Testimony of

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before

Energy and Technology Committee

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regarding

Raised House Bill No. 5361

An Act Establishing a Municipal and State Energy Efficiency and Improvement Program

Introduction

The Connecticut Center for Advanced Technology, Inc. ("CCAT"), offers this testimony for Raised House Bill No. 5361 - An Act Establishing a Municipal and State Energy Efficiency and Improvement Program.

CCAT is a nonprofit corporation that provides services and resources to entrepreneurs and businesses and, through collaboration with industry, academia, and government, helps companies innovate and compete, thereby strengthening our nation in the global market. The Energy Initiative of 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 Hydrogen-Fuel Cell Coalition; provides assistance to small and medium sized manufacturers to assess opportunities for the application of enhanced demand-side management technologies, such as combined heat and power systems; undertakes energy planning; and promotes renewable energy, including fuel cells and sustainable fuels.

This Bill contains many components that are favorable to the expansion of energy efficiency measures and equipment, including fuel cells that are or could be made in Connecticut. The components of this Bill that appear favorable include:

- ***Partnerships would be forged between the municipal and/or state facilities and the electric distribution company:***
  Use of partnerships between the public consumers of electricity and the providers of electricity would help provide opportunities for effective solutions that address energy efficiency, the provision of reliable energy, cost savings and economic development.

- ***Creation of a unique structure to conserve electricity, reduce electric demand, and promote the development and use of renewable energy sources:***
  The proposed program provides a structure to facilitate the implementation of energy efficient projects, including fuel cells at municipal and state facilities. Such a program would improve energy efficiency and energy reliability to support municipal renewable

energy goals the state's Renewable Portfolio Standards (RPS) requirements with renewable energy facilities that would be of high economic value to these public consumers.

- ***Encouragement for long term investment:***
  The use of provisions for utility investment provides for full recovery, including a return on investment, over a period of ten to twenty years would provide for long term financing, often necessary for development of renewable energy and combined heat and power facilities.

- ***The use of local contractors for the installation of energy efficiency technologies would provide a basis for job creation:***
  Provisions that encourage the use of local contractors for the deployment of energy efficient technologies would increase the potential for the job creation and economic development. If the energy efficiency technologies were manufactured in this state, such as fuel cells, job creation and economic development would be substantially increased. For example, for each MW of fuel cell capacity manufactured in the state and deployed at municipal and state facilities, an addition 148 jobs and approximately $20-22 million in gross state product could be realized.

- ***Effective merger of energy management with environmental protection:***
  This merging of energy solutions using energy efficient and renewable technologies will provide additional environmental dividends to the public. For example, the potential average annual emissions reductions for each MW of fuel cell capacity, compared to existing New England fossil fuel electric generation, would be approximately 8,750 lbs of NOx, 32,000 lbs of SOx, and 7 million lbs of CO2.

The Bill provides a mechanism for municipal and state facilities to develop cost effective energy efficient projects in partnership with an electric distribution company to reduce energy consumption, reduce energy costs, and increase the amount of renewable technology development

in the state. Such development would support municipal renewable energy goals and the state's RPS requirements, help to meet greenhouse gas reduction goals, provide high economic value to ratepayers, and create jobs.

Conclusion

CCAT is supportive of the concepts raised in this Bill to increase the opportunity for the deployment of energy efficient technologies, including fuel cell technology in the State.

CCAT will make itself available to the Committee and legislature upon request to assist in the refinement of this legislation and implementation of the "Municipal and State Energy efficiency and Improvement Program".

Respectfully submitted,

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