

March 17, 2015 TESTIMONY BEFORE THE CONNECTICUT GENERAL ASSEMBLY'S ENERGY & TECHNOLOGY COMMITTEE FROM SOLARCONNECTICUT, INC. EXECUTIVE DIRECTOR MICHAEL TRAHAN ON GOVERNOR'S H.B. NO. 6838 AN ACT CONCERNING THE ENCOURAGEMENT OF LOCAL ECONOMIC DEVELOPMENT AND ACCESS TO RESIDENTIAL RENEWABLE ENERGY; AND RAISED S.B. NO. 928 AN ACT CONCERNING SHARED CLEAN ENERGY FACILITIES.

Chairman Reed and Chairman Doyle, members of the Committee, my name is Michael Trahan and as executive director of the state's solar industry business association -- SolarConnecticut -- I come to you today to support two bills that will give every Connecticut electric ratepayer access to low-cost, clean, renewable solar power.

And while support for these bills is rightly associated with increased access to clean power, if passed into law, these two bills -- in particular Governor Malloy's bill to expand the home solar market -- have the potential to create more jobs over the next year than perhaps any other legislation currently before the General Assembly.

HB 6838 keeps the momentum going behind the state's successful residential solar industry. Last year, solar installer businesses completed the sale of 30MW of residential solar systems several years ahead of the legislative schedule set in 2011. In all, roughly 10,000 home solar installations have been completed since the ratepayer incentive program began 10 years ago. The Governor's Solar Home Renewable Energy Credit (SHREC) bill will pave the way for another 30,000 additional home solar installations over the next five years. It would push Connecticut ahead of most states in terms of solar electric systems installed per capita. And easily add several hundred full-time, direct solar jobs to the state's economy.

SolarConnecticut first introduced the concept of shared solar to the Energy committee two years ago so we are pleased that the Committee again this year is taking up a shared clean energy bill, SB 928. Shared solar is growing quickly across multiple U.S. states. An independent shared renewables study ("*SHARED CLEAN ENERGY FACILITIES*", March 2015) by the Connecticut Academy of Science and Engineering (CASE) supports the broad development of shared solar projects. The CASE report also downplayed the importance of any short-term program such as a pilot favored by the EDCs and the Consumer Counsel saying that, "Certainty in the design of the SCEF program is needed in order to attract SCEF developers."

SolarConn's view is that another shared clean energy pilot in another state ignores the success shared clean energy laws are having in other states. Public demand for shared renewables and developers interest in investing in states that have shared renewables laws is strong. Just a few weeks ago, officials in Minnesota opened a solicitation for new shared solar projects. Expecting 100 megawatts to be proposed, they received project proposals for more than four times that amount that would result in tens of millions of dollars in economic activity.

SB 928 would involve the construction of *commercial* solar projects and create jobs. These projects will be built mostly by businesses who do not install *residential* systems. It means that commercial solar development companies will also need to fill jobs too, on top of the job growth the home solar market would experience from HB 6838.

SolarConnecticut urges the Committee to design SB 928 so that the benefits of the bill are spread across small, medium, and large size community projects. There are suitable development sites for large projects that typically draw the interest of larger solar developers. Most Connecticut solar businesses are best suited to develop projects in the mid-size and small range for which there are hundreds, perhaps thousands of sites available. Large projects have many benefits and should be built. Though if limits are placed on how much development can occur, a mixture of project sizes and project types that may be developed will ensure that local communities and local companies benefit as well.

One major item that the solar industry and the utility industry agreed to last year, and is missing from SB 928, is the completion of a benefit/cost analysis, a so-called Value-of-Solar study that numerous states have used in ratemaking proceedings to determine the specific rates for SCEFs. SolarConnecticut urges the Committee to include benefit/cost analysis language that was recommended in the CASE report (p. 48-53).

Finally, we applaud the Committee's decision to designate an unbiased, third-party research group to report to the Committee on complex energy issues facing the Committee. The hiring of CASE is a marked improvement compared to directing PURA to develop energy programs. PURA has in the past, forwarded the CGA's request for energy policy impacting the EDCs to the EDCs themselves. We feel a third party -- such as CASE -- is in a better position to deliver well-balanced policy suggestions to the Energy Committee that benefit ratepayers.