



Comments on Raised Bill 5362

As CEO of Zenith Solar Energy, a Connecticut based Developer of Distributed Generation Solar facilities, I have a keen interest in the development of a Solar Renewable Energy Credit. If all continues to go well we will soon announce one of the largest DG projects to be built in the northeast, and we are building it here in Connecticut. There are a couple of facts we all need to realize. Connecticut has a very deep hole in its budget and our state is already struggling with the highest energy cost in the continental United States.

The beauty of Distributed Generation is that it allows the client company (host) to enjoy a lower cost of electricity under a power purchase agreement. A well designed SREC will lower those costs even further, without putting significant additional stress on the general population of ratepayers, who are stressed enough as it is. The State of Massachusetts has concluded that when their SREC is fully loaded in 10 years for 250 MW, it will add .01 per kilowatt hour. Connecticut's load base is smaller, so our increase would be larger, but not appreciably so.

Grid based utility solar, financed with feed-in tariffs, was a wonderful idea for Germany and Spain, where they have caused Gigawatts of load to be installed and have actually started to bring the cost of electricity down. Grid based utility solar for Connecticut is a bad idea. It does nothing to lower the cost of electricity, not for the ratepayers at large, and not for individual business customers. Therefore, all of section 6 should be removed from the bill. To think Solar power helps eliminate global warming by reducing our dependence on fossil fuels is just an absurd idea. Solar should be about saving and creating jobs, and then we can worry about saving the planet.

There should be a section in the law for aggregation, so that homeowners can also benefit from the creation of SRECs. Solar DG installed prior to the date of enactment of the bill should be allowed to generate SRECs. The installed base is no so large that it would adversely affect the SREC program, and it is the current owners of DG systems in Connecticut who have blazed the trail for solar and created jobs...while installing modules at a premium price of days gone by. These business should be allowed to recoup at least some of their investment from SRECs, even if that is figured on a pro-rated basis.

It would be better for Connecticut to simply set a price for SRECs and a quota per year. The state would collect a fee from all ratepayers, and that collected fee would be used to clear the SRECs once per year, for a guaranteed period of 10 years. Each year the collected fee would rise for the next increment of load. Such a system would be fairly predictable for impact on the rate base, and would also provide a mechanism that could be used to finance DG installations.

The State of Connecticut has a horrible track record on putting together supervisory boards. Will they be paid? If so, with what money? If you haven't noticed, Connecticut is broke.

Let us be very clear. We have been 50th out of 50 states in job creation. We will continue to carry that albatross of distinction around our necks until we can help business in this state bring down energy costs. Distributed Generation, combined with an SREC, similar in design to Massachusetts, but cleared by the state each year for a guaranteed ten years, will go a long way toward maintaining and building a strong jobs base that is able to produce goods at cost that can compete for business on the world stage.

Sincerely



David Weinberg/CEO
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