

Testimony of

Joel M. Rinebold

Director of Energy Initiatives

Connecticut Center for Advanced Technology, Inc.

before

Energy and Technology Committee

March 4, 2010

regarding

Raised House Bill No. 5364
An Act Concerning Virtual Net Metering

- ***Confirmed return for renewable energy produced:***

The proposed Bill provides that the Class I renewable electricity produced in excess of the customer's electric demand and assigned a virtual net metering credit will be compensated at retail rates. Such compensation could provide favorable terms for private investment to encourage renewable energy project development.

- ***Promote the development and use of Class I renewable energy capacity:***

This Bill would provide an indirect financial incentive that could facilitate the development of Class I renewable energy sources to meet municipal renewable energy goals and Connecticut's renewable portfolio standards (RPS) requirements. Over 94 communities have joined the Connecticut "20% by 2010 Campaign". Assuming a municipal energy load of 40 million kWh annually, a 20 percent reduction would require approximately 1.0 MW of fuel cell capacity to meet this 20 percent renewable energy goal. Assuming a statewide load growth from 33,711 GWh in 2007 to 38,276 GWh in 2020 and a 100 percent capacity factor, an average of 57 MW of new Class I renewable capacity would need to be developed each year to meet the state's RPS Class I requirements.

- ***Effective merger of energy management with environmental benefits:***

The development of Class I renewable energy facilities will provide additional public dividends to improve air quality. For example, the potential average annual emissions reductions for each MW of fuel cell capacity, compared to existing New England fossil fuel electric generation, would be approximately 8,750 lbs of NO_x, 32,000 lbs of SO_x, and 7 million lbs of CO₂.

- ***Create jobs and encourage economic development:***

Development of renewable energy facilities will create jobs and increase opportunities for economic development. For example, if fuel cells were used to generate the Class I renewable energy, each MW of fuel cell capacity manufactured in the state and deployed at customer host sites in Connecticut would generate 148 jobs and approximately \$20 - \$22 million in gross state product.