



**NORTHEAST ENERGY
EFFICIENCY COUNCIL**
A business association of the energy efficiency industry

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**Testimony in Support of
SB 450- An Act Concerning Energy Conservation And Renewable Energy**

*Tom Phillips Co-Chair
The Northeast Energy Efficiency Council-Connecticut Chapter*

Energy & Technology Committee
March 20, 2012

Good afternoon Senator Fonfara and Representative Nardello and members of the Energy & Technology Committee. My name is Tom Phillips; I am President of Efficient Lighting & Maintenance and the Co-Chairman of The Northeast Energy Efficiency Council- Connecticut Chapter (NEEC-CT), a business association of the energy efficiency industry. **I am here today in support of SB 450 AA Concerning Energy Conservation and Renewable Energy.**

Section 1 of SB 450 will allow heating oil customers to have greater access to Connecticut's energy efficiency programs. Oil efficiency programs ended when they were defunded by the Legislature in 2009. In recent years, oil efficiency programs received temporary funding from the federal stimulus money and a one-time state grant. However, funding for heating oil users will expire by the end of March for United Illuminating customers and in May for Connecticut Light & Power customers.

Section 1 will establish a Fuel Oil Conservation Account funded by a portion of the annual revenue from the tax on the sale of petroleum products gross earnings under CGS 12-587. The Fuel Oil Conservation Account will assist Connecticut residents in paying for energy audits and efficiency upgrades to buildings and allow residents who utilize oil heat to access the Home Energy Solution (HES) programs, creating a fuel blind program.

SB 450 will remove the current \$500,000 cap on energy efficiency programs for oil customers and allow up to \$10 million per year to be allocated for oil customers to take advantage of efficiency programs. 48% of Connecticut's housing stock are heated with oil and these residents are unable to fully utilize Connecticut's award winning efficiency programs. The current cap also hinders the state's goal to weatherize 80% of residences by 2030. Oil heated homes need to be part of the programs. Energy efficient upgrades and technologies will allow oil customers to use less energy, therefore saving money.

NEEC-CT believes Section 1 of SB 450 is vital for the state and its residents. Customers will save money on their oil and electric bills, greenhouse emissions will be cut and we also see this as an economic development bill for the energy efficiency companies in Connecticut. Without passage of this legislation many companies will be forced to reduce their workforce as almost half of all Connecticut homes will be ineligible to participate in our existing efficiency programs. As a state we should continue to look for ways to expand energy efficiency and the

creation of a Fuel Oil Conservation Account moves us in that direction. We have heard from our members that without including oil customers, their businesses will be hurt. Layoffs may occur at some businesses, but growth will be stagnant at most.

NEEC-CT also supports Section 7, which requires contractors to inform customers of existing state and federal energy efficiency programs or options before beginning work on any new commercial or industrial buildings.

Energy efficiency measures are documented and verified through independent evaluations and audits. There is a 4 to 1 return on energy efficiency investments. For every \$1 invested the return is more than \$4 in savings. These savings benefit everyone in Connecticut. Energy Efficiency programs such as the Home Energy Program is successful. Everyone should be able to utilize the low cost audits. In 2011, 20,221 customers were served in the Home Energy Solutions program. 22,926 tons of CO2 emissions were reduced annually. This equates to annual savings of \$6.7 million or lifetime savings of \$79.8 million. Oil customers need to continue to be part of these programs.

Thank you for your time. We urge you to support **SB 450 AA Concerning Energy Conservation and Renewable Energy**