



**CONNECTICUT
CLEAN ENERGY FUND**

**Statement of the Connecticut Clean Energy Fund Regarding Raised House Bill
5364 An Act Concerning Virtual Net Metering**

The Connecticut Clean Energy Fund (CCEF) strongly supports the intent of HB 5364. HB 5364 seeks to create a mechanism by which the benefits associated with the excess production of clean distributed electricity generation may be “shared” with particular designated customer classes. Specifically, HB 5364 would allow municipalities and affordable housing developments/consumers to “assign” or “donate” additional output from an eligible distributed generation resource to offset other accounts owned by the project host or as assigned to other defined customers. Additionally, other Class I distributed generation owners will be able to “donate” excess generation credits to affordable housing developments or municipalities. This is another way that the benefits associated with any excess generation may be shared with critical customers. The proposed virtual net metering structure could provide immediate rate-relief in the form of instantaneous production credit as compared to the current annual settlement process for excess generation. Rather than excess generation being credited at the end of the calendar year as currently transpires, the virtual net metering concept would provide instant relief through credits against multiple accounts on a monthly basis.

In general, the concept of virtual net metering, which has either been adopted by or is currently being considered in several states, presents an “accounting” process to capture the value of excess generation from these eligible clean distributed electricity generation technologies. For example, if a municipality can consider their entire load as one “virtual” meter this would allow a municipality to rely on the site with the greatest production potential. This policy expands the beneficial customer base to affordable housing residents and the public at large for a variety of renewable energy technologies, including solar, fuel cells and community wind, creating additional jobs and public benefits.

Having said this, the CCEF is cognizant of potential administrative intricacies that would need to be fleshed-out and thus is fully supportive of the bill’s proposed reliance on the DPUC’s processes to work out any critical programmatic details, requirements, and associated mechanisms. The CCEF is supportive of policies such as that in HB 5364 that further the growth and adoption of renewable energy sources and thus are likely to provide additional long-term energy, economic and environmental benefits for the citizens of Connecticut.

We thank you for the opportunity to testify.