Testimony of

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Before the

Energy and Technology Committee

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Regarding

House Bill No. 5427 - An Act Concerning the Shared Clean Energy Facility Pilot Program.

The Connecticut Center for Advanced Technology, Inc. (CCAT), offers this testimony in support of House Bill No. 5427 - An Act Concerning the Shared Clean Energy Facility Pilot Program.

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 energy; and undertakes energy planning, including regional planning for microgrids and zero emission vehicle (ZEV) deployment.

CCAT is supportive of the concept raised in this bill to establish a funding mechanism for the pilot, with cost recovery for the utilities, which would support the development and sharing of Class I renewable energy sources, such as fuel cells. Fuel cells can provide electricity and thermal energy to end users to enhance energy reliability and reduce energy costs. Locations where fuel cell installations are both technically and economically viable may 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.

The proposed Bill could benefit Connecticut's emerging hydrogen and fuel cell industry, which provides significant employment and economic activity in the State. 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 a 2016 IMPLAN economic analysis, Connecticut's hydrogen and fuel cell industry is estimated to

have realized approximately $726 million in revenue and investment throughout the supply chain, and contributed more than $39 million in state and local tax revenue in 2015. Additionally, these companies were responsible for supplying 3,406 direct, indirect and induced jobs and over $340 million labor income.

CCAT will make itself available to the Committee and the Department upon request to assist in the refinement of this legislation and/or to provide an objective analysis of the pilot program. If the pilot is determined to be successful, CCAT suggests consideration for program refinement to include development of shared clean energy facilities with the following criteria:

- Encouragement to use technology that is researched, manufactured, and/or assembled in the State;
- Development of shared networks that include renewable technology integrated with energy storage; and
- Development of shared facilities that provide multiple benefits, such as combined heat and power, energy for transportation applications, management of waste, and increased reliability for end users and the grid.

Respectfully submitted,

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