

**Testimony of
The United Illuminating Company**

Re:

Raised Bill No. 324 – An Act Concerning Energy and the State's Economy

Committee on Commerce

Legislative Office Building

Hartford, CT

March 2, 2009

Good morning Senator LeBeau, Representative Berger, and members of the Commerce Committee. I am Anthony Marone and I serve as the Vice President of Client and External Relations for The United Illuminating Company. My business address is 157 Church Street, New Haven, Connecticut.

The purpose of my comments is to discuss Raised Bills No. 324 An Act Concerning Energy and the State's Economy. UI fully supports this bill and views it as a means to improve upon prior legislation (Public Act 07-242, section on CT Electric Efficiency partners) intended to alleviate peak electric demand, and to more quickly implement larger scale deployment of Class 1 renewable technologies. In addition, this joint Bill will have an immediate impact on creating jobs here in CT in both the construction/trades and the technical/engineering fields.

Although Public Act 07-242 has been very successful in addressing peak demand, the portions of the legislation seeking to address electric consumption and Energy Efficiency Partners have not been part of that success. I believe this results from what has turned out to be a cumbersome approval process, difficulty in procuring project financing, and the exclusion of the electric distribution companies from that process. Raised Bills 324 should significantly improve program participation and results by creating a process that is intended to streamline the approval of projects and facilitate project financing. Furthermore, the electric distribution companies would, under this legislation, be integrated into the program to assist the Partners in identifying potential opportunities and technology solutions, and provide an additional mechanism for project financing.

Established in 1998 and subsequently revised several times, Connecticut's Renewable Portfolio Standard (RPS) requires electricity providers to obtain a percentage of their load from renewable sources. Today's RPS requirements primarily consist of Class I renewable sources

such as wind, solar photovoltaic (PV), and fuel cells, and increase significantly from 7% this year to 20% by the year 2020. These are very aggressive goals that will be difficult to achieve. Raised Bill 324 allows for electric distribution companies to own and operate renewable generation facilities within CT. This provision should greatly accelerate the installation of renewable technologies by allowing for larger-scale projects that are connected directly into the distribution system. This mechanism is paramount to allow for renewable technologies such as fuel cells and solar PV to fill the requirements created by the annual escalation in the Class I RPS standards.

The Raised Bills also require that the renewable technologies be manufactured or assembled, developed and constructed, and maintained by the craft workers of CT and therefore, will serve as an immediate stimulus to create jobs. Although the RPS requirements may be satisfied by purchasing electricity generated using Class I resources within New England, this Bill would incent and encourage the implementation of Class I resources here in Connecticut. In doing so, Raised Bill 324 will bolster in-State energy technologies and preserve and create jobs in Connecticut.