

**Testimony  
of  
UIL Holdings Corporation  
Re:  
House Bill 5369  
AN ACT IMPLEMENTING A NATURAL GAS VEHICLE PILOT PROGRAM FOR  
MUNICIPAL FLEETS**

**Legislative Office Building  
March 5, 2012**

Good afternoon, Senator Maynard, Representative Guerrero and members of the Transportation Committee. My name is Michael Smalec and I am the manager of Commercial and Industrial Sales for UIL Holdings Corporation (UIL). I'm here today to provide testimony on **House Bill 5369, AN ACT IMPLEMENTING A NATURAL GAS VEHICLE PILOT PROGRAM FOR MUNICIPAL FLEETS.**

UIL supports innovation in energy supply, economic development in the state and the communities we serve, and reducing the cost of energy to the state's municipalities. Our utility operating companies, The United Illuminating Company (UI), The Southern Connecticut Gas Company (SCG) and Connecticut Natural Gas Corporation (CNG) stand ready, willing and able to be part of developing innovative solutions, like that proposed in HB 5369. Over the last decade, this Committee and the legislature have established an alternate fuel vehicle policy that is environmentally driven and supported by municipalities in the State and the proposed pilot programs in HB 5369 will help advance this policy.

UIL has assisted several Connecticut cities and towns with the development of alternate fuel vehicle fleet and re-fueling infrastructure projects. These projects provide a benefit for both the

municipal taxpayers and utility rate payers alike. Our industry and our multiple partners have embraced this environmentally friendly technology. Our partners include: the State of Connecticut, the cities of Hartford, New Haven and Bridgeport and the towns of Wethersfield, Greenwich, Fairfield, Stratford, Glastonbury, Trumbull, Berlin, United Parcel Service, AT&T, the U.S. Postal Service and several private fleets. It is clear that municipal interest and motivation and the proposed policies will create continued opportunities for the State's natural gas local distribution companies and municipalities to partner to foster this environmentally beneficial energy solution.

As noted above each of Connecticut's three largest cities have made decisions to use clean burning natural gas vehicles in their municipal fleets: Hartford has operated twenty vehicles, New Haven has commissioned a NGV fueling station and is in the process of purchasing additional "green" alternate fuel garbage trucks. Similarly Bridgeport has opened a NGV filling station and is operating alternate fuel vehicles such as police cruisers, para-transit vehicles, school buses and refuse trucks.

These fleet operators that use NGV's help the State's effort to achieve environmental compliance. The use of natural gas vehicles in Connecticut has resulted in less air pollution. Reductions in harmful air emissions specifically from mobile sources have become an important component of the Federal, Regional and State air emissions policy. More and more attention is being focused on mobile sources of air pollution, rather than the traditional stationary sources. Furthermore, NGVs fueled by compressed natural gas not only help the environment, they decrease U.S. dependence on foreign energy sources. As the price of gasoline climbs above

\$4.00 per gallon, compressed natural gas is a bargain compared to gasoline. According to the US DOE, the gallon of gas equivalent (GGE), including the cost of compression, is nearly half that of gasoline ([http://www.afdc.energy.gov/afdc/pdfs/afpr\\_jan\\_12.pdf](http://www.afdc.energy.gov/afdc/pdfs/afpr_jan_12.pdf)). The costs of operating a fleet will decrease as the economic benefit to the state and municipal governments and their respective taxpayers increases.

As a nation and a state it is increasingly important to move forward with regard to energy independence and the use of domestically produced natural gas provides several advantages in the areas of economic development and also in the area of job creation. We live in an area of environmental non-attainment, but we have been fortunate to have progressive legislation in effect to help us significantly reduce environmental impacts through the use of alternate fuel vehicles.

Today, UIL Holdings Corporation encourages the Transportation Committee to act favorably on House **Bill 5369 AN ACT IMPLEMENTING A NATURAL GAS VEHICLE PILOT PROGRAM FOR MUNICIPAL FLEETS** to enable our continued cooperation with the municipalities we serve on the development of natural gas vehicle fleets and improving the environment and the economic climate in Connecticut. Progress is being made, but it is still a developing industry that needs incentives to advance.

Thank you for the opportunity to present this testimony. I would be happy to answer any questions you may have.