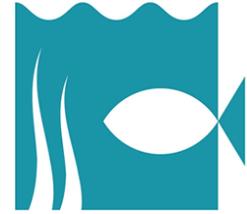




**Connecticut Fund
for the Environment**



Save the Sound®
A program of
Connecticut Fund for the Environment

**Testimony of Connecticut Fund for the Environment
Before the Committee on Banking**

In support of
H.B. No. 5563, AN ACT CONCERNING
RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY

Submitted by Shannon Laun
Energy & Environment Attorney
March 8, 2016

Connecticut Fund for the Environment (CFE) is a non-profit environmental organization with over 5,500 members statewide. The mission of CFE, and its bi-state program Save the Sound, is to protect and improve the land, air, and water of Connecticut and Long Island Sound. We use legal and scientific expertise and bring people together to achieve results that benefit our environment for current and future generations.

Dear Senator Winfield, Representative Lesser, and members of the Committee on Banking:

Connecticut Fund for the Environment submits this testimony in support of Proposed H.B. No. 5563, An Act Concerning Residential Property Assessed Clean Energy. This bill would create a residential version of the well-established and successful Commercial Property Assessed Clean Energy (C-PACE) program. An R-PACE program would make it easier for qualifying residential properties to improve energy efficiency, invest in renewable energy, get energy audits, and make other improvements that would benefit residents and the environment.

The Connecticut Green Bank successfully administers the state's C-PACE program, and establishing an R-PACE program would provide an excellent opportunity for the Green Bank to leverage private investment to help residential properties make improvements. Under H.B. 5563, financing could be used for a variety of purposes, including renewable energy, energy efficiency and audits, health and safety (which often must be addressed before other improvements, such as weatherization, are made), and water conservation. This would not only update the state's aging housing stock, but would also improve the cash flow of these properties.

Under the R-PACE program this bill would establish, the financing mechanism would enable property owners to be cash-flow positive from the outset. Using the energy savings that result from their improvements, property owners can finance more substantial improvements that take longer to pay for, allowing them to take a more comprehensive, long-term approach.

Finally, a key feature of R-PACE is that payments are tied to the property, not to the individual property owner. This aspect is crucial because it significantly expands the market for

energy-related building improvements. For example, a homeowner who is considering selling his or her house may be reluctant to install solar panels or make energy efficiency upgrades. With R-PACE, such people would be more likely to pursue these improvements because the obligation to pay for them would transfer when the property is sold, as would the bill savings. As an alternative, homebuyers can ask for the lien to be paid off as a condition of sale.

In conclusion, CFE strongly supports H.B. 5563, which would establish an R-PACE program in Connecticut and create opportunities for property owners to pursue energy efficiency upgrades, install renewable energy systems such as solar panels, and make other improvements to residential property. Such a program can benefit the health and wellbeing of residents, make their homes more valuable, and help reduce emissions from the residential building sector.

Thank you for your time and consideration in this matter.

Respectfully submitted,

/s/ Shannon Laun

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