



Connecticut Department of
**ENERGY &
ENVIRONMENTAL
PROTECTION**

**STATE OF CONNECTICUT
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION**

Public Hearing – March 10, 2016
Energy & Technology Committee

Testimony Submitted by Commissioner Robert J. Klee
Presented By Deputy Commissioner Katie S. Dykes

Senate Bill No. 394 – AN ACT CONCERNING VIRTUAL NET METERING AND CERTAIN ZERO OR LOW EMISSION GENERATION PROJECTS

Thank you for the opportunity to present testimony regarding **Senate Bill No. 394 – An Act Concerning Virtual Net Metering and Certain Zero or Low Emission Generation Projects**. The Department of Energy and Environmental Protection (DEEP) welcomes the opportunity to offer the following testimony. This proposal would expand the virtual net metering program, by an unspecified amount, for municipal customer hosts that have entered into a Low-emission Renewable Energy Credit/Zero-emission Renewable Energy Credit (“LREC/ZREC”) contract and have obtained all local, state, and federal permits.

As of late last year, the virtual net metering program has resulted in 22 different clean energy projects across the two electric distribution company service territories, with 14 projects supporting municipalities and 8 projects supporting the agricultural sector.

DEEP is looking at the virtual net metering program in the context of other state programs designed to increase clean energy resources in Connecticut as part of the upcoming 2016 Comprehensive Energy Strategy. In the meantime, this proposal would authorize a limited expansion of the program to avoid the potential lost opportunity with municipalities that have obtained an LREC/ZREC contract in the 2015 solicitation. Virtual net metering provides clean energy benefits to ratepayers at a lower cost than other state programs, like net metering. DEEP is pleased to see that expansion of the program in the proposal is limited to projects with LREC/ZREC contracts that have applied for virtual net metering to leverage benefits from potentially time sensitive LREC/ZREC awards from the most recent solicitation.

It is important to ensure the virtual net metering credits remain available to state customer hosts to accommodate future installations at state properties. If the state reduces its energy costs through the virtual net metering program, then all taxpayers will benefit.

Finally, **Senate Bill No. 394 – An Act Concerning Virtual Net Metering and Certain Zero or Low Emission Generation Projects** does not indicate the size of the proposed expansion. It is important to DEEP to see the extent of the expansion, and DEEP looks forward to working with the Committee on this issue.

Thank you for the opportunity to present testimony on this proposal. If you should require any additional information, please contact Robert LaFrance, DEEP's Director of Governmental Affairs, at 860.424.3401 or Robert.LaFrance@ct.gov or, Elizabeth McAuliffe, DEEP Legislative Liaison, at 860.424.3458 or Elizabeth.McAuliffe@ct.gov.