



CLEAN WATER ACTION

CONNECTICUT

Testimony of Roger Smith, Campaign Director, Clean Water Action Energy and Technology Committee March 4, 2010

Testimony in Support of House Bill 5364: AN ACT CONCERNING VIRTUAL NET METERING.

Clean Water Action is a national environmental non-profit dedicated to protecting human health with 25,000 Connecticut members. We have worked on energy-related issues in Connecticut since 1998.

Virtual net metering is a policy that can help break the siting barriers associated with renewable energy. Solar is not viable if a building is shaded by trees or has an old roof. Wind is strongest in Connecticut on hilltops and very close to the water. Fuel cells have minimum sizes of 300 or 400kW, which is too large for many buildings.

The promise of virtual net metering is to create a billing arrangement by which an entity like a town or low-income housing complex can install a larger than needed renewable system at one location and credit any surplus electricity generated to reduce the energy bill of a second facility. A town could cover a high school parking lot with a large ground-mounted solar PV system and then count the electricity produced that the high school doesn't need against the amount consumed by a school elsewhere in town. It is more cost-effective to install several large systems rather than many smaller ones, and this section would enable ratepayers and system owners to receive more benefits for less cost.

We support this bill but believe it should be broadened to also allow houses of worship and other non-profits registered under 501 c)3 of the tax code to qualify. It should also explicitly allow the Class I renewable resource to be located on a site with no load as there are many promising sites like vacant lots, brownfields, landfills and parking lots that could be made productive.

There is legal and regulatory precedent. On December 1, 2009 Massachusetts DPU finalized their virtual net metering regulations as authorized by the legislature in the 2008 Green Communities Act. As stated in a Commonwealth of Massachusetts press release:

"In compliance with the Green Communities Act, the DPU's regulations will make it possible for customers who own larger wind turbines or solar power installations – up to 2 megawatts – to offset their electric bills with the extra power they don't use, and at the higher retail price, rather than the lower wholesale rate allowed in the past. The new law and regulations also provide for "neighborhood net metering," allowing credits for renewable power generation to be shared among neighboring households."

The DPU regulations are broader than this bill as they allow not just municipal government buildings and low-income housing to qualify, but rather ordinary customers to benefit.

"Neighborhood net metering is the process by which customers can band together and share the benefits of a net metering facility. Neighborhood net metering requires at least 10 residential customers in the neighborhood to participate, but non-residential customers in the neighborhood may also participate." A neighborhood "Is a geographic area within one municipality; Is recognized by the residents as including a unique community of interests and may encompass residential, commercial, and undeveloped properties."