

Testimony of

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before

Environment Committee

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regarding

Senate Bill No. 382

An Act Requiring Biodiesel Blended Heating Oil and Lowering the Sulfur Content of Heating Oil Sold in
the State

Introduction

The Connecticut Center for Advanced Technology, Inc. ("CCAT") offers this testimony regarding Senate Bill No. 382 - An Act Requiring Biodiesel Blended Heating Oil and Lowering the Sulfur Content of Heating Oil Sold in the State.

The Connecticut Center for Advanced Technology, Inc. (CCAT) is a nonprofit corporation that provides services and resources to entrepreneurs and businesses and, through collaboration with industry, academia, and government, to help companies innovate and compete, thereby strengthening our nation in the global market. The Energy Initiative at CCAT has been established to improve the economic competitiveness of the region through solutions that lower energy costs and increase long-term energy reliability. CCAT administers the Connecticut Biodiesel Production and Distribution Grant Program, with funding provided by the Department of Economic and Community Development, which provides grants for the production of biodiesel and the construction and/or modification of biodiesel production and distribution facilities. Through this program, CCAT seeks to increase economic growth opportunities for Connecticut's clean energy sector and promote a greater use of biodiesel; advance technological innovation in biodiesel; increase public confidence, support and awareness for biodiesel; support the development of biodiesel production and distribution equipment and facilities; and reduce dependence on fossil fuel consumption, and greenhouse gases emissions.

This Bill contains components that are favorable for the development of a biodiesel industry in this State. The components of this Bill that appear favorable include:

- ***Promote the use of biodiesel in Connecticut and the Northeast::***

The Bill would increase the use of biodiesel in Connecticut and the Northeast. The State of Connecticut has invested approximately \$1.6 million to support the development of three biodiesel production facilities in Connecticut that will have a combined production capacity of approximately 22.5 million gallons per year. These facilities could serve approximately three (3) percent of Connecticut's #2 distillate market.

- ***Create jobs and encourage economic development:***

Providing a market for Connecticut-produced biodiesel will create jobs and encourage economic development. It has been estimated that the three biodiesel production facilities identified above are expected to provide the following benefits to the state annually:

- Monetary value of the biodiesel fuel produced of approximately \$97 million;
- Monetary value of the carbon dioxide offsets of approximately \$557,000; and
- Over 200 new jobs including direct, indirect and induced impacts.

- ***Effective merger of industry development with environmental benefits:***

The use of biodiesel can reduce air emissions including greenhouse gases. For example, 22.5 million gallons of biodiesel can reduce carbon dioxide emissions by approximately 181,000 tons.

CCAT finds value with this Bill, but suggests a minor refinement with the definition of biodiesel blend identified in the Bill, as follows: "Biodiesel blend means a fuel blend that includes mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats that meets the most recent version of ASTM International designation D6751".

Conclusion

CCAT supports policies that encourage the production, distribution and use of biodiesel in Connecticut that serve to enhance economic development including job creation and reduce air emissions including greenhouse gases.

Respectfully submitted,

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