

Testimony of Michael Trahan Executive Director Solar Connecticut, Inc.
Finance, Revenue and Bonding Committee Testimony
March 22, 2010 opposing sections of SB 484
"AN ACT CONCERNING THE GOVERNOR'S REVENUE PLAN"

My name is Michael Trahan and I am Executive Director of Solar Connecticut, Inc., a non-profit Association supporting solar energy education in Connecticut

Our members are more the sixty (60) companies involved in the solar industry in Connecticut. They are electrical contractors, plumbing contractors, suppliers, academic institutions and manufacturers. Mostly, they are businesses that sell, design and install solar energy systems on a full-time basis.

The arguments against taking electric ratepayer money have not changed in the past few years. The current Governor has threatened on several occasions to take ratepayer from the Clean Energy Fund. And it's clear that those threats have harmed the speed at which Clean Energy Fund programs are launched.

Not many people realize the vibrations that rattle through the clean energy sector each time a governor pulls on the clean energy sector's puppet strings. It stifles industry growth.

Right now, the state's top employers in the solar installation industry have one foot out the door. They've opened offices in Massachusetts, New York, and New Jersey in preparation for the chance that this Legislature makes the Governor's threat a reality.

I won't make the argument that we need regain our position as a national clean energy leader.

I won't argue that Connecticut was, just a couple years ago, the go-to state in America for solar power activity.

Or go on at length about the importance of a cleaner environment, less reliance on foreign sources of energy, green jobs or the 20-percent by 2010 goal first promoted in the early 2000's.

Instead the constituency I want to speak about is your constituency ... electric ratepayers. After all they've put up the money that made Connecticut a clean energy leader. 100-hundred million dollars in recent years. And for what?

Over 15-hundred residential and commercial solar installations. That's a lot of solar panels purchased by an installer base that's grown dramatically to almost 300 jobs and contributed to a nearly 25-percent reduction in the cost of solar installations. The same solar electric system installed today, costs almost 25-percent less than it did just three years ago.

The money the Governor wants to take from ratepayers is the money that fueled the decline in prices. The money that ratepayers put up was used by the Clean Energy Fund as incentives that lured installers to Connecticut, created demand from consumers, and drove the price of solar power down.

This program, clean energy incentives, works like no other in Connecticut. There's probably no better example of how to grow a market than what has occurred here in Connecticut the past couple years. States, traditionally don't do this very well. But it's happened here. And now, the Governor wants to pull the rug out from a shining example of how to grow jobs.

The promise -- the promise -- to ratepayers when they were asked to kick in a couple nickels a day for clean energy and conservation programs was that they'd be shown the path to self generate, they'd become more self sufficient for their electricity, and that prices -- the highest in the continental U.S. -- would stabilize and eventually come down.

What they'll get, if the Governor takes their money, is this.

1. The price decline that ratepayers earned will be erased as demand goes down and prices begin to trickle up.
2. The workforce, trained on the ratepayer's nickel, maybe the best solar installer workforce in America, will leave for Massachusetts, New York or New Jersey. Ratepayers in those states will be getting a fully trained workforce free of charge paid for by the Connecticut ratepayer who will no longer have access to their services.

It will be as if all the positives never occurred. The savings on solar electric systems that ratepayers paid for belongs to them. The governor perhaps unknowingly, will wipe that out with this bill.

Taking the ratepayers money in the name of clean energy and energy conservation and then using that money to meet current expenditures is not only a bad fiscal idea, but some might call this a classic bait and switch.

The money that electric ratepayers have agreed to put into the Clean Energy Fund and the Conservation Fund should not be considered a rainy day fund for when the executive branch cannot not find the revenues to balance the budget.

We export some pretty good products in this state ... helicopters, aircraft and spacecraft parts, medical instruments and plastics. I ask you not to add solar installers to that list.

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