

**Response of
Interstate Power and Light Company
to
OFFICE OF CONSUMER ADVOCATE
Data Request No. 77**

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Information Requested By: Jennifer Easler
Date Responded: July 15, 2008
Author: Gilbert Nunez
Author's Title: Product Manager
Author's Telephone No.: (319) 786-7237
Subject: Custom Rebates – CHP Program Component

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IPL states it may scale the incentive based on technology. Is it IPL's position that technology is a proxy for efficiency or cost-effectiveness or environmental benefits?

Response

The technology can be considered a proxy for all of the above. Efficiency and environmental benefits are intertwined. Generally, more efficient generators produce fewer emissions and thus have greater environmental benefits. Cost effectiveness, however, can have an inverse relationship with efficiency. For instance, a fuel cell is more efficient, and also produces fewer emissions, than a reciprocating engine, but is currently more expensive and less cost effective.