

TESTIMONY: RAISED BILL 5118
AN ACT CONCERNING THE RECLASSIFICATION OF TRASH TO ENERGY FACILITIES
AS CLASS ONE RENEWABLE ENERGY SOURCES

Chairman Meyer, Chairman Roy, members of the committee, thank you for this opportunity to appear before you this morning. My name is Ralph Eno. I am First Selectman in the Town of Lyme and I'm here to testify in favor of Raised Bill 5118: An Act Concerning the Reclassification of Trash to Energy Facilities as Class One Renewable Energy Sources. My remarks also reflect the positions of the Connecticut Council of Small Towns on whose board I serve, as well as the 17 town Connecticut River Valley Council of Elected Officials of which Lyme is a member.

The recent free fall of natural gas prices which is the primary fuel for power generation plants in New England has placed Connecticut's trash to energy facilities in a precarious position. The consequence has been a dramatic reduction in the market value of the power these trash burning plants generate. In 2007, the Connecticut Resources Recovery Authority's market auction yielded a price of 8 cents per kilowatt hour. The best offer its January 2012 auction to replace the old power sales agreement could muster was 3.5 cents per kwh for just a one year period. The loss of just one penny per kwh translates into 4.2 million dollars in reduced revenue. This in turn could force an increase in tipping fees of as much as \$5.60.

Retail power providers in Connecticut are required to have a minimum amount of renewable energy in their supply inventories. It is purchased at a premium price and most of it comes from out of state, as little class one energy is generated here. With a statutory reclassification of state trash to energy power to a class one renewable, the Mid-Connecticut facility would be guaranteed an enhanced revenue stream and its long term economic viability protected. Further, purchasing that power from in state TTE plants would not increase costs to providers, or rate payers.

In a net cost of operation business model, trash to energy power is intended to provide a substantial revenue stream. The other significant income source is tipping fees which would assuredly increase with considerable municipal impact without this proposed legislative reclassification. In addition, the possibility exists that the TTE concept may no longer be sustainable without your help, forcing an out of state landfill alternative on us with negative environmental impact consequences.

Thank you for your time and consideration. I would be happy to try to answer any questions You might have.