

Testimony of

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Connecticut Center for Advanced Technology, Inc.

Before the

Energy and Technology Committee

February 24, 2015

Regarding

Proposed H.B. No. 6023 - An Act Concerning Distributed Generation

The Connecticut Center for Advanced Technology, Inc. (“CCAT”), offers this testimony in support of Proposed House Bill No. 6023 - An Act Concerning Distributed Generation.

CCAT is a nonprofit corporation that provides services and resources to entrepreneurs, businesses, industry, academia, and government. The Energy Initiative of CCAT has been established to improve the economic competitiveness of the region through solutions that lower energy costs and increase long-term energy reliability. This CCAT Initiative also provides assistance to businesses and manufacturers regarding energy use and energy efficiency; promotes use of sustainable and renewable distributed energy technologies; and undertakes energy planning, including planning for microgrid development.

CCAT supports the development and use of distributed generation, especially combined heat and power applications, such as fuel cells, that provide Class I renewable electricity and thermal energy to end users to enhance energy reliability and reduce energy costs. Locations where distributed generation/fuel cell installations are both technically and economically viable include a wide range of private, state, and federal facilities, including offices, manufacturing, data management, warehousing, education, food sales and services, lodging, in-patient healthcare, public order and safety, wastewater treatment plants, telecommunications sites, seaports, high-traffic airports, and electric grid service.

In addition, large fuel cells for stationary power are the only distributed generation technology principally developed and manufactured in this State, and provide significant economic benefits to the State and region. Currently, Connecticut has at least **600 companies** that are part of the growing hydrogen and fuel cell industry supply chain in the Northeast region. Based on an IMPLAN economic analysis, these companies are estimated to have realized approximately **\$604.34 million in revenue and investment**, contributed more than **\$22 million in state and local tax revenue**, and generated **over \$211.23 million in gross state product** from their participation in this regional energy cluster in 2011. Additionally, eight (8) of these companies are original equipment manufacturers (OEMs) of hydrogen and/or fuel cell systems, and were responsible for supplying **1,010 direct jobs** and **\$311.65 million in direct revenue and investment** in 2011.

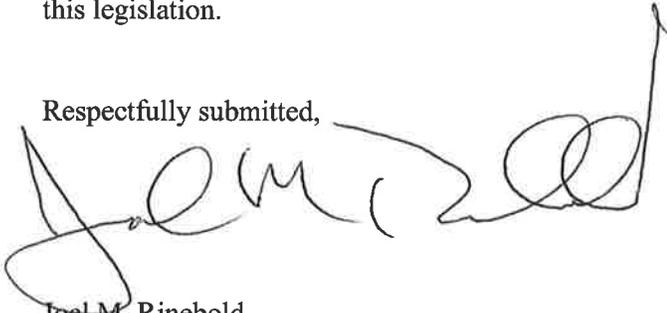
CCAT is supportive of the concepts raised in this Bill to develop a methodology to determine the value that distributed generation provides ratepayers, the electric grid and society; and (2) to create a mechanism allowing electric customers who install and utilize distributed generation to recover the value that distributed generation resources provide. CCAT suggests that the value of distributed generation should consider the following:

- Technology manufactured in the State;

- Class I renewable energy resource;
- High capacity / availability factor;
- Technology that provides both heat and power for end users; and
- Technology that can be dispatched to support the grid.

CCAT will make itself available to the Committee and legislature upon request to assist in the refinement of this legislation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joel M. Rinebold". The signature is fluid and cursive, with a large initial "J" and "M".

Joel M. Rinebold

Director of Energy Initiatives