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**TESTIMONY OF THE
NEW ENGLAND CLEAN ENERGY COUNCIL**

Regarding
HB 6650
An Act Concerning Energy Efficiency Programs

Submitted by
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Senator LeBeau, Representative Perone, and members of the Commerce Committee:

Thank you for the opportunity to comment on House Bill 6650, *An Act Concerning Energy Efficiency Programs*. I am here to represent the New England Clean Energy Council. **The New England Clean Energy Council is pleased to strongly support this bill.**

The New England Clean Energy Council is a clean energy business association whose mission is to accelerate New England's clean energy economy to global leadership by building an active community of stakeholders and a world-class cluster of clean energy companies. The Council's members and sponsors include clean energy businesses, services and technology companies, venture investors, major financial institutions, universities, industry associations, utilities, labor and large commercial end-users. They span the broad spectrum of the clean energy sector, including energy efficiency, renewable energy (e.g., solar, wind, hydro, anaerobic digestion), combined heat and power (CHP), biofuels, advanced and "smart" technologies (e.g., smart grid, fuel cells, storage, batteries, materials), among others. A cross-section of our members are operating and investing in Connecticut and more are interested in doing so

Connecticut's energy efficiency programs have been highly successful. The American Council for an Energy Efficient Economy (ACEEE) ranked Connecticut 6th in the nation for its energy efficiency policies in 2012. Implementation of the energy efficiency policies outlined in Connecticut's recently released Comprehensive Energy Strategy, including oil heat energy efficiency, should move Connecticut up even further in the ranking next year.

Energy efficiency programs in Connecticut in 2012 saved residents, businesses and communities \$53.8 million, according to The Connecticut Energy Efficiency Board's 2012 Programs and Operations Report, released Tuesday, March 5, 2013, to members of the General Assembly and other policy-makers.

- More than 500,000 homeowners and renters participated in residential energy-saving programs, collectively saving themselves about \$27.9 million.
- More than 4,500 Connecticut businesses and municipalities took part in energy-saving programs, saving approximately \$25.9 million.

- Energy efficiency measures kept more than 200,500 tons of carbon dioxide emissions out of our air.

Unfortunately, homes and businesses that heat with oil have limited opportunities to take advantage of these programs and their savings. This bill, HB 6650, will expand energy efficiency programs to include the 48% of Connecticut homes that use heating oil. It establishes a dedicated and reliable funding stream to provide cost effective energy efficiencies for all fuels. It does so in a sensible and responsible manner that is sensitive to the budgets of the average heating oil customer while recognizing the need to ensure a dedicated fund to pay for energy efficiency programs and measures.

The cost to consumers will be smaller, on average than the price fluctuations on heating oil over the course of a normal heating season. Yet, this fund will add millions of dollars to energy efficiency efforts to reduce the energy needs for thousands of Connecticut homeowners. The activity generated by the fund will create jobs, save heating costs, and provide for a cleaner environment. It will do so without a state appropriation but from the new dedicated fund that it creates. This fund will be used in concert with existing funds to maximize their impact and complement current efforts.

There are a few changes that we would respectfully request that the Committee consider.

First, in Sec 3(a), it states that "no excise tax shall be imposed on by vessels, railroad.... or fuel sold for the purposes other than for *residential heating* or domestic hot water." Assuming that these rebates would and should also target schools and businesses as in other states with similar programs, we would request that you consider removing the words "residential heating" and insert "other than residential homes, schools, or businesses that heat with oil..."

Also, in Sec 6 (a), the bill states that eligible fuel oil furnaces and eligible fuel oil burners need a minimum rating of at least 86%. We would ask that you replace that with "must have an Annual Fuel Utilization Efficiency (AFUE) equal to or greater than 86%." Without this reference, it is unclear what part of the system needs to achieve the 86%.

We also ask that you review the section that requires that "all eligible furnaces and boilers shall meet or exceed federal Energy Star Ratings." Clarification is needed over which standard takes precedence, 86% or the Energy Star Standard.

Lastly, we believe that the bill should refer to residential and business customers. There are many businesses, municipal buildings, schools, houses of worship, and other organizations using oil for heating or hot water that should be included in this bill.

Again, I would like to thank the committee for allowing the New England Clean Energy Council to testify on this bill. We are ready to assist or provide additional information as the Committee sees fit. I would like to reiterate our support for HB6650. It will reduce costs, help meet greenhouse gas emissions reduction goals, create jobs, and contribute to a cleaner economy and environment.

Thank you and I will answer any questions that the Committee may have.