

**March 22, 2010**

**Senator Eileen Daily  
Representative Cam Staples  
Legislative Office Building  
Hartford, CT 06106-1595**



Thank you for this opportunity to address the Finance Committee. My name is Craig McCurdy and I am the owner of Environmental Systems Corporation, a West Hartford-based business engaged in engineering and contracting for the commercial/industrial market. I am here concerning the bill on securitization, SB 484 – An Act Concerning our Governor’s Revenue Plan, and want to emphasize the importance of maintaining the status and operation of the Connecticut Energy Efficiency Fund as it exists. These funds, provided by the ratepayers, are integral to supporting energy conservation and efficiency projects that have many benefits to our community, our workforce, our businesses, and our environment. Without these funds it is certain that many beneficial projects will be postponed indefinitely or abandoned altogether.

Our company, Environmental Systems Corporation, is a 40-year-old privately owned business. Our revenues for 2009 were \$19 Million. We employ over 100 people and one-third or more of our business is in the design and installation of energy-savings projects that are directly tied to having these ratepayer funds available to our customers. Our employees include engineers, electricians, technicians, assemblers, service providers, and administrative and clerical staff, all of whom receive a reasonable salary and benefits. We also continually hire other Connecticut contractors to work alongside and supplement our own staff to perform energy project work. We purchase a substantial amount of materials from Connecticut vendors as well.

Our experience is that without the availability of efficiency funds, projects will have projected paybacks two to three times longer than with the funding, and companies and organizations will not move forward. In addition to project funding, the efficiency fund provides quality assurance performed by independent engineers in order to insure integrity of the fund distribution. This aids in customers’ commitments to move forward with projects, and this will also be lost without the efficiency fund. It is certain that without the projects enabled by the Connecticut Energy and Efficiency Fund, this one-third of our business will slow to a trickle and we will be unable to maintain our staffing levels for the energy business. We will also not be hiring other contractors nor making material purchases from local vendors.

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The benefits to our customers will also be lost. Our customers' facilities cover over 170 million square feet and include manufacturers, office building owners, insurance companies, schools, colleges, hospitals, and utilities. The benefits to these customers and end-users include provided by the fund-supported projects include:

- **Energy Project Cost Support** reduces paybacks 30% to 50%
- **Energy and Power Savings** occur year after year
- **Financial Savings and Stability** allows further expansion, hiring
- **Quality Assurance** provided by the fund reduces risk
- **Indoor Environmental Benefits** result such as air quality, safety, health

In addition to customer benefits, Connecticut and the New England community benefit from the funding of projects in the following ways:

- **Energy and Power Reduction** reduces the region's use and reduces the peak energy demand and stress on the region's electrical grid
- **Outdoor Environmental Benefits** such as carbon emissions and pollutant reductions are inherent to all energy projects
- **Connecticut State Tax Contributions** result from payroll and sales taxes for project labor and material, respectively
- **Secondary Tax Contributions** result from the spending by employees, contractors and vendors

It is our understanding that 100% of the efficiency funds come from utility bill surcharges. This means that all of the benefits described here are continually provided to our residents, our community, and our businesses without taxpayer assistance or government funding. We are aware of the financial and budgetary challenges that our state government faces and respect the hard work of our elected officials to resolve and manage these issues; however, we feel that the Connecticut Energy Efficiency Fund should be maintained for its intended purpose and recognized as a contributor to economic and environmental solutions as it exists.

Sincerely,

**Craig McCurdy**  
**Environmental Systems Corporation**  
**West Hartford, CT**

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