



THE  
**Vote Solar**  
INITIATIVE

**Connecticut General Assembly  
Before the Joint Committee on Energy and Technology**

**Written Testimony of The Vote Solar Initiative  
Regarding Governor's Bill No. 6360 – An Act Concerning Implementation of Connecticut's  
Comprehensive Energy Strategy**

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**March 7, 2013**

**RECOMMENDED ACTION: Support, with Amendments**

Co-Chairs Senator Duff and Representative Reed:

Thank you for the opportunity to offer written testimony regarding the Governor's Bill No. 6360, an Act Concerning Implementation of Connecticut's Comprehensive Energy Strategy. The Vote Solar Initiative (Vote Solar) submits this testimony in specific support of the provisions pertaining to virtual net metering found in Section 5 of Bill No. 6360. Vote Solar recommends its immediate passage, with amendments, to ensure that more energy customers in Connecticut can benefit from renewable energy.

Vote Solar is a non-profit, grassroots organization with members throughout the U.S. including thousands in Connecticut. Vote Solar aims to foster economic opportunity and support a cleaner, healthier environment by bringing solar energy into the mainstream. Since 2002, Vote Solar has helped to remove market barriers and implement key policies needed to bring solar to scale.

**I. Virtual net metering will unlock significant new investment in clean energy.**

With the objective to enable more energy customers to satisfy their energy needs through clean energy projects, virtual net metering is an important step towards unlocking massive new private investment in renewable energy. Virtual net metering will also help Connecticut meet its clean energy goals. Specifically, the virtual net metering provisions in Section 5 of Bill No. 6360 will achieve the following.

- **Managing and controlling energy costs** is a critical aspect of financial stability for public entities and agricultural customers throughout Connecticut. Virtual net metering helps provide these energy customers with an important tool to develop clean energy technologies where it can best achieve this objective.
- Importantly, Bill No. 6360 would **enable virtual net metering arrangements to take advantage of third-party ownership models, which are essential for public entities.** Third-party ownership of clean energy systems is already available in Connecticut and

Bill No. 6360 would ensure that virtual net metering arrangements will also benefit from this important financing tool.

- By **raising the existing \$1 million statewide cap on virtual net metering to \$10 million**, Bill No. 6360 will ensure that this tool will be provided sufficient scale to achieve its intent.
- By **valuing virtual net metering credits at the cost of electricity generation plus 80% of distribution and other service charges**, Bill No. 6360 will enable these arrangement to fully realize the economic, environmental and grid benefits of clean energy.

## **II. Vote Solar suggests the following amendments to further the purpose of virtual net metering.**

Vote Solar believes that the most important aspect of virtual net metering is its ability to broaden access to Connecticut's clean energy economy. The provisions in Section 5 of Bill No. 6360 are therefore critical for realizing the potential of virtual net metering. However, with amendments to Section 5 of Bill No. 6360, virtual net metering can offer even greater opportunity to Connecticut's energy consumers.

**Vote Solar therefore suggests the following amendments to Section 5 of Bill No. 6360 to further the intent of virtual net metering, and ensure that more of Connecticut's businesses and residents can invest in the clean energy economy.**

- By **expanding virtual net metering to commercial energy customers**, Connecticut will unleash even greater investment in clean energy and will ensure that more of the State's businesses can tap into clean energy to remain economically competitive.
- **Increasing the number of benefiting accounts for all eligible customers** under virtual net metering will ensure that these projects can achieve the necessary scale to be economically viable.
- **Vote Solar suggests allocating credits according to a customer hosts' preferred allocation** (e.g., Benefiting Account A receives 5% of the credits, Benefiting Account B receives 10% of the credits, and so forth) rather than allocation in proportion to each benefiting account's energy consumption. By providing this ability, a customer host can predictably structure a virtual net metering arrangement.
- For Connecticut to fully realize the potential of virtual net metering, it must provide adequate certainty for this policy mechanism. By directing the Public Utilities Regulatory Authority to **consider expansion of the virtual net metering cap when 80% of the cap has been reached**, energy consumers and clean energy developers will have greater confidence in investing and offering these types of clean energy arrangements.

## **III. Vote Solar also recommends passage of House Bill 5587 to address the issue of residential customers unable to invest in on-site clean energy generation.**

Vote Solar urges the Committee to consider how residential energy customers can appropriately participate in offsite renewable energy facilities. Approximately 75% of residential energy customers are unable to install solar on their property for various reasons including shading or structural issues or because they are renters and do not control their rooftop. The submetering

proposal in HB 5587 is an important step toward enabling renters to invest in and benefit from renewable energy systems on their apartment building grounds or offsite. We recommend passage of HB 5587 and look forward to working with the Committee to further explore the options for residential energy consumers who are unable to install on-site clean energy.

#### **IV. Conclusion**

Vote Solar urges the Committee on Energy and Technology to pass Governor's Bill No. 6360, with the amendments. Thank you for the opportunity and for consideration of this testimony.

Respectfully submitted,

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