



**NORTHEAST ENERGY
EFFICIENCY COUNCIL**

A business association of the energy efficiency industry

44 Capitol Avenue * Hartford, CT 06106 * 860-241-8990* neec.org

**Testimony of
The Northeast Energy Efficiency Council- CT Chapter
Before the
Finance Revenue and Bonding Committee
March 22, 2010
In Opposition to
Raised Bill 484 An Act Concerning The Governor's Revenue Plan**

Good afternoon Senator Dailey, Representative Staples and members of the Finance, Revenue and Bonding Committee. My name is Randy Siminoff, of ConnServ Inc, an energy conservation company from Willington, Connecticut. I am also here today on behalf of the Northeast Energy Efficiency Council- Connecticut Chapter (NEEC-CT). NEEC-CT is a trade association made up of over 40 companies and 2000 employees that specialize in energy efficiency projects for both residential and commercial industrial projects.

I am here to testify in opposition to Raised Senate Bill 484 An Act Concerning The Governor's Revenue Plan. NEEC-CT is strongly opposed to sections 1-3 which would allow for the securitization of the Connecticut Energy Efficiency Fund (CEEF) and the Connecticut Clean Energy Fund (CCEF). The proposed securitization would allow the state to issue bonds in the amount of \$1.3 billion and use the revenue to offset projected deficiencies in the Connecticut General Fund. These bonds would be paid off over the next ten years at an estimated \$1.8 billion from funds through rate payer surcharges that have been dedicated to promoting and financing energy efficiency and clean energy projects in Connecticut. These funds are vital to growing and dynamic industry in Connecticut.

These funds support countless energy efficiency businesses, and the suppliers that they contract with. In addition these funds offer all sectors of Connecticut businesses with an affordable and cost effective means of lowering their cost of doing business in the state. The ability of companies to lower their cost of doing business in these difficult economic times often means the difference between staying open and being forced to close their doors and laying off of their employees. The CEEF also enables Connecticut residents to reduce their household electric bills which are vital in these difficult economic times.

The Securitization of the CEEF and CCEF is a short-sighted plan that will have a significant negative long-term economic impact. The energy efficiency industry is a growing and dynamic industry and the chilling effect of securitization will force many

businesses to close. Many employees of this industry will be forced to look for work outside of Connecticut where states are currently expanding their energy efficiency investments. It will take years for Connecticut's energy efficiency industry to recover.

Securitization will also limit the ability of Connecticut residents and businesses from being able to participate in these programs which they fund through their electric. Securitization is simply a back door tax on all of Connecticut's rate-payers and should be opposed. Numerous studies have shown that for every dollar invested in energy efficiency there is a savings of \$4 dollars for the life of the measure in reduced electric costs and in forward capacity.

In these difficult economic times we as a State should encourage investment in energy efficiency and the businesses that are growing and hiring new employees through the effective use of these funds. We must continue to allow residents and businesses to take advantage of these programs that they themselves fund. We must allow our Connecticut companies every possible means of reducing their cost of doing business and offer dynamic and cost effective energy saving measures that will encourage new companies to locate here in Connecticut.

The companies that make up NEEC-CT urge you to reject SB 484 and its proposed securitization of the CEEF and CCEF. Do not take the short-sighted plan that will force dozens of companies to close their doors and eliminate countless well paying positions. This plan is clearly not in the best interest of Connecticut, its businesses and its residents.

Thank you for time.