

STATE OF CONNECTICUT
ENERGY & TECHNOLOGY COMMITTEE

Raised Bill No. 6535 – An Act Redefining Class I Renewable Energy Resources

Public Hearing Testimony of

KARL W. RADUNE

BIODIESEL ONE, LTD

102 West Center Street

Southington, CT 06489

(860) 628-0891

biodieselone@att.net

Biodiesel One, Ltd, a **producer of biodiesel fuel** located in **Southington** and a member of The Connecticut Thermal-Renewable Energy Coalition ("CT-REC"), appreciates this opportunity to support Raised Bill No. 6535 ("Bill 6535") and its proposal to redefine Class I Renewable Energy Sources in the State's renewable portfolio standard ("RPS").

I am **Karl W Radune, President**, a Connecticut company that has actively been producing sustainable biodiesel fuel since July 2009. The fuel is made from used cooking oil (UCO) which is collected from CT restaurants. The fuel is primarily sold locally as a direct replacement for #2 heating oil. The most interesting customer we have is the United States Coast Guard. Biodiesel One, Ltd. was selected to supply our fuel for sea trials using 100% biodiesel to the New Haven ANT. The project leader and crew have been very pleased with the performance to date.

Biodiesel is currently the only fuel which meets the EPA Tier 1 & Tier 2 Clean air targets. Biodiesel produced from UCO has the highest energy balance of all the alternative fuels at 7.2. The environmental benefits for biodiesel in reducing air pollutants are:

B-100 Biodiesel emissions vs. Petro Diesel

No Sulfur Dioxide emissions (ACID RAIN)

78% reduction in CO₂ emissions (GLOBAL WARMING)

48% reduction in CO emissions (SMOG)

67% reduction in unburned hydrocarbons (SMOG)

47% reduction in particulate matter (SMOG)

80% reduction in PAH (polycyclic aromatic hydrocarbons) (CANCER)

Connecticut can significantly advance its renewable energy strategy by adopting provisions to incorporate Renewable Energy Credits (RECs) from applications including biodiesel as a Class I resource under the state's RPS. Allowing thermal RECs to be generated from biodiesel would help my small business in several ways.

This program would stabilize the business environment for this small alternative energy company. I would have the confidence to move forward with our existing plans to expand production, enlarging our facility, and creating 10 new "green collar" jobs. The continuing uncertainty caused by the difficult environment in Washington has already caused many biodiesel producers to close or mothball their operations.

As detailed by other CT-REC members testifying today, Bill 6535 provides increased support for in-state resources with no new funding required, reduces ratepayer expenditures for RPS compliance, and allows for the more efficient utilization of fuels that are already eligible under existing RPS guidelines.

Connecticut's RPS utilizes market-based incentives to accomplish defined public policy objectives. Currently, more than 96% of all funds associated with Class I RECs leave the state of Connecticut. I encourage the legislature to take action now to ensure that these RPS dollars contribute to the economic development of in-state renewable generation.

Biodiesel, Biogas, Wood Pellets & Chips are all eligible to create RECs when used as fuel for electric generators, but are up to 3.5 times more efficient if used to generate heat in thermal applications. However, only Renewable Energy in the form of electricity is currently eligible to receive CT RPS credits, thus denying the natural gas and fuel oil providers from benefiting from the use of renewable fuels.

Thermal Renewable Energy Credits are a recognized application, and the standards for reporting will be rigorous so that we are assured that the state is getting the environmental benefits for which they are paying. Biodiesel One, Ltd is well versed in the compliance requirements of the alternative energy sector. The Biodiesel One, Ltd operation is already highly regulated and compliant to the rules as promulgated by the EPA, IRS, and DRS.

The best part is that this would actually help make the funds dedicated to meeting the Global Warming Solutions Act's Goals to develop the clean energy economy inside the state, while benefiting the ratepayers by lowering the cost of compliance.

I believe that Bill 6535 represents a significant opportunity for Connecticut to advance its clean energy goals without collecting additional funds from ratepayers and taxpayers.

Thank you for your consideration of my testimony in support of Raised Bill No. 6535. I respectfully encourage the Committee on to adopt reasonable measures to respond to the State's renewable energy challenges in a timely and cost-effective manner. I am available to answer questions regarding my testimony.