

**BASIN ELECTRIC  
POWER COOPERATIVE**

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April 23, 2010

The Honorable Earl Pomeroy  
U.S. House of Representatives  
1501 Longworth House Office Building  
Washington, DC 20525

Dear Congressman Pomeroy:

Basin Electric Power Cooperative strongly supports energy efficiency and wants to draw your attention to opportunities in the industrial sector. Manufacturing efficiency, in fact, can save energy, make American manufacturers more competitive, reduce pollution and create jobs. A key path to increased industrial productivity is the expanded use of efficient combined heat and power (CHP) and clean, recycled energy.

As you know Basin Electric has worked closely with the recycled energy industry and is currently purchasing power from eight sites that use recycled energy technology to capture waste heat from compressor stations along the Northern Border pipeline in North Dakota, Montana, and Minnesota and turn it into clean energy.

The most effective means to enhance CHP and recycled energy is to expand today's overly limited tax incentives. Specifically, we urge you to co-sponsor and promote H.R. 4751 that would provide a 30-percent investment tax credit for highly efficient CHP projects (those with efficiencies above 70 percent) and recycled energy.

The Oak Ridge National Laboratory, in a December 2008 report, concluded that a large-scale expansion of CHP could provide 20 percent of U.S. generating capacity by 2030, generate \$234 billion in new investment, and create nearly one million new highly-skilled, technical jobs throughout the U.S. CO<sub>2</sub> emissions could be reduced by more than 800 million metric tons per year, the equivalent of taking more than half the current U.S. passenger vehicles off the road.

We appreciate your consideration of this important incentive to spur American industrial competitiveness.

Sincerely,

/s/

Mike Egg  
Senior Vice President  
External Relations & Communications

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