



# STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL  
THE ENERGY & TECHNOLOGY COMMITTEE

## Senate Bill 349: AAC ENERGY EFFICIENCY INVESTMENTS IN UNDERSERVED COMMUNITIES

March 4, 2010

### TESTIMONY OF CHAIRMAN KEVIN M. DELGOBBO

Senate Bill No. 349 would require the Department to establish a separate program to implement conservation and load management projects in underserved communities and would also require that this program include a jobs training component. Under the terms of this proposed bill, funding for this program is derived initially from the Energy Conservation and Load Management Fund pursuant to section 16-245m and the Renewable Energy Investment Fund and then from moneys made available to the state for such purposes from the federal American Recovery and Reinvestment Act of 2009 (ARRA).

Residential, business and municipal customers in underserved communities are currently eligible for *all* of the Conservation and Load Management programs offered through the Connecticut Energy Efficiency Fund. The Department notes that the current Limited Income Programs ('WRAP' Weatherization Residential Assistance Partnership and UI Helps) are already targeting limited income residential customers in underserved communities. In addition, the Home Energy Solutions Program provides all residential customers the opportunity to have an energy assessment and in-home services performed for a very nominal amount. Finally, the Department of Social Services will be administering approximately \$60 million in federal funding over the next three years to weatherize properties that house limited income customers. As a result, it does not appear necessary to create an additional program targeted specifically to these communities.

The Department commends the Committee for targeting jobs training as part of this Bill but would like to point out that the Home Energy Solutions program has been very successful in creating living wage 'green' jobs. Home Energy Solutions requires that vendors and technicians received technical certification to perform the in-home the services provided under the program.

- 2007 - when this program began as a pilot in 2007 it employed three vendors and six to eight technicians.
- 2010 - for 2010, Home Energy Solutions will employ 17 vendors and over 100 home energy technicians.

As a result, we believe that the 'jobs training' component of Senate Bill 349 is currently available through the Home Energy Solutions Program.

Customer participation in the Home Energy Solutions Program provides a demand for the services of certified vendors and technicians. Program demand also provides the need to train

and employ additional technicians in this field. Reallocating funds from the Energy Efficiency Fund to create another program will reduce the dollars that are already working to create a demand for these jobs.

The Department notes that the Department of Social Services has experienced a significant increase in funding through federal weatherization grants. The Department believes this funding should be leveraged to expand the employment opportunities being created through the Home Energy Solutions program.

If the Bill should pass, the Department seeks clarification regarding (1) the duration of the program (i.e., one year, three years, etc.) as well as, (2) the budget and (3) source of funding for this program. The Department interprets the Bill to mean that the total budget for this program would equal (i.e., be capped at) three percent of the moneys collected from the three mill/kWh charge assessed to customers of CL&P and UI. Total revenue from the three mill/kWh charge is projected to total approximately \$87 million in 2010. Three percent of this total is approximately \$2.5 million. IF that is the specific amount intended by this section, the bill should then clearly state: "The annual budget for this program shall be \$2.5 million" or "the annual budget for this program shall be the lesser of \$2.5 million or three percent of the total moneys collected for the Energy Conservation and Load Management Fund pursuant to section 16-245m of the general statutes."

The Bill also requires that the funding for this program "shall be derived (1) initially from the Energy Conservation and Load Management and Renewable Energy Investment Funds; and (2) from funds made available to the state for such purposes from the federal American Recovery and Reinvestment Act of 2009 (ARRA). However, it is not clear whether "initially" means that the program would be funded for say the first year from the Energy Efficiency Fund *and* Clean Energy Fund (or at what percentage from each Fund) and then funded thereafter from ARRA, or if the Committee had something else in mind.

Lastly, clearer language could read: "The program will be funded in the first year by the Energy Efficiency Fund *and* Clean Energy Fund at 75% and 25% respectively and thereafter through ARRA if funding is available."

The Department thanks the Committee for this opportunity to testify and is available for questions.