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TESTIMONY IN SUPPORT OF S.B. 1 - AN ACT CONCERNING CONNECTICUT'S ENERGY FUTURE

Senator Fonfara, Representative Nardello, and members of the Energy and Technology Committee:

I am William Stillinger, President and General Manager Pioneer Valley Photovoltaics Cooperative, Inc. (PV Squared). My essential testimony is that I want to see solar energy incentives restored here so that I and the many other installers can succeed in Connecticut, working to provide energy security for our customers while training and developing a strong local workforce.

My solar energy business is thriving in Massachusetts because of the leadership and continuity displayed there; but in 2010 I laid off several skilled people in Connecticut, reducing my business presence here to caretaker status awaiting restoration of a reliable and orderly incentive program for photovoltaics (PV).

Our overarching goal should be the **sustainable orderly deployment of renewable resources** in the state. This can be accomplished under a stable management system having an eye toward long-term continuity and exhibiting leadership, transparency, and fiscal responsibility.

SB-1 once again proposes an ambitious PV development program. But Section 8 of the bill (declaring hydro to be a Class I renewable) is a provision that is toxic to the intent of much of the rest of the legislation and must be deleted. The bill favors PV to the exclusion other renewable resource technologies (e.g. solar thermal, fuel cells, wind), and it favors private development of large projects, a bias which could benefit out-of-state financiers eager to capture CT ratepayer funds.

On the plus side, SB-1 would re-organize state agencies in order to bring some clarity to the energy and environmental scene, under a newly-created DEEP. One of the DEEP bureaus would be a Bureau of Conservation and Renewable Energy. SB-1 responsibly spells out cost caps for PV development.

SB-1 attempts to prescribe some of the details of how PV should be solicited and administered, and in effect how many MWs should be developed at residential, commercial, and institutional facilities. However important they are, I believe that such details should be left to the DEEP subject to this committee's oversight. The energy field is dynamic; opportunities not now envisaged by SB-1 can and should be captured by the DEEP as it evolves over time.

For example, the solar renewable energy credit (SREC) market in Massachusetts is established and working well in conjunction with the NEPOOL GIS. The DEEP could adapt its attributes for Connecticut projects without inventing a new kind of SREC market. Common sense suggests that the New England states should each have substantially similar if not identical market rules, even while each state develops its own goals for PV development. The DEEP can also strike an integrated balance between investments in energy efficiency and renewable resource development. Unbridled market forces have NOT proven that they can reliably deliver positive results for the energy industry or the financial industry. If the DEEP can provide stable management of clean energy issues in CT, we all benefit.

And why not allow the utilities to make significant investments in something other than transmission? Why not involve the utilities as owners of large PV projects (as they are in MA under the Green Communities Act)? After all, with EDC ownership, all ratepayers receive the benefit of renewable projects, not just the private developer and the PV system host. Ratepayer dollars can stay in CT with no potential commerce clause conflict. EDCs use independent contractors and installers competitively bidding to construct their projects. They have unique access to open land that is suited to PV development, specifically landfills and brownfield sites. Also, EDCs pay local property taxes, whereas private developers may be largely exempt under state law.

Unlike the horrific situation emerging in Japan, we in CT are fortunate to be able to weigh and choose energy options for the near and long term. But we don't have unlimited time. Uncertainty and needlessly shifting program rules are anathema to small businesses and stable job creation. A clearly articulated solar program over the next several decades will give the business community the confidence it needs to participate here.

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