



CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

**Testimony of Kevin R. Hennessy  
Assistant Counsel  
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Before the Energy & Technology Committee  
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My name is Kevin Hennessy. I am a staff attorney for the Connecticut Business and Industry Association (hereinafter "CBIA"). CBIA represents approximately 10,000 member companies in virtually every industry. They range from large, global corporations to small, family owned businesses. Approximately 90 percent of our member companies have fewer than 50 employees. All of our members are energy consumers and rely on energy for their respective day-to-day operations.

When debating energy policy, Connecticut needs to *prioritize* what it wants to achieve: reduced rates, reduced overall cost, increased environmental benefits or increased economic development. For the business community the choice is easy – reducing overall cost for energy has to be the priority.

It is paramount that Connecticut considers cost implications when adopting energy policies. Connecticut pays some of the highest energy costs in the country. Adopting policies that will increase those already high costs is not something Connecticut's consumers can afford.

**P-SB 634**, *AAC Farm Methane Resources*, creates a feed-in tariff for farm methane resources that would require electric distribution companies to purchase excess power produced.

Although CBIA supports renewable energy, it is expensive (see Appendix A and B). Further, Connecticut's ratepayers already invest heavily in clean energy via the RPS, the Regional Greenhouse Gas Initiative (RGGI) and the Connecticut Clean Energy Fund. It appears that the new feed-in tariff for farm methane resources would be in addition to all of Connecticut ratepayers' other investments in clean energy. Additionally, the proposed bill selects "winners" and "losers" by promoting one technology rather than allowing all technologies to compete.

For the aforementioned reasons, CBIA encourages the Energy & Technology Committee to reject **P-SB 634**.

## Appendix A

### CT Renewable Portfolio Standards

Year	Class I	Class II or Class I (add'l)	Class III Program	Total	Estimated Annual Costs \$ Millions	
					Low	High
2005	1.5%	3%		4.5%	13.6	30.7
2006	2%	3%		5%	16.1	37.8
2007	3.5%	3%	1%	7.5%	30.4	66.7
2008	5%	3%	2%	10%	44.5	99.4
2009	6%	3%	3%	12%	55.4	121.2
2010	7%	3%	4%	14%	66.3	143
2011	8%	3%	4%	15%	72.6	160.3
2012	9%	3%	4%	16%	79.1	178
2013	10%	3%	4%	17%	85.1	194.6
2014	11%	3%	4%	18%	91.3	211.8
2015	12.5%	3%	4%	19.5%	100.7	237.5
2016	14%	3%	4%	21%	110.6	264.6
2017	15.5%	3%	4%	22.5%	120.1	290.7
2018	17%	3%	4%	24%	130.8	319.8
2019	19.5%	3%	4%	26.5%	148.2	637.1
2020	20%	3%	4%	27%	152.9	379.7

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<sup>1</sup> Electric Rates in Connecticut, Kevin M. DeGobbo, Chairman Connecticut Department of Public Utility Control, December, 2010.

## Appendix B

### Costs of Renewable Technology

Technology	Estimated Levelized Costs Cents/kwh	
Landfill Gas	5.6	
Biomass	11.0	<i>Today's power supply costs are in the range of 7-8 cents/kWh.</i>
Hydro	11.0	
Wind	11.2	
Fuel Cells	17.4	
Offshore Wind	19.9	
Solar PV	52.0	

Source: Integrated Resource Plan for CT (Jan. 1, 2010), prepared by The Brattle Group, Inc.; p. 3-30, Table 3.15

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<sup>2</sup> Electric Rates in Connecticut, Kevin M. DelGobbo, Chairman Connecticut Department of Public Utility Control, December, 2010.