



Connecticut Department of
**ENERGY &
ENVIRONMENTAL
PROTECTION**

**STATE OF CONNECTICUT
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION**

Public Hearing –March 7, 2013
Energy and Technology Committee

Testimony Submitted by Commissioner Daniel C. Esty
Presented by Deputy Commissioner Katie Dykes

Raised House Bill No. 6535 - AN ACT REDEFINING CLASS I RENEWABLE ENERGY SOURCES

Thank you for the opportunity to present testimony regarding Raised House Bill No. 6535 – An Act Redefining Class I Renewable Energy Sources. The Department of Energy and Environmental Protection (DEEP) offers the following testimony.

DEEP supports some elements of this bill. While DEEP agrees there should be some modifications to the Class I Renewable Portfolio Standard (RPS) eligibility – DEEP does not agree with all of the modifications proposed in this bill as some do not further the objectives of the RPS. In addition, DEEP is keenly aware of the potential negative impact on renewable markets that can accompany frequent or numerous changes to eligibility. At the legislature’s direction, the department is on the verge of releasing a study of the State’s RPS and we believe it is critical that all potential changes be considered in a way that fully evaluates market and ratepayer impacts.

With regard to the specific changes proposed in this bill, although anaerobic digestion is not specifically recognized by current statutes as a Class I renewable resource, the statute does allow methane from landfills to qualify. The Public Utilities Regulatory Authority has classified other sources of methane gas as Class I. DEEP encourages the General Assembly to specifically allow methane gas from any type of organic waste to qualify as a Class I renewable in Connecticut, including but not limited to: sewage, anaerobic digesters, manure, and plant matter. However, DEEP opposes including geothermal heating and cooling equipment because the RPS applies to renewable electric generation and electric conservation rather than the replacement of fossil fuel sources for heating and other purposes. While these projects may be laudable, incenting them is not the purpose of the RPS.

That said, it is important to note that conservation through geothermal heating and cooling an eligible r Class III resource. The Class I renewable program needs to remain an electric generation and conservation program for regional consistency and effectiveness. For example, since 90% of heating is done by oil and gas in Connecticut there would be minimal electric savings through replacement of heating sources with geothermal systems. Similarly, biodiesel or renewable diesel blends would be

supported to the extent they are used to generate electricity but not as a replacement for gasoline fueled vehicles or heating oil. PURA already does allow credit for useful thermal energy derived from a renewable energy source, such as cogeneration technology, when it is used to replace electricity.

DEEP therefore supports expanding the Class I definition to include methane from other sources as indicated above, but urges the committee to address any changes to the RPS in comprehensive manner that takes into account the recommendation of the department's RPS study.

Thank you for the opportunity to present testimony on this proposal. If you should require any additional information, please contact DEEP's legislative liaison, Robert LaFrance at 860-424-3401 or Robert.LaFrance@ct.gov.