



Environment Committee Public Hearing – March 14, 2011

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House Bill No. 6386: An Act Establishing the Department of Energy and Environmental Protection

Position: CBIA supports better statutory clarity and administrative coordination of the State's energy and environmental policies and therefore, supports this bill with modifications.

Good morning. My name is Eric Brown and I serve as associate counsel with the Connecticut Business & Industry Association (CBIA). CBIA represents roughly ten thousand small and large businesses throughout Connecticut that employ hundreds of thousands of Connecticut citizens who share a common interest in the environmental and economic health of our state.

CBIA agrees with the proponents of this bill that energy and environmental policies need to be better integrated in Connecticut. While the environmental challenges posed by the storage, use and disposal of materials at commercial and industrial sites have moderated over the past several decades, the attention of environmental policy-makers, regulators and non-government organizations on the current and potential future effects of energy production, transmission and consumption on climate, air quality, national security and the economy has multiplied exponentially.

We believe the intent of HB 6386 is to help our state establish a clear, effective and efficient policy for meeting a variety of societal needs in an environmentally and economically sustainable manner.

But developing such a policy for Connecticut requires consideration of a variety of interests, a prioritization of sometimes competing goals and an alignment of policies consistent with that prioritization. Among the goals to be considered: lower cost, reduced rates, environmental benefits, energy conservation and economic development.

Under the current structure of state government in Connecticut, natural tensions that arise between competing priorities have sometimes lead to inconsistent or confusing laws and policies.

CBIA hopes the proposed merger of the two agencies will help resolve many of these current challenges. However, we do have 3 major concerns we would like to present in this testimony, along with a proposed modification to section 1 of the bill that would greatly alleviate these concerns.

First, we can hardly expect one to read this bill and not, before all else, come away with a palpable recognition that the commissioner of Energy and Environmental Protection is going to be a very powerful position with the capability of significantly impacting Connecticut's regulatory climate, energy costs and our economy generally.

While the commitment of our likely first commissioner of DEEP to the principles of concurrent economic and environmental prosperity can not be doubted, we should not miss this unique opportunity, for the benefit of future generations, to enshrine those principles as standards for all future commissioners to follow.

Second, we are concerned that merging the DPUC and other energy-related government entities into the Department of Environmental Protection sends a signal that in executing the important balancing of interests mentioned above, the interest of environmental benefit will be the presumed number one priority while critical economic concerns, including cost, will be rendered secondary.

Providing a further basis for this concern is the new language proposed in section 35 of this bill which proposes specific goals for the new agency that speak explicitly of conservation, efficiency and environmental concerns while making no explicit reference to cost, rates, or economic impacts. Further still, all of these enumerated goals are preceded by the clause, "consistent with the environmental policy of the state, the commissioner shall . . ."

Third, we observe that currently, different perspectives exist within the DEP regarding its mission as well as the role of each employee in contributing to achieving that mission. Especially with the creation of a new agency (DEEP), a rare opportunity exists to draw upon existing state statutory environmental policy to enact a statement of key principles that will help clarify the new agency's mission and unify the understanding of its employees as to what they are trying to accomplish both individually and collectively.

To address these major concerns, CBIA believes it is highly prudent and necessary to include a statement of principles in this bill.

Many key principles of the environmental "policy of the state" are captured in Sec. 22a-1a of the Connecticut General Statutes. They include the following:

- *“it is the continuing policy of the state government, in cooperation with federal and local governments, and other concerned public and private organizations . . .”*

(i.e. the agency is part of a team that is state government – working cooperatively and in collaboration with others, rather than a lone guardian of the environment against a wide range of adversaries)

- *“to use all practicable means and measures . . .”*

(i.e. policies and practices should be informed by practicality – that is, what is useful, understandable and reasonably achievable)

- *“to create and maintain conditions under which man and nature can exist in productive harmony . . .”*

(i.e. DEEP should pursue policies and solutions that encourage both societal and environmental prosperity)

- *“and fulfill the social, economic, and other requirements of present and future generations . . .”*

(i.e. a recognition that environmental progress can and must be linked to the general advancement of society, including its economy)

Accordingly, and consistent with current policies of the state, CBIA strongly urges that Bill No. 6386 be amended by adding a new subsection 1(b) as follows:

“It is the mission of the Department of Energy and Environmental Protection, working in cooperation with our partners in state, federal and local governments and with other concerned public and private organizations, to use all practical means and measures to insure society and nature mutually prosper in productive harmony for current and future generations.”

In summary, CBIA is supportive of the efforts of the Governor and the legislature to establish a clear energy policy for the state and to integrate that policy with the state’s environmental policy. We look forward to working with both branches to insure those policies achieve the necessary outcome of a healthy environment and a prosperous economy.

Thank you for this opportunity to share our perspective.