



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

THE ENERGY & TECHNOLOGY COMMITTEE

**House Bill 5361: AAC ESTABLISHING A MUNICIPAL AND STATE ENERGY
EFFICIENCY AND IMPROVEMENT PROGRAM**

March 4, 2010

TESTIMONY OF CHAIRMAN KEVIN M. DELGOBBO

The Department of Public Utility Control (Department) supports House Bill No. 5361 contingent upon the following modifications outlined below. The Department certainly supports efforts that will provide energy efficiencies and improvements of state and municipal buildings. The value of this initiative must be weighed against the cost benefit to the ratepayers. Therefore, the Department would suggest a reduced level of funding initially. We would also suggest that the provisions of this bill sunset in two years to allow policy makers to evaluate the cost effectiveness and efficacy of such a program.

Senate Bill No. 5361 would require coordinated efforts among the electric distribution companies (EDC's) and municipal and state facilities in order to provide a program for the development, installation and recovery of energy efficiency equipment and systems as approved by the Department. This is another bill to improve the energy usage profile of such facilities and to maximize potential conservation and energy efficiency opportunities.

The bill as proposed also needs further refinement and clarification in subsection (c) and (f). With respect to subsection (c), the Department needs better direction on the term "local contractors". The term is vague enough to be hotly contested in Department proceedings and contracts the state may agree to enter into. Secondly, subsection (f) states that the EDCs can fund this new program at a level of 1% of their total annual revenues but it is unclear from which portion of their revenues the funding is to derive from, the distribution or other portion.

The Department thanks the Committee for the opportunity to testify on this matter.

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