



**Testimony of RENEW Northeast, Inc. before the
Energy and Technology Committee on**

Senate Bill 224 (LCO No. 1871)

***An Act Concerning the Capacity and Criteria for
Certain Renewable Energy Generation Facilities.***

March 1, 2016

Senator Doyle, Representative Reed, Senator Formica, Representative Ackert and members of the Energy and Technology Committee, my name is Francis Pullaro and I am here on behalf of RENEW Northeast, Inc. (“RENEW”),¹ its Executive Director, to testify on Senate Bill 224, *An Act Concerning the Capacity and Criteria for Certain Renewable Energy Generation Facilities*.

This bill provides for the utilities to own renewable generation potentially under the cost of service regime and without having been exposed to a competitive solicitation process when developing such projects. In general, RENEW supports principles that result in the development of the least cost renewable energy facilities. This outcome is achieved through a competitive procurement process. Unlike under cost of service, once the developer is selected, it must adhere to the price and other terms of the RFP and cannot assess ratepayers for cost overruns. Ratepayer risk aside, a 2015 report prepared by the New York State Energy Research and Development Authority (NYSERDA) shows utility-owned generation option is likely to be higher in cost than competitive procurements.²

Connecticut should not modify its electric restructuring law to allow for utility-owned large-scale resources not as long as the competitive market can fulfill- and has been fulfilling- this responsibility under the ZREC/LREC and long-term contracting laws passed by the General Assembly during the last five years. Renewable energy facilities should be supported by long-term contracts awarded under a

¹ The comments expressed herein represent the views of RENEW and not necessarily those of any particular member of RENEW. RENEW is a non-profit association uniting the renewable energy industry and environmental advocates whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in the Northeast from the region’s abundant, indigenous renewable resources. RENEW has focused on highlighting the value of grid-scale resources- specifically offshore and onshore wind and small hydropower- and the benefits of transmission investment to deliver renewable energy to load centers in the Northeast. RENEW members own and/or are developing large-scale wind and hydropower facilities in Connecticut and across the Northeast. Others are independent transmission developers with proposals for transmission facilities to connect clean energy resources from around the region to Southern New England.

² New York State Energy Research and Development Authority, *Large-Scale Renewable Energy Development in New York: Options and Assessment* 101-107 (June, 2015).

competitive procurement process where all bidders- the utilities by using competitive affiliates if they wish to participate³- are competing under the same rules and the winner is selected based on the lowest cost bid to construct the facility.

I appreciate the opportunity to offer this testimony on meeting Connecticut's electricity needs and renewable energy goals. RENEW will continue to work with this committee to find ways to lower the cost of renewable energy, decrease the region's dependence on fossil fuels and ensure a significant role for renewable energy resources that will meet Connecticut's environmental goals.

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³ United Illuminating, for example, has an affiliate- Iberdrola Renewables- that owns, operates and is developing renewable energy in New England.