

Written Testimony of Dwayne Escola, Northeast Smart Energy,  
Before the Connecticut General Assembly Energy and Technology Committee  
March 4, 2010

Written Testimony in support of House Bill 5362, AN ACT CONCERNING RENEWABLE ENERGY

Dear Members,

Attached are some charts which show you how important your work is in helping Connecticut to become competitive with other states for green jobs and in promoting Photovoltaic Solar Clean Energy.

The first chart is an actual replica of the financial page out of proposals my solar company (Hartford based Northeast Smart Energy) gives to small businesses in New Jersey, where we do most of our work. This chart indicates that an investment in solar energy results in an Internal Rate of Return (IRR) of 16.3% over a 15 year period and a simple payback of 5.1 years. The same solar system sold to a Connecticut business would result in an IRR of -0.3% over a 15 year period and a simple payback of 16 years (second chart). With H. B. 5362 we can give our Connecticut businesses the same advantage for saving utility cost as their competitors in other neighboring states. Most of the advantage shown by NJ in these charts is due to NJ's Solar Renewable Energy Credits (SRECs), which are similar to those included in H. B. 5362.

Currently sweeping the US is another concept called PACE (Property Assessed Clean Energy) that 16 states have already adopted, including NY. PACE as you can see on the 3<sup>rd</sup> chart allows municipalities to finance clean energy equipment, typically through a bond, and add the cost to the property owner's property tax bill. This is a powerful way to encourage long term thinking regarding clean energy. Since savings on energy cost is larger than the increase in taxes, the property owners who choose this option enjoy a positive cash flow from day 1. Again, passing H.B. 5362 will pave the way for PACE and other succeeding legislation to continue giving Connecticut's businesses the same opportunities as those in other states and it will also provide for local green jobs.

Energy is a fast moving industry and the next big paradigm shift will likely be Plug-in and All Electric Vehicles (EVs). Connecticut's next goal could be to become the friendliest state for EVs. The final 3 charts in this package show how perfect it would be for Connecticut to marry PACE and H. B. 5362 to Detroit and encourage car companies to sell a life time supply of fuel to their EV customers when they sell the car to them here in Connecticut. With no out of pocket expense (with PACE) and less than \$6000 added to the customer's property tax the auto company's home owner customers could avoid a lifetime gasoline cost of \$36,000 (assuming gas prices stay at \$3 for the next 25 years). In addition, for every 50 EV cars sold in CT per year one full time green job would be created, resulting in 5,000 to 10,000 jobs at Electric Vehicle market maturity.

Please seriously consider passing H. B. 5362. It will to give Connecticut the boost it needs to be on its way to becoming the leading state in green job creation while also saving all of our citizens money on utility and gasoline bills!

Sincerely,



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