via electronic mail

Comments of Natalie Hildt, Public Policy Outreach Manager
Northeast Energy Efficiency Partnerships (NEEP)
To the Joint Committee on Energy Technology
Regarding S.B. 450, an Act Concerning Energy Conservation and Renewable Energy
March 19, 2012

Senator Fonfara, Representative Nardello, and members of the Committee:

On behalf of Northeast Energy Efficiency Partnerships (NEEP)[1], thank you for the opportunity to provide testimony on S.B. 450, an Act Concerning Energy Conservation and Renewable Energy. NEEP is a regional nonprofit organization that works to accelerate the efficient use of energy in homes, buildings and industry in the Northeast. We are committed to this work because saving energy creates a stronger economy, a cleaner environment and a more reliable and affordable energy system.

I am writing in support of the measures within S.B. 450 to promote the expansion of energy efficiency programs to homes and businesses that heat with oil and propane. A comprehensive, all-fuels approach to energy efficiency in buildings is a central tenant of NEEP's work. With approximately half of all homes in Connecticut heating with unregulated fuels, extending the state's innovative energy efficiency programs to these customers is critical to helping residents save energy and increase comfort while making progress on broader economic and environmental goals.

Unlike gas and electric customers, residents and businesses in Connecticut that use heating oil currently have limited access to opportunities to save on energy. These households and businesses spend many millions of dollars a year on heating and may have furnaces or boilers that are decades old and highly inefficient. We believe it's time to help people reduce energy expenses *permanently* by insulating homes and buildings and upgrading older heating equipment.

It is estimated that every dollar invested in efficiency measures for oil and propane heated homes generates $7 to $9 in savings and keeps dollars spent on energy in Connecticut rather than to out of state energy suppliers.[2] Creating oil and propane efficiency programs will reduce the amount of money consumers needlessly spend to heat homes and business, and will put those saved dollars to work in the state's local economy, while also curbing pollution and improving public health.

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[1] These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors or partners.
[2] See Environment Northeast, "Connecticut Home Heating Facts: Costs, Economics and Environmental Choices," February 9, 2012, http://www.env-ne.org/public/resources/pdf/ENE_Connecticut_Heating_Facts.pdf.

The study by the Department of Energy and Environmental Protection (DEEP) regarding heating oil efficiency programs proposed in Sections 4 and 5 of the bill can form the basis for efforts to assist unregulated fuels customers with their energy cost burdens. S.B. 450 rightly promotes a collaborative process that can engage the state's oil dealers in delivering solutions to their customers. To that end, we encourage DEEP staff to collaborate with the state's electric and natural gas utilities and the state's Energy Efficiency Board (EEB) to ensure that any new programs are aligned with existing efforts, such as the Home Energy Solutions (HES) Program. The proposed study must also identify adequate and reliable sources of revenue for new oil heat efficiency programs. NEEP will be happy to work with DEEP staff to compare approaches taken by other states in the Northeast region to address this issue.

Connecticut is poised to launch a nation-leading effort to ramp up its electric and natural gas efficiency programs. These smart investments have already helped thousands of people reduce their energy costs and contributed to the state's climate and public health goals as well. Expanding opportunities to those who heat with oil and propane is a critical next step in the state's leading policy efforts.

The Northeast states, including Connecticut, are much more reliant on heating oil (and to a lesser extent, propane) than are other parts of the country. While neighboring states are also looking for ways to bring efficiency programs to oil and propane customers, once again Connecticut is leading the region in developing policies to harness the power of cost-effective energy efficiency. This legislation represents an important step forward in energy policy for the state, and could lay the foundation for significant benefits for all who heat their homes and businesses with these unregulated fuels. Developing these programs would give oil and propane dealers tools to offer energy solutions to their customers, adding value and increasing comfort while reducing wasted energy and air pollution.

Again, we thank the Committee for your many good efforts to keep Connecticut a regional and national leader in energy and environmental policy, and thank you for the opportunity to provide our perspective on S.B. 450. Please do not hesitate to contact me with any questions regarding this testimony or other matters related to energy efficiency policies in Connecticut and throughout the Northeast region.

Sincerely,

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