

TESTIMONY OF ERIC J. BROWN
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CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

before the
ENERGY & TECHNOLOGY COMMITTEE
March 20, 2012

My name is Eric Brown and I serve as associate counsel with the Connecticut Business & Industry Association (“CBIA”). On behalf of our 10,000 large and small member companies throughout Connecticut, we are pleased to provide comments in support of:

Senate Bill No. 23: An Act Enhancing Emergency Preparedness and Response

CBIA greatly appreciates the efforts of this committee, the General Assembly and the administration to move Connecticut towards cheaper, cleaner and more reliable energy. Like businesses in all states, Connecticut businesses and the employees that comprise them, are heavily reliant on reliable and affordable sources of energy. Many small businesses in our state, including some family-owned businesses that were “institutions” in their towns and villages, were unable to withstand the combination of a weak economy and two sustained power outages last year.

The storms of 2011 were devastating and have triggered vibrant discussions among citizens, businesses and policy-makers at all levels of government in Connecticut. Measures must be taken to insure that when such storms occur in the future, rare as they maybe, our energy infrastructure is more resilient and those entities responsible for mitigating the impact of such storms are more successful.

Improved planning, increased training, adequate staffing, better coordination among providers, responders, government agencies and customers, and greater investment in hardening of infrastructure, must all be components of change that will reduce the likelihood of repeating the unfortunate experience of 2011.

S.B. 23 includes each of these important components and more. Significantly, the bill includes a deliberative and transparent process whereby the Public Utilities Regulatory Authority will establish minimum standards of performance for utilities in times of emergency. Having targeted performance goals will be useful in measuring success and achieving continuous improvement. However, it is important that these targets be reasonably achievable given the current infrastructure and resources. And each standard should represent a benchmark for continuous improvement. It is also important that each have a clear nexus to the overall goal of a more resilient and reliable delivery system in times of emergency. They should not be designed as overly-aggressive, unrealistic opportunities for punitive punishment or scapegoating.

Additionally, in determining a penalty for not meeting the standards, consideration should be given to the size and resources of the utility involved. S.B. 23 may not preclude this consideration but proposing a single, maximum civil penalty of \$25 million may give the impression that the bill contemplates a “one-size-fits-all” approach to the penalty provisions. We suggest this provision be amended to clarify that calculation of any penalties include consideration of the utilities resources as well as the degree to which matters outside of the control of the utility played a part in failing to meet the performance standards.

Thank you for this opportunity to share our comments in support of this bill.