



**The Energy and Technology Committee
Public Hearing, March 10, 2016**

Office of Consumer Counsel

Elin Swanson Katz, Consumer Counsel

Testimony of Elin Swanson Katz

**Raised Bill No. 366,
*An Act Concerning Administration of the Connecticut Green Bank, the Priority of the Benefit Assessments Lien Under the Green Bank's Commercial Sustainable Energy Program and the Green Bank's Solar Home Renewable Energy Credit Program***

The Office of Consumer Counsel (OCC) has carefully reviewed Raised Bill No. 366, *An Act Concerning Administration of the Connecticut Green Bank, the Priority of the Benefits Assessments Lien under the Green Bank's Sustainable Energy Program and the Green Bank's Solar Home Renewable Energy Credit Program*. OCC supports Green Bank's independence, as it is OCC's understanding that the lack of independence was interfering with Green Bank's ability to structure certain types of transactions. However, there are certain portions of the section relating to Green Bank's independence (Section 1 of the Bill) that warrant clarification or adjustment. OCC is having a productive dialogue with the Green Bank about these issues, and OCC would be happy to be involved in further dialogue with Green Bank, legislators, and other interested stakeholders about some improvements to the independence provisions.

Specifically, but not by way of limitation, lines 89-98 of the bill (section (ix)) would allow Green Bank employees and officers to also serve as directors, members, or officers in joint ventures or other business arrangements receiving support from Green Bank. It is OCC's understanding that there was a positive purpose and intent to this provision, in that it would facilitate oversight of investments made by Green

Bank, but as written OCC is concerned that it could create opportunities for conflicts of interest or even self-dealing. As noted, OCC has had a productive dialogue with Green Bank about this and similar issues in the proposal, and it is OCC's further understanding that Green Bank will be offering some amendments to address such issues. However, further discussions and "tweaks" may be necessary.

OCC is pleased with the efforts of Green Bank to develop many megawatts of renewable energy in support of state policies. OCC notes that Green Bank receives and invests tens of millions in ratepayer dollars each year, so we need to make sure that the newly-independent Green Bank's governing laws will include all the necessary safeguards.

OCC is supportive of the remaining sections of the bill (Sections 2-5) and views those sections as common sense changes and clarifications.