



Connecticut Department of  
Energy & Environmental Protection  
Bureau of Energy and Technology Policy

## Instructions for Completing a Combined Heat and Power (CHP) Capital Grant Application

### General Information

Section 116(f) of Public Act 11-80, [An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future](#) (Act), directed the Department of Energy and Environmental Protection (DEEP) to establish a new financial incentive program for combined heat and power systems. DEEP's Bureau of Energy and Technology Policy (the Bureau) established the process for administering a new financial incentive program to assist commercial and industrial electrical customers in Connecticut with the cost of installing combined heat and power systems of no more than one megawatt of power.

The Public Utilities Regulatory Authority (PURA) administered a capital grant program for customer-side distributed generation (DG) in Connecticut.<sup>1</sup> As Section 116(f) of the Act provides certain incentives to qualifying CHP projects that were included in the DG grant program, DEEP has crafted the CHP program to align with the DG grant program and to ensure consistency in the administration of both programs.

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<sup>1</sup> Decision dated March 27, 2006, in Docket No. 05-07-17, **DPUC Review of the Development of a Program to Provide Monetary Grants for Capital Costs of Customer-Side Distributed Resources.**

### Qualifying Requirements

The new CHP program awards a qualifying project a capital grant in the amount of \$200 per kilowatt (kW). To qualify, a prospective CHP project must: (1) have name plate capacity of one MW or less; (2) be located in the service territories of the electric distribution companies (EDCs), CL&P and UI; (3) reduce energy costs at an amount equal to or greater than the amount of the installation cost of the CHP system within ten years of its installation; and (4) have an operating efficiency of greater than 50%, while contributing 20% of its energy output to electricity and 20% to thermal energy. Projects approved in accordance with this program shall not apply for or obtain Zero Emission Renewable Energy Credits (ZRECs), Low Emissions Renewable Energy Credits (LRECs) or participate in the Clean Energy Finance and Investment Authority CHP Pilot Program under Section 103 of Public Act 11-80 at any time. Moreover, a qualifying project must be completed within 2 years after grant approval or the capital grant may be reduced or rescinded.

The Bureau acknowledges that pursuant to Section 116(f) of the Act, it was directed to begin accepting applications on or before October 1, 2011, for financial incentives for combined heat and power systems of not more than one megawatt of power. Accordingly, projects commenced on or after that date will be eligible to apply for a capital grant under this program.

## Application Process

An applicant must complete and submit the CHP Capital Grant Application, form DEEP-ETP-APP-001, (Application), in which the applicant provides certain information about: the end-use customer; the incentives being sought; the proposed CHP system; other awards and/or funding the applicant is eligible for or has sought; the estimated capital costs and annual savings relative to the proposed system; and technical aspects of the proposed system. Additionally, as part of the Application, the applicant must complete and submit **Affidavit #1, Part G. of the Application**. With this affidavit, the applicant certifies that: (a) the Application is true and complete and will be amended while the Application is pending if any substantial changes occur regarding the information provided; and (b) the applicant is owner of the CHP system and the end-use customer and will operate the CHP system as proposed in the application for a minimum 10-year period.

An awarded capital grant will be paid to the applicant of a qualifying CHP project only after the submittal of a second affidavit. With **Affidavit #2**, form DEEP-ETP-APP-001-AFF2, the applicant certifies that: (a) the CHP project has been constructed and will operate as proposed in the Application; and (2) the applicant has completed final acceptance of the interconnection process, including satisfactory commissioning, and is operational and has been inspected by the EDC involved.

Following the submission of a CHP Capital Grant Application, DEEP shall review the information and determine eligibility for the grant.

If the information on the application meets the mandated requirements, DEEP shall issue an approval of the application.

The CHP system shall be subject to audit (physical and/or verbal) at any time, and the Applicant shall retain accurate records on site in the event that any questions arise regarding the

quantity of renewable energy certificates (RECs) earned and transacted.

## Confidentiality

The Bureau operates with the strong presumption that all documents filed with it are public records subject to the right of public inspection and copying in accordance with the [Connecticut Freedom of Information Act](#), Conn. Gen. Stat. §1-200 et. seq. In those exceptional circumstances where an Applicant believes that information it intends to file is confidential under law, it may file a Motion for a Protective Order requesting an exemption from public disclosure. The Motion must provide specific legal arguments with reference to state or federal law describing with supporting facts why the information should be kept confidential. A certified affidavit supplied by a competent witness in support of the Motion, a proposed protective order and nondisclosure agreement must be appended to the Motion. The confidential material itself must be submitted in hard copy only to the Bureau for *in camera* review by the Bureau. Each page of the confidential information shall be stamped "CONFIDENTIAL," and the material shall be placed in a sealed envelope marked "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE." Do not send any proposed confidential information electronically to the Bureau. The Bureau will rule on the Motion forthwith, and it will give further direction as necessary. For answers to any questions regarding making a confidential filing, Gail Lucchina at 860- 827-2672

## Comments

Submit any questions or comments regarding the CHP requirements, including but not limited to the CHP application, to Gail Lucchina at 860-827-2672

## How to Apply

The CHP Capital Grant Application is available on the DEEP website at [www.dpuc.state.ct.us/DEEPEnergy.nsf/\\$EnergyView?OpenForm&Start=1&Count=30&Expand=13.2&Seq=2](http://www.dpuc.state.ct.us/DEEPEnergy.nsf/$EnergyView?OpenForm&Start=1&Count=30&Expand=13.2&Seq=2)

**Submit** the original, signed application by mail to:

Attn: Deb Morrell  
Bureau of Energy and Technology Policy  
Department of Energy and Environmental Protection  
10 Franklin Square  
New Britain, CT 06051

Please also file electronically at: [www.ct.gov/deep/cwp/view.asp?a=4405&q=493990&deepNav\\_GID=2121](http://www.ct.gov/deep/cwp/view.asp?a=4405&q=493990&deepNav_GID=2121) using the link entitled “**Submit an Energy Web Filing**”, and retain a copy for your files.

## Application Instructions

### Part A: Applicant Information

**When completing items (A-1) and (A-2) of the application, please use the following standards:**

- **Name** - Provide the full, legal *company/firm* name. (If identifying an entity registered with the Secretary of the State, fill in the name exactly as it is shown on the registration. **Note:** for those entities registered with the Secretary of State, the registered name shall be the name used by DEEP. If identifying an *individual*, provide the legal name (include suffix) in the following format: First Name; Middle Initial; Last Name; Suffix (Jr, Sr., II, III, etc.). If the applicant is a governmental body, identify the city or town of such body followed by the relevant department, board or division.
- **Contact Person** - Provide the name and phone number of the specific individual whom the Bureau may contact regarding the CHP system.

**Phone** - Unless otherwise indicated, the phone number provided should be the number where the corresponding individual can be contacted during daytime business hours.

- **Email Address** – Applicants and Agents must provide an accurate email address for the contact person. The email address may be used for future correspondence from DEEP to the business.

**A-1: Applicant:** The Applicant receives the grant and must be the owner of the CHP and the retail end use customer-of-account of the electric distribution company serving the location of the CHP system.

**A-2: Agent of the Applicant:** (If applicable). The individual who has been given legal authority to act on behalf of the applicant. The Bureau shall direct all correspondence and inquiries to this person.

### Part B: Incentives

If your application is approved, the grant is available for \$200/kW, provided the project is completed and begins operation within two (2) years. If it does not begin operation within this timeframe, the grant maybe reduced or may be rescinded. The grant is determined based on the nameplate capacity. The nameplate capacity must be one MW or less to qualify.

**Nameplate Capacity** - The nameplate capacity is the amount of generation that is produced under ideal circumstances.

- Megawatt (MW) = 1000 kilowatts
- Kilowatt (kW) = 1000 watts
- Watt = unit of electrical power

Complete the information in this part of the application describing other financial incentives that you may be applying for.

### **Part C: Proposed CHP System**

Complete the information in this part of the application describing your proposed CHP system.

### **Part D: Other Awards/Funding**

Complete the information in this part of the application describing other awards or funding that you may be eligible for.

### **Part E: Financial Information**

Complete the information in this part of the application describing costs and savings of the project.

### **Part F: Technical Capability**

In addition to the information requested in this part of the application concerning technical capabilities of the proposed CHP system, you must submit system information which includes a one-line schematic diagram of the CHP system, a site plan that shows major equipment, electric service entrance, electric meter, location of the CHP system and interface equipment, adjoining street name, and street address of the generating facility.

NOTE: All applicants that plan to operate their CHP systems in Closed Transition and in Parallel with the electric distribution company must file an Interconnection Application and obtain approval from the electric distribution company.

### **Part G: Affidavit #1**

By completing and submitting the Affidavit, the applicant confirms that: (a) the Application is true and complete and will be amended while the Application is pending if any substantial changes occur regarding the information provided; and (b) the applicant is the end-use customer and will operate the CHP system as proposed in the application for a minimum 10-year period.

The Affidavit must be signed as follows:

1. For an individual(s) or sole proprietorship: by the individual(s) or proprietor, respectively;
2. For a corporation: by a principal executive officer of at least the level of vice president;
3. For a limited liability company (LLC): a manager, if management of the LLC is vested in a manager(s) in accordance with the company's "Articles of Organization", or a member of the LLC if no authority is vested in a manager(s);
4. For a partnership: by a general partner;
5. For a municipal, state, or federal agency or department: by either a principal executive officer, a ranking elected official, or by other representatives of such applicant authorized by law.

An application shall be considered incomplete unless all required signatures are provided.

Please direct questions regarding these instructions, the application, and/or the Affidavits to Gail Lucchina at (860) 827-2672 or [gail.lucchina@ct.gov](mailto:gail.lucchina@ct.gov).

### **Affirmative Action, Equal Employment Opportunity and Americans with Disabilities**

The Connecticut Department of Energy and Environmental Protection is an Affirmative Action/Equal Opportunity Employer that is committed to requirements of the Americans with Disabilities Act. Any person with a disability who may need information in an alternative format may contact the agency's ADA Coordinator at 860-424-3194, or at [deep.hrmed@ct.gov](mailto:deep.hrmed@ct.gov). Any person with limited proficiency in English, who may need information in another language, may contact the agency's Title VI Coordinator at (860) 4234-3035, or at [deep.aao@ct.gov](mailto:deep.aao@ct.gov). Any person with a hearing impairment may call the State of Connecticut relay number - 711. Discrimination complaints may be filed with DEEP's Title VI Coordinator. Requests for accommodations must be made at least two weeks prior to any agency hearing, program or event.