



NEWSLETTER

Midwest Cogeneration Association, Inc.

June/July 2005

Vol. 20, No. 1

NINTH ANNUAL MCA GOLF OUTING July 20, 2005



You are cordially invited to participate in the *Midwest Cogeneration Association's Ninth Annual Golf Outing*. The outing will take place at The Willow Crest Golf Club at Oak Brook Hills Resort in Oak Brook, IL. This year the event will be held on a Wednesday, so be sure to mark your calendar, and save Wednesday, July 20, 2005 for a day of fun with your friends at the MCA. Attendance is limited to 60 participants and will be a scramble format, with team and individual prizes. Tee times will run from approximately 10:00 a.m. to noon time.

Following a round of golf, you will be treated to a buffet dinner held indoors at the Oak Brook Hills Resort. Awards will be presented after dinner, and there will be ample opportunities to meet with fellow MCA members in a social setting. On the day of the outing, we ask that the participants check in at least 30 minutes prior to your scheduled tee time.

PROPER ATTIRE REQUIRED: shirts must have collars, no cut offs, no tank tops, & no metal spikes.

The cost per person is **\$125.00** for members (& guests of members) and **\$135.00** for non-members. This includes green fees, golf cart, tournament scoring, locker room facilities, and an early evening buffet. ***Tee times are limited and will not be reserved until payment is received.*** So please be sure we have your payment by July 8, 2005 to reserve a tee time. For tee times call 630-858-8110 between July 13-19.

HOLE SPONSORSHIP

Anyone wishing to sponsor a hole (\$100) or donate a prize may contact David Patricoski via e-mail at golfouting@lasallecogen.com or by phone at (630) 858-8110. Those parties who sponsor a hole will be recognized with a sign posted at the tee of one hole. Those donating prizes of \$100 value or more (determined by the Golf Outing Chairman) will also have a posted sign. Other donated prizes will be honored on the registration hand out. All sponsors will be honored at the award ceremony. For hole sponsorship, please e-mail company name and logo to golfouting@lasallecogen.com and add \$100 to golf fees.

For questions, please contact David Patricoski via e-mail at golfouting@lasallecogen.com or call (630) 858-8110. We look forward to your participation.

See page 3 for a complete registration form.

MEMBERSHIP

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2005 MEMBERSHIP

Renewals of yearly MCA memberships are now past due. If you received a membership application included with this newsletter, we have not received your renewal and this will be the last newsletter you receive from us. We would hate to see you miss out on the many opportunities being a member of the MCA affords. Please return your membership application ASAP.

If you need additional information, please contact Robin Pelsis at (630) 323-7909 or mca@cogeneration.org.

We Need Your Input!

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 press releases, business news, comments and editorials. If you would like to submit comments, an editorial or be featured in an article, please address comments to: Midwest Cogeneration Assoc., P.O. Box 283, Western Springs, IL 60558 or an e-mail to: MCA@cogeneration.com.

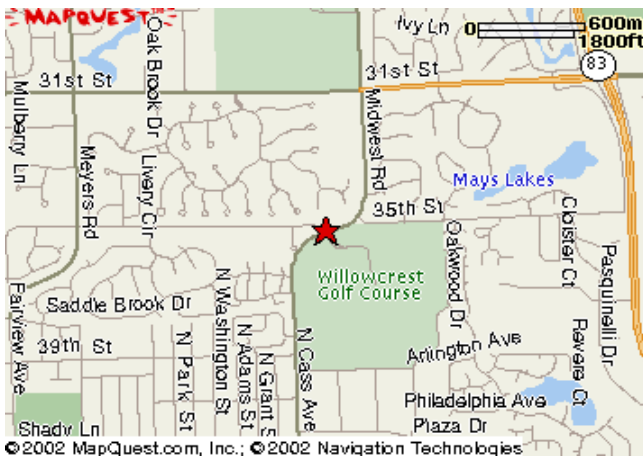
Additionally, in an effort to control expenses, the MCA is now distributing information electronically. If you are not currently receiving information from us via e-mail, please send us an e-mail (mca@cogeneration.org) and provide us with your current e-mail address. If you would like to receive the newsletter in electronic format only send us an e-mail with a subject line of "newsletter" and we will add you to the list of members receiving the newsletter via e-mail only.



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

www.cogeneration.org

ANNUAL GOLF OUTING



<http://www.willowcrestgolf.com/>

<http://oakbrookhills.dolce.com/>

**Visit the Willow Crest
web site for specific
directions**

To pay by check: Email the following information to golfouting@lasallecogen.com and mail check to:
Midwest Cogeneration Assoc. c/o LaSalle Associates, PO Box 2878, Glen Ellyn, IL 60138

To pay by credit card: call the MCA at 630-323-7909.

Required Information for Email: Name(s), Company, Phone #, Member/Non-member, Method of Payment

*No refunds can be issued after the due date (July 8, 2005).

*Reservations for less than 4 people will be filled at the discretion of the Golf Outing Chairman.

*Please include any special tee time requirements with payment (first come, first serve).

MIDWEST COGENERATION ASSOCIATION'S NINTH ANNUAL GOLF OUTING RESERVATION FORM

Name(s) of Golfer(s)	Company	Phone	Fee
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Main Contact E Mail Address: _____

	Hole Sponsorship	_____
	Total Enclosed	_____

MCA Member & Guest of Member.....\$125.00

Non-Member.....\$135.00

Hole Sponsorship.....\$100.00 (please include company information)

Mail to: *Midwest Cogeneration Assoc. c/o LaSalle Associates, PO Box 2878, Glen Ellyn, IL 60138*

All reservations must be received no later than July 8, 2005!

Reservations for less than four (4) people will be filled at the discretion of the Golf Outing Chairman.

Please include any special tee time requirements with payment (first come, first serve)

COMBINED HEAT & POWER ASSOCIATION CONFERENCE

During the 6th Annual CHP Policy Summit Held May 3-5, 2005 at the Madison Hotel, Washington, DC, Patrick Henry Wood, III, Chairman, Federal Energy Regulatory Commission spoke with attendees on the House Native Load language. Below is a recap of this exchange.

Mr. Wood assured a questioner at the US Combined Heat & Power Assn (USCHPA) conference recently that the native load provision won't have much impact on markets although it can affect RTOs in the transition from physical rights to financial transmission rights.

The pending law would require FERC to set a rule on FTRs. FERC would have to work on a policy to nudge those rights into long-term deals.

It's traditional to favor serving native load over generator rights, the FERC chairman said, and native load provisions aren't "offensive." Other conference attendees were concerned about availability of fuel and the discussion turned to LNG.

Wood observed that gas prices are falling.

LNG is coming and will have a "significant" impact on prices although the nation will never see \$3 gas again, he predicted. He believes gas prices will fall below \$5 and even settle around \$4.

That's the same message the chairman delivered to a room full of Wall Street executives during an early morning speech at the Stanford Washington Research Group conference in Washington.

Net gas imports will rise to 7% over the next 20 years creating fertile ground for investors, Wood predicted.

To handle the nation's LNG needs, at least 10 regasification plants have to be built, Wood calculates, but he believes LNG is so hot that at least 12 new terminals will be built.

The chairman declared the war over LNG siting to be all but over even though California's court challenge of the Long Beach Port terminal could yield some surprises.

The issue now is LNG availability.

One person worried that the US might be relying too much on LNG after some LNG tankers were diverted in March from US ports to better prices in Spain.

Getting long-term LNG contracts needs work, noted Wood.

But millions of dollars wouldn't be going into expanding or building terminals if those spending the money didn't see a future in LNG, he added.

The Alaska pipeline will start gas operations by 2014 and help keep domestic prices in check.

Wood never dreamed that his tenure as chairman would start with what he called the "Four Horsemen of the Apocalypse" — energy crisis, Enron, price rises and the blackout.

Times are better, Wood assured the perpetually nervous Wall Street executives, adding that strong price signals are coming from the market now.

He admitted this was the first year where he felt good about how things were going in the industry.

At the afternoon speech a relaxed Wood explained the best way to solve jurisdictional problems in the energy markets is to unbundle the markets advocating "full customer choice."

The nation is in the middle of a "raging river" as some states have deregulated, others haven't and others have a little bit of unbundling.

"What we don't need is regulators making choices for customers," he said, no matter how well meaning they may be.

The chairman conceded that regulators still have a role to play such as fixing load pockets and making sure that open-access rules are heeded.

Other sticky issues with states include resource adequacy with some states not even giving it a chance before declaring the concept unworkable and wanting to revert to procurement mode.

FERC is holding a conference in Chicago soon to discuss resource adequacy with the states.

But the big fix is to "unbundle it all" and have regulators take care of what they need to, he said.

Open access will work if solicitations are independently administered and clear parameters are defined in advanced, Wood explained.

If regulators are concerned with green house gas, for example, such as in Massachusetts, then put that in the RFP, he urged.

Another parameter could be that generation has to come from a particular location.

It irks Wood that someone is making choices for him.

He realizes that's where the industry is at the moment but please — at least make the process as transparent as possible, he urged.

One audience member was concerned that FERC's hook-up rules about to be made public will be too loose and give IOUs unfettered exceptions such as happened with PJM's new small generator rules.

The commission approved PJM's rules, Wood quickly responded, but those will be superseded when FERC's policy comes out.

FERC's small generator policy was struck from the commission agenda as lawyers wanted to make one last pass-through checking for any overlooked problems.

MCA ANNUAL CONFERENCE

Save the Date!



The Nineteenth Annual Midwest Cogeneration Association Non-Utility Power Conference

September 15, 2005

The Midwest Cogeneration Association will hold its nineteenth Annual Conference on Thursday, September 15, 2005 in Oak Brook, Illinois. This popular event provides an opportunity for those involved in cogeneration to learn about the latest technology and regulatory developments, see over 35 exhibits of state-of-the-art equipment and services, exchange information and relax at the evening barbecue.

Over 100 professionals attended in 2004 and found the event most beneficial and we are sure you will feel the same way after attending this year's conference.

- DATE:** Thursday, September 15, 2005
- LOCATION:** McDonald's Hamburger University
Oak Brook, Illinois
- PROGRAM:** There will be two concurrent sessions that address the full range of regulatory, environmental and technical issues.
- COST:** The conference fee is \$___ for MCA members and \$___ for non-members, which covers the conference materials, continental breakfast, lunch and evening dinner.

**For tabletop display information,
contact Bob Conway, Charles Equipment at (630) 834-6000.**

COGENERATION RECOGNITION AWARD

Tenth Annual Cogeneration Recognition Award

The **MIDWEST COGENERATION ASSOCIATION** is sponsoring its Tenth Annual Cogeneration Recognition Award to recognize cogeneration or power generation projects that present innovative technical or economic attributes.

You are cordially invited to enter a project with which your company has been involved. Please use the enclosed form to enter the contest. Entries will be judged by a committee selected by the MCA; the committee will not include members who are participants in any of the projects being considered for an award; the decision of the judges will be final. The MCA reserves the right to recognize more than one project or to reject all applications.

The deadline for entering the contest is Friday, August 26, 2005, at 5:00 p.m. CST. Entries must be received via U.S. mail on or before that time.

Submittals will be judged on these and other criteria:

- Originality of design
- Cost / financial benefit
- Engineering innovation
- Energy conservation
- Extent of automation
- Unique features and concepts
- Energy takeoff applications

Who may enter:

- Owner / Third Party
- Operator
- Designer / Consulting Engineer
- Prime Contractor / Builder
- Turnkey Designer / Builder
- Developer

All major participants of the winning project will receive recognition and the project itself will receive a commemorative plaque. The winning entrant(s) will be recognized **at the MIDWEST COGENERATION ASSOCIATION'S EIGHTEENTH ANNUAL CONFERENCE**. The winning project(s) will also be highlighted in the MCA's Newsletter. Notice of the award also will be circulated to other technical journals and industry publications (unless the entrant elects otherwise).

For further information

please contact:

Bud Wulff at (630) 323-8880, Gary Ephraim at (630) 257-4320 or the MCA voicemail number (630) 323-7909 with any questions.

COGENERATION RECOGNITION AWARD

Tenth Annual Cogeneration Recognition Award

Please submit your entry by Friday, August 26, 2005 to:

MIDWEST COGENERATION ASSOCIATION
P.O. Box 283
Western Springs, Illinois 60558-0283

This application form MUST accompany every entry. (Please submit three copies of your entry).

[Please Type]

Name of Project: _____

Owner: _____

Address: _____

Entered by: _____ Title: _____

Telephone number: _____ E-mail: _____

Address (if different): _____

Entrant's role in project: _____

Participant Organizations: _____ Owner: _____

Turnkey Design/Builder: _____ Architect: _____

Developer: _____ Engineer: _____

Other: _____

Check Box: I do do not want my project presented to technical publications and other industry journals.

NOTE: The MCA reserves the right to make more than one award or to reject all applications.

Describe your cogeneration project. Please discuss the key elements and what in your opinion qualifies the project as being successful. What are its technical and economic merits? Does it conserve energy? Minimize pollution? Save \$\$? Attach details and supporting data. Photographs are desired.

Please use additional pages as required and number them page 2, 3, etc. Please indicate project name on each page.

Signature of Entrant: _____

Date: _____



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

RETURN SERVICE REQUESTED



CALENDAR OF EVENTS

July 20, 2005 - MCA Annual Golf Outing

Location: Oakbrook Hills Golf Course
Contact: David Patricoski
(630) 858-8110

September 15, 2005 - MCA Annual Conference

Location: McDonald's Hamburger U
Oak Brook, Illinois
Contact: (630) 323-7909

October 25-27, 2005 - 6th Annual World CHP./Decentralized Energy Conference and Workshop
Location: Central Park Hotel,
New York, NY
Sponsor: U.S. CHP
Contact: <http://www.internationalchp-de.net/>

October 27, 2005 - Chicago AEE Annual Awards
Location: TBA
Sponsor: Chicago Charter Chapter AEE
Contact: Mike Peterson (312) 866-8577

November 16, 2005 - MCA Bi-Monthly Membership Meeting

Location: Potential site tour
Contact: (630) 323-7909

December 6-8, 2005 - POWER-GEN International

Location: Sands Expo & Conv. Ctr.,
Las Vegas, NV
Sponsor: Power-Gen
Contact: www.power-gen.com

December 13-15, 2005 - US DOE Energy Peer Review

Location: Hotel Crystal City at
National Airport, Crystal City, VA
Sponsor: U.S. DOE
Contact: <http://www.energetics.com/depeerreview05.html>

January 18, 2006 - MCA Bi-Monthly Membership Meeting

Location: TBA
Contact: (630) 323-7909