



2074 Park St., #210  
Hartford, CT 06106  
(860) 231-8842  
[www.EnvironmentConnecticut.org](http://www.EnvironmentConnecticut.org)

Written Testimony of Christopher Phelps, Environment Connecticut State Director  
Before the Connecticut General Assembly Energy & Technology Committee  
February 24, 2015

**Supporting** SB 570 (and related bills SB 574, SB 575, HB 5281, HB 5402, HB 6014, HB 6019, HB 6029)

Senator Doyle, Representative Reed, Senator Formica, Representative Ackert, and members of the committee:

Environment Connecticut is a nonprofit environmental advocacy organization working to protect Connecticut's air, water, and natural landscape. We appreciate this opportunity to offer testimony in support of SB 570, AN ACT CONCERNING ELECTRIC SAVINGS AND FIXED BILL FEES and the related bills that would cap or eliminate Connecticut's extremely high fixed customer service charges imposed on ratepayers by the state's two electric distribution companies, Eversource and United Illuminating.

Connecticut's electric customers currently pay unconscionably high fixed customer service charges. These charges, which are as much as 4 times more expensive than those paid by ratepayers in neighboring states, harm consumers, undermine Connecticut's economic competitiveness, and punish electric customers who reduce their consumption of electricity from the grid by investing in energy efficiency and solar power.

Perversely, the extremely high fixed customer service charges imposed by Connecticut's two electric utilities have the effect of forcing ratepayers who use less electricity to pay significantly higher effective electric rates than those who use more electricity. In addition to the obvious conflict with Connecticut's efforts to decrease electric consumption through efficiency and local distributed generation, this also results in low income ratepayers and small businesses often paying effectively higher rates than higher income ratepayers.

In 2011, the General Assembly enacted legislation creating new incentives for homeowners to install residential solar power systems. These programs have succeeded in driving down the cost of residential solar power, created hundreds of new jobs in the solar power industry in Connecticut, and resulted in large amounts of new solar generation capacity installed on residential rooftops statewide. Earlier this month, Governor Malloy proposed important legislation to dramatically expand Connecticut's residential solar programs with a goal of achieving a ten-fold increase of installed residential solar power statewide.

Environment Connecticut applauds the governor's residential solar initiative as an important next step towards reducing Connecticut's dependence on non-renewable energy sources that burden our economy and emit global warming-fueling carbon pollution. In 2014, we released an analysis that found that, if Connecticut were to simply maintain the pace of solar power installations achieved since Governor Malloy took office, we could obtain 20% of our electric power from solar within ten years. Realizing that goal would create new jobs in Connecticut's solar power industry, reduce our dependence on economically volatile fuels, and produce large reductions in carbon pollution.

Unfortunately, high fixed customer service charges harm homeowners and businesses that choose to go solar. This is because the fixed charges are assessed without regard to a consumer's actual electric consumption. Consumers whose solar power systems provide most or all of their electric demand are effectively charged a "solar tax" in the form of high fixed customer service charges. If allowed to continue, the high customer service charges imposed by Eversource and United Illuminating will be a powerful disincentive discouraging homeowners and businesses from going solar.

Environment Connecticut urges the General Assembly to enact legislation that would limit electric utility fixed charges to less than \$10 per month, or even to eliminate such charges altogether and simply require consumers to pay based on their actual consumption of electricity from the grid.

Sincerely,

Chris Phelps, State Director  
Environment Connecticut