has selected Charlotte-based Strategic Power Systems Inc. as a preferred supplier to bring its Operational Reliability Analysis Program (ORAP) products and services. ORAP products provide the real-time data integration for plant operations, routine and major maintenance, parts inventory and other major activities. It will provide TFM clients direct

access to operational and other data through the Internet and link power generation units and trading desks, allowing for optimal scheduling of outages and other maintenance activities. “We’ll connect our clients with the labor and experienced management that they need for major outages and other maintenance events,” said Rosiak. “Through Fluor Power Services, we’ll have the capacity to do this in any market. This integrated expertise is essential to the economical and reliable operations of combustion turbines in the demanding operating regimes of today’s markets.” The U.S. Energy Information Administration estimates that 355,000 megawatts of new capacity (excluding cogeneration) will be needed just in the United States by 2020 to meet demand growth and offset retired facilities. Of that, 88 percent is projected to be combined-cycle or combustion-turbine technology. That rapid growth, according to Rosiak, is outstripping the ability of traditional niche service providers and original equipment manufacturers to serve turbine fleet owners and operators comprehensively and adequately. “The goal for our clients is to drive down their fleet maintenance costs and to drive up fleet performance and reliability,” said Rosiak. “In today’s environment, owners and operators want to achieve top performance and availability when the market rewards are greatest.”

**Don’t forget to call in, or e-mail, your registration to the November 20th Bimonthly Meeting with special guest speaker Steve Baab of ComEd.**

**(630) 323-7909  
mca@cogeneration.org**

## **INDUSTRY NEWS**

### **Nations Energy to Provide Long-Term Energy Solutions to NOVA Chemicals And ATOFINA Petrochemicals, Inc. in Bayport, Texas**

Nations Energy Holdings, LLC, has been selected by NOVA Chemicals Inc., a U. S. subsidiary of NOVA Chemicals Corporation and ATOFINA Petrochemicals, Inc., to construct, own and operate a natural gas fueled, Combined Heat & Power (CHP) Energy Center to supply steam, electricity and related services at their neighboring petrochemical production facilities in Bayport, Texas. Initial operation is targeted for 2004 with capability to produce 80 megawatts of electricity and 750,000 pounds per hour of steam. In addition, it is anticipated that Nations Energy will operate and maintain water treatment, compressed air and other utility related systems.

By significantly reducing energy related NO<sub>x</sub> emissions, this project supports meeting the State Implementation Plan for Federal Clean Air Act compliance. These emission reductions demonstrate NOVA Chemicals' and ATOFINA's commitment to improving air quality in the Houston-Galveston area, classified as a severe non-attainment zone by the Environmental Protection Agency.

“Nations Energy will provide ATOFINA Petrochemicals and NOVA Chemicals with a comprehensive energy solution utilizing efficient and environmentally advanced technology,” said Nations Energy President Bill Johnson. “This energy partnership allows NOVA Chemicals and ATOFINA Petrochemicals to idle older, less efficient equipment. We are committed to enhancing our customers' best-in-class competitiveness through increased efficiency, reliability and reduced costs.”

In contrast to the traditional “merchant energy” approach, Nations Energy designs around the customer's thermal needs, thereby ensuring a balanced, highly efficient Energy Center. Only 10 percent of the Bayport Energy Center capacity is intended for sale to the electricity grid.

“We chose Nations Energy as our energy partner because their approach focused on our operations inside the fence rather than the outside electricity market,” said Bill Greene, vice president, Supply Chain, Styrenics,

NOVA Chemicals. “By combining the use of CHP technology and advanced environmental controls with the integration of their operations into our facilities, they have proposed a comprehensive energy solution that will support our environmental compliance strategy.”

“We are excited about this arrangement and we are confident in Nations' ability to provide energy solutions for our Bayport facility,” said Kevin Boyle, vice president of ATOFINA's U.S. polyethylene business. “In the final evaluation, it was clear that the efficiency of this Energy Center and the customer-focused approach of Nations Energy provided the best solution for our company.”

# MCA NEWS

## MCA 2002 ANNUAL CONFERENCE



*Opening comments by Thomas Riemer, MCA Chair and William Parks, U.S. Dept. of Energy*



*Conference Attendees*



*Attendees enjoying a great BBQ Dinner following the conference.*

**Watch for the next issue of the MCA Newsletter. It will be devoted to the 2002 Cogeneration Award Winners and their projects.**

## MCA ACTIVE COMMITTEES

**Awards**

Bud Wulff\*  
Gary Ephraim

**By-Laws**

Robert Patricoski\*  
Bud Wulff  
John Conway

**Conference**

Tom Riemer\*  
Gary Ephraim  
Bill O'Shea  
Bob Conway  
Ken Jacobs

**Golf Outing**

David Patricoski\*

**Membership**

David Miller\*

**Newsletter**

Volunteer Needed

**Nominating**

To be determined.

**Programs**

Kieth Vogelsang\*

If you are interested in participating on any of the above committees, please contact Tom Riemer at 630/665-9090 or the Committee Chair designated by the \*.

### Calling All Volunteers ~

The Nominating Committee will soon begin reviewing candidates to serve on the MCA Board of Directors next year. If you are interested in getting involved, moving **YOUR** organization forward, assisting with the promotion of **YOUR** organization or just helping with a meeting or communications please contact Tom Riemer at (630) 665-9090.



For up-to-the-minute information on the Midwest Cogeneration Association visit our website at:

**[www.cogeneration.org](http://www.cogeneration.org)**



Midwest Cogeneration Association  
P.O. Box 283  
Western Springs, IL 60558-0283

RETURN SERVICE REQUESTED



November 13-15, 2002 *International Energy Conference & Exposition*  
Location: Reno-Sparks Convention Center, Reno, Nevada  
Sponsor: Petro-Tech Expos Ltd.  
Contact: (630) 241-9870 fax

November 18-19, 2002 *4th Annual Financing US Power Projects*  
Location: Grand Hyatt, New York, NY  
Sponsor: CBI  
Contact: (800) 817-8601 or [www.cbinet.com](http://www.cbinet.com)

November 18-19, 2002 *Standard Market Design*  
Location: Key Bridge Marriott, Arlington, Virginia  
Sponsor: CBI  
Contact: (800) 817-8601 or [www.cbinet.com](http://www.cbinet.com)

November 19-20, 2002 *Distributed Generation*  
Location: Orlando, Florida  
Sponsor: AEE  
Contact: [www.aeecenter.org/seminars](http://www.aeecenter.org/seminars)

November 19-21, 2002 *Fundamentals of Buying & Selling Energy*  
Location: Orlando, Florida  
Sponsor: AEE  
Contact: [www.aeecenter.org/seminars](http://www.aeecenter.org/seminars)

November 19-21, 2002 *Fundamentals of Energy Management*  
Location: Orlando, Florida  
Sponsor: AEE  
Contact: [www.aeecenter.org/seminars](http://www.aeecenter.org/seminars)

November 20, 2002 ***MCA Membership and Board of Directors Meeting***  
Location: Willowbrook Holiday Inn  
Contact: (630) 323-7909

November 20-21, 2002 *Business Energy Solutions Expo*  
Location: Gaylord Palms Resort, Orlando, Florida  
Sponsor: AEE  
Contact: (770) 925-9633

November 20-21, 2002 *Commercialization of Energy Tech.*  
Location: The Roosevelt Hotel, New York, New York  
Sponsor: CBI  
Contact: (800) 817-8601 or [www.cbinet.com](http://www.cbinet.com)

December 5-6, 2002 *Keys to Energy Management*  
Location: Four Points by Sheraton Bethesda, Bethesda, Maryland  
Sponsor: AEE  
Contact: Valerie Oviatt (770) 925-9633

December 10-12, 2002 *Powergen International*  
Location: Orange County Convention Center, Orlando, Florida  
Sponsor: Pennwell Power Group  
Contact: (918) 831-9160 or [powergen@pennwell.com](mailto:powergen@pennwell.com)

January 27-28, 2003 *Strategic Supply Chain Management for Utilities*  
Location: Crowne Plaza Universal, Orlando, Florida  
Sponsor: CBI  
Contact: (800) 817-8601 or [www.cbinet.com](http://www.cbinet.com)

February 24-25, 2002 *5th Annual Electric Asset Valuation*  
Location: TBA  
Sponsor: CBI  
Contact: (800) 817-8601 or [www.cbinet.com](http://www.cbinet.com)

April 2-3, 2003 *Energy & Facility Management Strategies and Technologies*  
Location: Hynes Convention Center, Boston, MA  
Sponsor: Select Energy & AEE  
Contact: 800-817-8601

April 14-16, 2003 *American Power Conference*  
Location: The Palmer House Hilton, Chicago, Illinois  
Sponsor: Electric Power & Light  
Contact: Kay Baker (918) 831-9441 [kayb@pennwell.com](mailto:kayb@pennwell.com)

*Any opinions or positions contained in the MCA newsletter are solely the opinions or positions of the author of the article in which it appears; and does not necessarily represent the opinion or position of the MCA, its Membership or its Board of Directors.*