

Combined Heat & Power (CHP)

Harness the full potential of on-site generation with CHP systems that provide a clean and efficient way to generate power and thermal energy. Depending on the technology and system design, CHP systems can be up to 80% efficient according to the EPA. PECO can help offset up-front costs with incentives that can pay up to \$2M for qualified CHP projects.

Economic Benefits

CHP systems reduce energy costs because they capture wasted heat associated with electricity production and use it in space- or process-heating applications. Also, electric bills may be reduced further since CHP systems typically use natural gas, which is often less expensive than purchased electricity.

When you include avoided capital costs of replacing heating equipment and less exposure to market rate increases, installing a CHP system provides many financial benefits.

Resiliency Benefits

The increase of severe weather patterns has caused disruption to grid services and critical infrastructure operations. These interruptions represent business, safety and health risks depending on your facility type. CHP systems can continue operating during these events, supplying continuous power for critical functions. CHP can provide resilient power for facility operations.

Environmental Benefits

CHP systems reduce emissions of greenhouse gases and other pollutants because less fuel is burned to produce each unit of energy output, and because transmission and distribution losses are avoided.



Is CHP Right for My Organization?

CHP systems are operating at many energy-intensive facility types and sizes throughout the country. Industries with high and continuous demand for electric and thermal energy are particularly well suited for CHP installations, such as:

- Manufacturers with Sizable Thermal Load
- Hospitality and Entertainment
- Healthcare, Retirement and Long-Term Care
- Education
- Multifamily Housing
- Commercial Buildings
- Industrial Laundries

Eligibility Requirements

- Proposed project site locations must be within PECO's electric service territory
- The CHP system installation must be complete with a commercial date of operation on or before May 30, 2026.
- Project must satisfy all utility regulation and environmental requirements
- Submission documents must be accurate, complete and signed by the customer

Savings for All

PECO offers solutions and incentives for businesses and organizations large and small. Our solutions cross every sector from commercial and industrial to nonprofits and government to retail and real estate.

In addition to incentives for CHP, we offer incentives for energy-efficient heating and cooling systems, refrigeration equipment, lighting, variable speed drives, custom measures and new construction.

Available Incentives

PECO offers an incentive for CHP systems based on performance and project cost.

Incentive Type	Incentive Award
Performance	\$100/MWh for first year's net energy production Performance incentive is based on net electric generation of CHP system.
Maximum Total	No more than 50% of the project cost, or \$2M, whichever is lower.

Get Started with CHP

Work with your CHP Trade Ally or Contractor and contact the PECO Ways to Save team, and we'll help you:

1. Assess if CHP is a right fit for your organization and facility
2. Verify that your project meets eligibility requirements
3. Apply for an incentive through peco.com/chp
4. Enjoy all the benefits of energy efficiency

Contact Us Today!

To learn more, get an application or discuss a project,
Call 1-844-4BIZ-SAVE
or visit peco.com/chp

