

Combined Heat & Power: Industrial Environment

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California Energy Commission
IEPR Lead Commissioner Workshop
February 16, 2012

Chevron and CHP



- Chevron has a long history of CHP use in California with over 50 units embedded to help power our operations.
- Chevron is one of the larger power purchasers and CHP power users in the state.

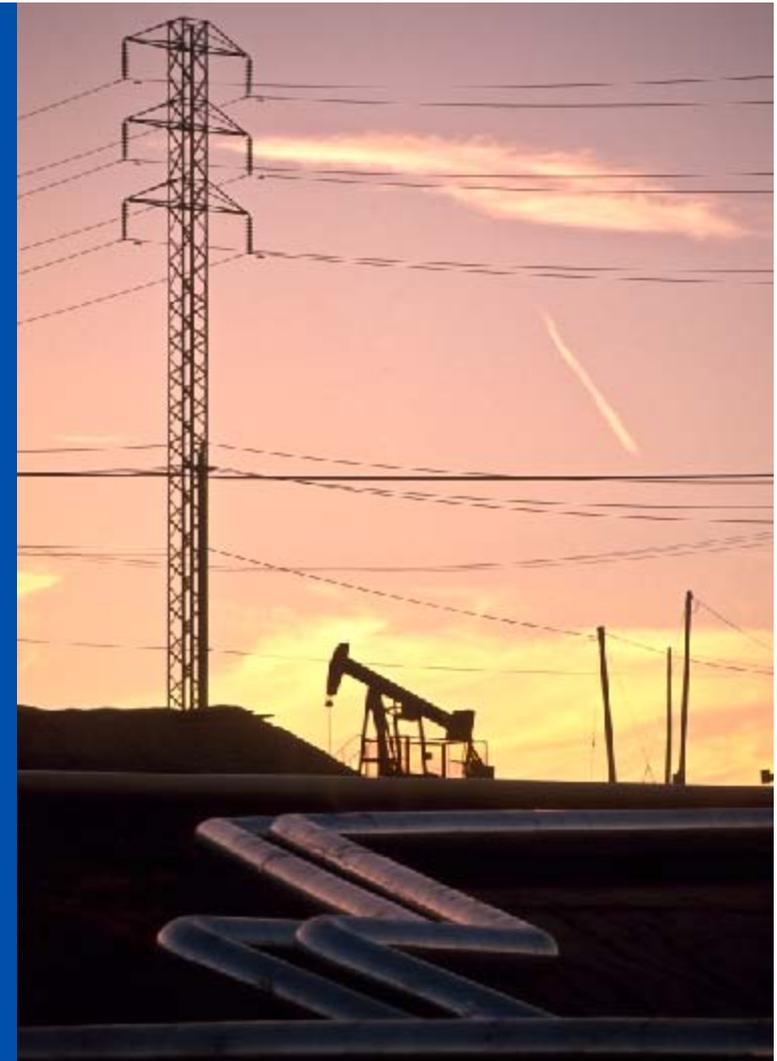


Kern River Cogeneration Company

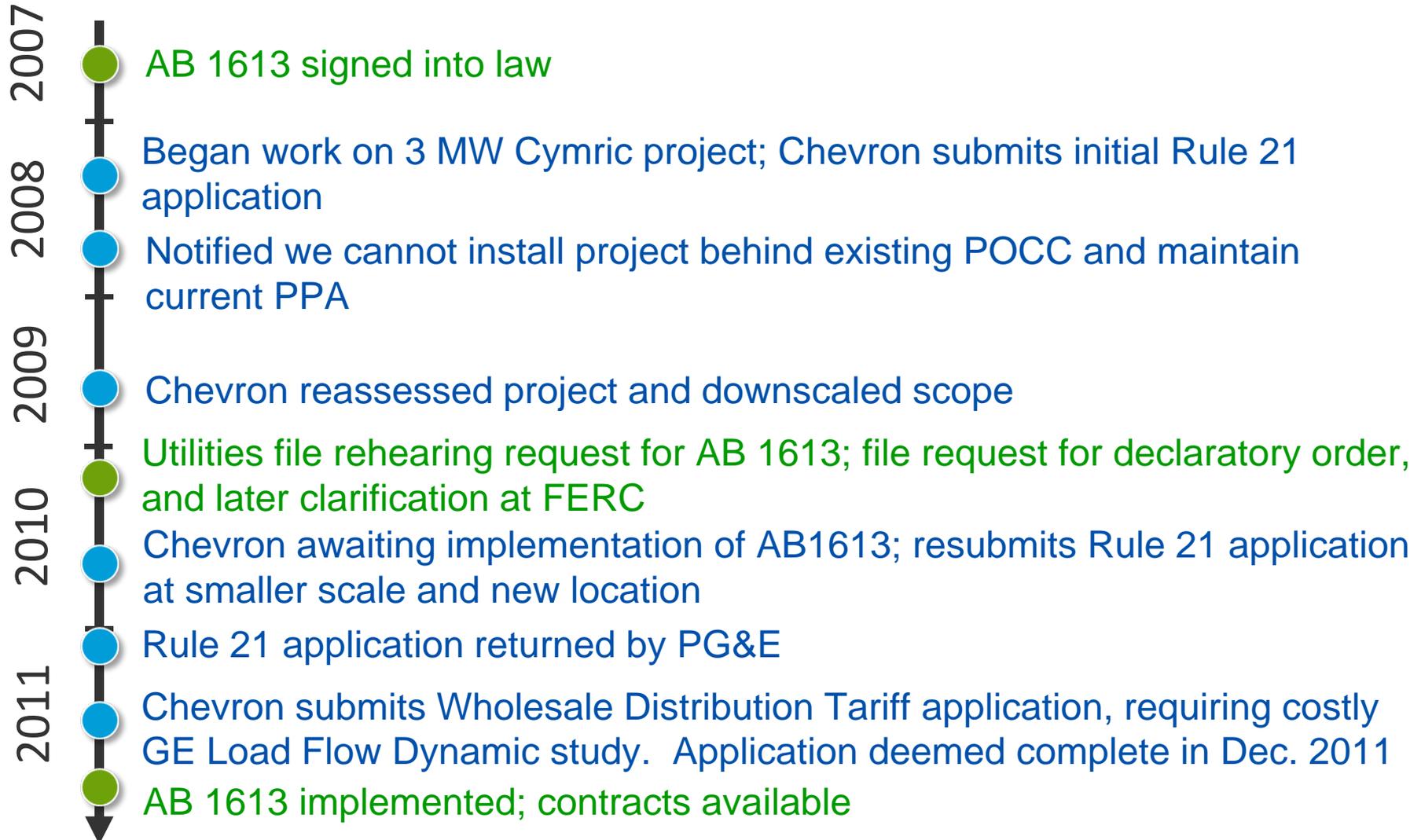
CHP Opportunity: *Cymric Project*



- One megawatt Bottoming Cycle CHP technology
- Captures waste heat to assist in Enhanced Oil Recovery
- Emerging technology pilot that brings:
 - Energy Efficiency
 - Waste Heat Recovery
 - High Reliability
 - Reduced Air Emissions
- If successful, potential to deploy throughout Chevron facilities.



CHP Opportunity: *Cymric Project Background*



CHP Opportunity: *Cymric Project Challenges*



Threat to Existing CHP

Interconnection Process

1 MW Bottoming Cycle
Project not a Wholesale
Generator



Encouraging CHP in California



- **Implementation is critical**
- **Path for small, non-merchant CHP applications needed**
- **Avoid new interconnection for incremental power**
- **Sunset departing load charges**

