



Renewable Energy and Efficiency Business Association

c/o Murtha Cullina LLP | CityPlace I | 185 Asylum Street | Hartford, CT 06103 | 860-240-6131

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Written Testimony

Of

Renewable Energy and Efficiency Business Association, Inc.

("REEBA")

**In Support of HB 5385: An Act Concerning Energy Retrofits for Certain Buildings
and the Disclosure of the Energy Efficiency of Certain Buildings.**

Respectfully

James P. Daylor, REEBA Chair

REEBA is Connecticut's premiere business association focused on the needs and interests of member firms operating in the renewable energy and energy efficiency industry across Connecticut. As such, REEBA is dedicated to promoting the sustainable deployment of renewable energy, energy efficiency, and demand-side management across all customer platforms including both private and public owners of real estate of all scales. REEBA's central tenants of advocacy, education, and networking are the drivers that aim to achieve the aforementioned association mission.

REEBA supports the spirit and intent of HB 5385. It is REEBA's recommendation that this bill be passed to allow the Department of Energy and Environmental Protection the discretion to develop a program that matches the spirit and intent of HB 5385. In review of the draft language of the Bill, REEBA finds positive provisions that will create environmental and economic benefit for owners, service providers, and rate payers in Connecticut. Moreover, HB 5385 is consistent and complimentary to PA-1180. REEBA calls particular attention to the following provisions and benefits.

- **Job Creator and Economic Driver** – Commissioner Esty of the Department of Energy and Environmental Protection (DEEP) often cites a third "E" in his

Department's nomenclature, that being the Economy. There is a direct and real connection to energy efficiency and job creation. The National Association of Energy Services Companies (NAESCO) and Lawrence Berkeley National Laboratory (LBNL) have offered market overviews of the impact of energy efficiency in the Connecticut economy. Recent presentations by these organizations indicate that over \$1 billion in energy efficient capital improvements are possible in the near term in Connecticut. The resulting impact of these construction activities is the creation of over 25,000 Connecticut based jobs. These direct and indirect jobs cross the spectrum of skilled and non-skilled opportunities, union and non-union trade and technician placements, degreed professional jobs, and supporting business and financial jobs. In addition, these new jobs tap into a sector of the Connecticut workforce that has been hardest hit by the economy of late and it is this same building sector that has the existing skill set to accomplish this work immediately. Tangential benefits and resources also exist in the form of job training and technical certification by the local community colleges, CBIA, and other State agencies to help advance the workforce.

- **Endorsement of Performance Contracting** – Performance Contracting is an established tool for providing comprehensive energy and water upgrades to end-users that do not have the experience or resources to undertake such improvements on their own. Under a performance contract, energy-saving retrofits are all funded out of the energy savings generated over the term of a contract. These energy savings all originate from the annual utility operating budget. The performance contract allows the inefficiency to be removed from these funds and redirected to the purchase and installation of new equipment that saves energy. Performance contracting is endorsed and chronicled under PA-1180 and is being utilized by several Connecticut municipalities to self-fund a variety of meaningful capital improvements. The power of performance contracting is that it is a self-funding technique and requires no

new funds or capitol. This technique would be best suited for State agencies, municipalities, and larger private owners of real estate.

- **Disclosure, Transparency, and Protection** – The evaluation and subsequent disclosure of energy consumption and efficiency data collected during an energy audit will allow renters, owners, buyers, lenders, brokers, investors and / or other involved parties to identify actual energy costs of a transaction in which they are engaged and allow for more informed decisions regarding said transaction. Moreover, a program of this nature serves an additional consumer protection function to inform and protect persons not experienced or educated in energy efficiency matters. Mechanisms are in place, such as the Home Energy Solutions (HES) program, to conduct such activities and support, offset, or reimburse audit expenses for the end user.
- **Creation and Stabilization of Asset Value** – Energy Efficient facilities have inherently higher value driven by lower operating costs. As the real estate market, particularly the residential sector, continues to plod along in an effort to correct itself, investments in energy efficiency will add value and deliver a return on investment for owners both in annual operation and in transactions. The need and gains are most dramatic in the aging building stock most prevalent in Connecticut and the Northeast that consists of turn of the century (20th Century / 1900's) and post-war era residential, industrial, and public facilities. Prospective tenants and buyers are more likely to purchase energy efficient properties serving to reduce a property's time on the market.
- **Environmental Benefit** – The more energy efficient a property is the less overall energy that property will consume and the less overall greenhouse gas emissions will originate from the overall building footprint in Connecticut. In a presentation on the Connecticut energy efficiency market by NAESCO, energy efficiency alone could reduce greenhouse gas emissions by over 10.5 million tons. In Connecticut, approximately 25% of total greenhouse gas

emission originates from the collective building footprint. Therefore, any gains made in this significant area of the environment will have a direct and noticeable corresponding impact on the environmental front. To this end, the more energy efficient the collective building footprint becomes, additional gains can be made for Connecticut in reducing dependence on foreign oil, reduction of fossil fuel consumption, and improvement in air quality.

REEBA currently has approximately eighty members including, Advanced Energy Group, LLC, Altus Power Management, LLC, AMEC, Inc., AMERESCO, Becker and Becker Associates, Bonner Electric, Inc., Borrego Solar, Inc., Celtic Energy, Connecticut Electrical Services, Connecticut Energy & Energy, Inc., Fuss & O'Neill, Gate Community College Center for Sustainable Future, GZA GeoEnvironmental, Inc., Hoffman Engineering Consultants, LLC, HomeTronics Solar dba EcoTronics, Honeywell, Inc., Insurance Engineering Solutions LLC, Johnson Controls, Inc., KPR Consulting, Inc., LiquidPiston, Inc., LORIA Emerging Energy Consulting, LLC, MacroWave Innovations, LLC, Nexamp, Inc., NRG Energy Inc., Nupower LLC, Nxegen, Inc., Project Feeds, Project Management Associates, LLC, PV Squared, Renewable Energy Strategies, Ross Solar Group, LLC, Schletter Inc., Schneider Electric, Soltage, LLC, Sound Solar LLC, Southern Connecticut Gas Company, Inc., Sterling Planet, SunEdison LLC, Sunlight Solar Energy, Inc., Town of Fairfield, CT, Peter Tavino, PE, PC, Tioga Energy, Trane, Inc., UTC Power, Inc. Wesson Energy Inc.