



U.S. DEPARTMENT OF
ENERGY

Savannah River Operations Office

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FOR IMMEDIATE RELEASE

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Energy Secretary Chu and SC and GA Congressional Leadership Break Ground on New Renewable Energy Facility at SRS

Aiken, SC – (November 30) Today Secretary of Energy Steven Chu was joined by South Carolina and Georgia Congressional delegation members to break ground on a new renewable energy fueled facility at the Savannah River Site (SRS). The new Biomass Cogeneration Facility replaces a deteriorating, inefficient coal powerhouse and oil-fired boilers at a savings of approximately \$35 million a year in energy and operation and maintenance costs and reduces air emissions, including 100,000 tons per year of greenhouse gas emissions.

“By investing in energy efficiency, we are creating good jobs that can’t be outsourced. This project will employ 800 workers during construction and about 25 people during permanent operations,” said Secretary Chu in addressing an audience of over 150 stakeholders and employees during the groundbreaking ceremony at SRS. “The money from those paychecks will go straight back into the local economy and drive even more economic recovery.” Joining Secretary Chu for the ceremonial groundbreaking were: South Carolina Governor Mark Sanford, U.S. Senator Lindsey Graham (R-SC); House Majority Whip James Clyburn (D-SC); U.S. Representative Gresham Barrett (R-SC); U.S. Representative John Barrow (D-GA); U.S. Representative Joe Wilson (R-SC); DOE-Savannah River Manager Jeffrey Allison; DOE Principal Deputy Assistant Secretary for Environmental Management Dae Chung; and Ameresco President and CEO George Sakerallis.

Under the Department’s largest ever Energy Savings Performance Contract (ESPC), DOE contracted with Ameresco Federal Solutions, Inc. (Ameresco) to finance, design, construct, operate, maintain and fuel the new biomass facility over the term of the 20-year contract valued at \$795 million.

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<http://sro.srs.gov/index.html>

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This project will result in jobs for approximately 800 people during the 30 month construction period. Scheduled to begin operations in December 2011, the new biomass cogeneration facility will support 125 permanent positions in plant operations and maintenance and in the local forestry and logging industries. The project will be primarily fueled with forestry residues that are currently left in the forest to rot when the timber is harvested.

“Getting to this groundbreaking point is the result of productive teamwork,” said DOE Savannah River Manager Jeffrey Allison. “DOE, Ameresco, and SRNS have done a tremendous job of laying the groundwork for what will be a major energy conservation benefit to our children and our children’s’ children.”

The existing D Area cogeneration plant produces both steam and electricity that is consumed on site. The steam is delivered through a large distribution pipeline that runs several miles from the plant to the end-user facilities. The plant also produces approximately 15 MW of electricity that is consumed by DOE facilities on site. The 1950s era plant is fueled by coal and in need of significant modifications to bring the plant into compliance with current environmental requirements as well as to be a reliable source of energy.

Ameresco will construct a steam cogeneration facility and install two steam boilers and will be reimbursed from actual cost savings generated during the 15-year debt service payback period. The energy savings will result from replacement of the inefficient D Area Powerhouse with a high-tech biomass facility, fuel switching -- coal to biomass -- and improved operational efficiencies with new equipment better matched to SRS’s load requirements.

Under the contract, DOE will not have to provide any up-front money to fund the energy efficiency and renewable energy project. Ameresco will be reimbursed from the guaranteed energy and operational cost savings generated by the project over the span of the contract. After the contract ends, all additional and continuing cost savings accrue to DOE.

ESPCs are contracts in which private companies finance, install, and maintain new energy- and water-efficient equipment in federal facilities. The government pays no up-front cost, therefore saving taxpayer dollars, and the company's investment is repaid over time by the agency from the cost savings generated by the new equipment. This allows the government to use the private sector to purchase more energy-efficient systems and improve the energy performance of their facilities at no extra cost to the agency or taxpayers.

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Highlights of the Project include:

- Design capacity of 240,000 pounds per hour of steam and 20 mWh of electric power.
- Over 2,000,000 MBtu/yr of thermal renewable energy production and a minimum generation of 77,000 mWh (264,444 MBtu) of green power.
- Annual Energy Savings of approximately 500,000 MBtu/yr
- Reduction of 400 tons/yr of Particulate Matter (PM) emissions
- Reduction of 3,500 tons/yr of Sulfur Dioxide (SO₂) emissions
- Reduction of 100,000 tons/yr of Carbon Dioxide (CO₂) emissions
- Decrease of water intake from the Savannah River by 1,412,000 kgal/yr, supporting water
- Reduction in energy consumption by eliminating over 2.5 miles of steam distribution lines
- Over \$35 million a year in energy and operation and maintenance cost

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