



**Testimony in OPPOSITION to Senate Bill 224
Before the Joint Energy & Technology Committee
March 1, 2016**

Good afternoon and thank you to the Chairpersons and members of the committee for the opportunity to present this testimony. NRG opposes Senate Bill 224 because of its likelihood to dampen both competition and much-needed private investment in Connecticut's energy sector.

Many members of this committee know NRG as one of the largest independent power producers in Connecticut. NRG also strongly supports clean-energy resources and technologies critical to Connecticut's transition to a more sustainable future.

In 1999, NRG Energy, Inc. ("NRG") invested \$460 million in eight power plant facilities in Connecticut. Our 114 Connecticut-based employees presently operate power plant facilities totaling almost 2,000 MW of natural gas and oil fueled generation; our Norwalk Harbor facility was retired in 2013. Over the past 15 years, NRG has continued its investment in Connecticut's energy infrastructure by expanding the Cos Cob facility and developing new peaking generation in Milford and Middletown. Additionally, NRG is one of the largest installers of home solar systems in Connecticut. NRG also owns a fuel cell project in Bridgeport at the University of Bridgeport.

We are very proud to be part of the energy transformation, especially in solar, that is bringing much-needed jobs and economic development to our state. Last year, there were nearly 2,000 people working in the solar industry in Connecticut – and that number is only expected to grow. The Solar Foundation projects that solar employment in Connecticut will rise another 6.8 percent in 2016.

That growth is testament to the commitment of this committee and of the administration to clean energy. It is also due to a competitive market that drives innovation while continually working to lower costs.

Senate Bill 224 would take Connecticut's solar industry in exactly the opposite direction – reducing competition, putting ratepayer dollars at risk, and putting renewable generation into the hands of monopoly utility providers. Given the vibrant and cost-effective private engagement in renewable energy investment and innovation in the state, there is no reason to contemplate this retreat.

A hundred years of experience has shown that innovation is largely driven by competitive companies investing shareholder dollars and putting their own capital at risk. NRG and the many other companies currently engaged in Connecticut's solar industry are doing exactly that, driving change in the way consumers engage with and consume energy today.

The competitive market has key advantages over the utility-owned and operated model, including:

- (1) Eliminating ratepayer risk, because private investors bear the risks of their own investment decisions;
- (2) Preventing cross-subsidization of behind-the-meter utility investments by various utility ratepayer classes, including low-income customers;
- (3) Allowing customers to work with third-parties to deploy technology in an innovative and customizable manner;
- (4) And promoting robust competition in order to speed technological progress and drive down prices.

Instead of promoting the investment of *private* investment dollars into Connecticut, SB 224 would result in the expenditure of additional *ratepayer* dollars. That means the risks and costs would be socialized to everyone – including the business community, seniors and low-income residents.

NRG shares this committee's goals of accelerating the deployment of pollution-free energy resources and creating new jobs while lowering customer costs. A competitive market – rather than monopoly ownership – is the right path forward.

Respectfully submitted,

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