

Written Testimony of Vincent J. Chiochio Jr.,
State Finance Committee
Public Hearing, March 22, 2010
SB 484- An Act Concerning the Governor's Revenue Plan

Honorable Finance Committee Members,
My name is Vincent Chiochio. I am the President of Controlled Air, Inc. a Connecticut Company specializing in high performance HVAC systems and a concerned individual.

I understand that you are considering "securitizing" the funds designated to the Connecticut Energy Efficiency Fund. I would like to state that this is wrong to do in many ways. This fund not just simply improves energy efficiency, but by doing so, has a long term positive impact on our environment, our state economy and employment.

The EPA proposes that State clean energy initiatives can produce significant savings in fuel and electricity costs, as well as other benefits to the energy system, the environment, public health, and the economy. While much attention is paid to assessing the costs of state initiatives, less is devoted to estimating the multiple benefits of clean energy as well as energy efficiency.

These energy initiative programs can reduce greenhouse gas emissions, lower energy costs, improve air quality, public health, and help achieve economic development goals.

The EPA has also published a booklet "Assessing the Multiple Benefits of Clean Energy: A Resource for States" (February 2010). This booklet is designed to help state energy, environmental, and economic policy makers identify and quantify the many benefits of clean energy to support the development and implementation of cost-effective clean energy initiatives. This booklet describes the benefits in detail for clean energy initiatives.

Efficient use of energy in buildings is now becoming essential if the region is to stay competitive with other states and countries. In the 30 years I have been in business I have witness my customer base change drastically. A large majority of my industrial customers have either closed, gone out of business or moved to other regions to stay competitive. This has recently hit home with the public announcement from UTC, that it is too expensive to do business in Connecticut. The small group of my customers who survive in this state have all taken advantage of the incentives monies supported by this fund. They have used these funds to make themselves efficient producers and manufacturers as compared to counterparts in other states. The benefits have been significant, by keeping jobs in this state as well as keeping the local and state tax base.

The National Action Plan for Energy Efficiency states that we should make a long term commitment to implementing cost effective energy efficiency as a resource as well as promote sufficient, timely and stable program funding to deliver energy efficiency where cost effective. This is exactly what the Connecticut Clean Energy Fund's do. Any interruption in this funding would be extremely detrimental to the great progress that is being made. In these difficult economic times, these funds are even more important to keep our fragile economy stable and help turn us in the right direction.

The funding cannot effectively be interrupted, since the projects they fund take long term planning and commitments. The uncertainty of available funds will put a halt to projects and planning for future projects. Therefore if the funds would become unavailable for even a short time, it would cause major delays and greatly reduce the effectiveness of the program. This was personally witnessed when Northeast Utilities had a shortfall of their funds last year.

Heating, ventilation and air conditioning is estimated to consume up to 65 percent of the power in any building which is why energy efficient equipment, controls, service and facility solutions are increasingly imperative, in which these funds all support. Adopting energy efficient measures can help solve many problems, reducing the need to build more power plants as well as contributing to the reduction of CO2 emissions from those plants. Energy savings are a great way to cut costs without eliminating services or staff. By incorporating energy efficient measures, owners of facilities can improve their bottom line. I cannot stress enough how important these funds are to this state and environment and how harmful it would be to cause any interruption in this funding.

Thank you for your attention.
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References:

- [1] U.S. Department of Energy and U.S. Environmental Protection Agency in their capacity as co-sponsors for the National Action Plan for Energy Efficiency, Vision for 2025: A Framework for Change.
- [2] U.S. Department of Energy and U.S. Environmental Protection Agency, State and Local Climate and Energy Program, Assessing the Multiple Benefits of Clean Energy, A Resource for States.