



**Committee on Finance, Revenue & Bonding
Public Hearing
March 22, 2010**

Submitted by: Charles J. Rothenberger, Staff Attorney

In Opposition to Section 1 of:

S.B. 484, AN ACT CONCERNING THE GOVERNOR'S REVENUE PLAN

Connecticut Fund for the Environment ("CFE") is a non-profit environmental organization with over 6,500 members statewide. The mission of CFE is to protect and improve the land, air and water of Connecticut and Long Island Sound. For more than twenty-five years, CFE has used legal and scientific expertise to bring people together to achieve results that benefit our environment for current and future generations.

Senator Dailey, Representative Staples and Members of the Committee, Connecticut Fund for the Environment is pleased to have the opportunity to comment on SB 484, An Act Concerning the Governor's Revenue Plan.

Section 1 of SB 484 would authorize the securitization of the state's Renewable Energy Investment Fund and Energy Conservation and Load Management Fund. Effectively raiding these energy funds is completely contrary to the goal of establishing a sound foundation for Connecticut's long-term economic prosperity. These are the industries of the future where long-term job growth is going to be found. If you reduce the energy efficiency and clean energy programs, it will actually slow economic growth and compromise Connecticut's position in the new-energy economy.

These proposed reductions of the energy funds would severely impact some of their programs, and curtail the growth of the green energy industry in Connecticut.

For the following reasons, CFE urges you vote to reject these cuts and keep the energy funds intact:

- This money is not state revenue: it comes from a surcharge on consumers' utility bills intended to support efficiency programs in the state.
- Cutting the energy efficiency and renewable energy funds is exactly the wrong approach in a financial crisis. We must continue to make wise policy decisions and investments if we are to build a better, sustainable place to live & work.
- Connecticut's energy funds are proven to save money for ratepayers, support business growth, and create jobs.

- According to a 2009 study by Navigant Consulting, the state's energy funds were responsible for more than 3,000 direct jobs in the Connecticut, and supported more than 9,000 indirect jobs in the state. If the programs lose funding, green businesses and these jobs may leave the state.
- The funds help pay for energy audits, solar panels, and efficiency measures for homes, businesses, municipalities. Demand for the programs has consistently outstripped the current available funding.
- In 2009, the American Council for an Energy Efficient Economy ranked Connecticut's program the second-best in the nation. Connecticut is recognized as a leader in clean energy and efficiency, and we must continue to support these programs to maintain our competitive advantage.
- In the past decade, the efficiency fund served 45,000 households. Demand was so high – up 200% for residences and 300% for schools and businesses-in 2008 that the Renewable Energy program had to stop taking new applications.
- Improving efficiency is also the most cost-effective way to meet our greenhouse gas reduction mandates. The efficiency fund has saved 355 kilowatts in a year, which in terms of emissions is equivalent to preventing the burning of 164,000 lbs of coal, saving 101,000 acres of trees, or getting 48,865 cars off the road.

We need a plan for the future, not merely a reaction to the crisis of the moment. We urge the Finance Committee and the General Assembly to invest in the future of the state by safeguarding these funds and maintaining our leadership in energy efficiency and clean energy technologies. These industries will form the foundation of Connecticut's growing economy moving forward.