



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

THE COMMERCE COMMITTEE

Senate Bill 178: AAC ECONOMIC INDICATORS IN ENERGY DECISIONS

February 25, 2010

TESTIMONY OF CHAIRMAN KEVIN M. DELGOBBO

The DPUC does not support the passage of this proposal in its current form. This proposal modifies two provisions of state statute, Conn. Gen. Stat. § 16-245m(d) and Conn. Gen. Stat. § 16-245n. The first section of the bill modifies the manner in which the Department of Public Utility Control (DPUC) reviews the Energy Conservation Management Board's (ECMB) energy efficiency and conservation plan to include in its standard of review the economic impact of the proposed projects as it relates to the DPUC's ability to approve, modify or reject the plan. The second section of the bill also adds economic impact as a criteria for consideration in the DPUC's decision to approve, modify or reject plans submitted to it by the Renewable Energy Investments Board.

The DPUC in its review of these plans mentioned already hears evidence concerning the economic impact connected to the decision to fund energy efficiency and conservation projects, thanks to the efforts of the project applicants and nonprofits such as Environment Northeast. Moreover, the DPUC considers this a worthy fact finding exercise. However, The DPUC believes such review and economic considerations are best addressed in the initial reviews conducted by both the ECMB and the Renewable Energy Investments Board. The DPUC as a financial and economic regulator is statutorily charged with balancing the interest of its regulated companies and the ratepayers; for it to include in its analyses as defined in this bill a consideration of the economic impact of projects on the state, the DPUC would need to contract for outside consultants to fulfill such a new focus and statutory mandate.

The DPUC could support a statutory inclusion of economic considerations if the bill is modified to shift the new criteria for review of projects to the appropriate entities, here, the ECMB and the the Renewable Energy Investments Board.

The Department thanks the Committee for the opportunity to testify on this bill and looks forward to working with the Committee on this matter.

Ten Franklin Square · New Britain, Connecticut 06051 · Phone: 860-827-1553

· Fax: 860-827-2613

Email: dpucexecutivesecretary@po.state.ct.us · Internet: www.state.ct.us/dpuc

Affirmative Action/Equal Opportunity Employer