



TESTIMONY OF
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Energy and Technology Committee
March 1, 2016

Good afternoon, Senator Doyle, Representative Reed and members of the Energy and Technology Committee. My name is Angela Ruggiero and I am a Senior Counsel at Eversource Energy and I am joined by Edward Davis, Director of Rates for Eversource Energy. Eversource Energy thanks the committee for the opportunity to provide testimony on various bills that have been raised during this short session.

Eversource transmits and delivers electricity to 1.2 million customers in 149 cities and towns and provides natural gas to 222,000 customers in 72 communities in Connecticut. Eversource harnesses the commitment of its approximately 8,000 employees across three states to build a single, united company around the mission of delivering reliable energy and superior customer service.

H.B. No. 5427 AN ACT CONCERNING THE SHARED CLEAN ENERGY FACILITY PILOT PROGRAM.

Connecticut has made good progress in its quest for a cleaner, more resilient, and cheaper energy system. To that end, Eversource supports this bill and is committed to this pilot. We have been working closely with DEEP, PURA, and UI on the shared solar pilot program. This bill, as presented, represents the cooperation and collaboration between all of the stakeholders.

Eversource continues to support the establishment of a pilot program and the requirement of a competitive solicitation by the Department of Energy and Environmental Protection ("DEEP") as sound approaches to control costs and minimize negative rate impacts to non-participating customers. Eversource believes that the modifications to the prior Shared Clean Energy pilot program, including billing credits issued through the electric distribution companies ("EDCs"), tariff mechanisms to purchase the energy products produced by the facilities, and the EDCs' ability to recover reasonable costs, are workable and are endorsed by Eversource. Lastly, the requirement

that a report be filed at the end of the pilot program will allow all stakeholders to fully analyze the costs and benefits associated with the Shared Clean Energy pilot. This analysis, using the data collected specific to the Connecticut program, will shape the determination of whether a permanent program should be established.

H.B. No. 5309 AN ACT CONCERNING FACILITATION OF THE MUNICIPAL SOLAR APPLICATION PROCESS.

Eversource supports this bill, as it is our belief that allowing municipalities to adopt a standardized solar photovoltaic permit application will streamline the municipal permitting process, which will accelerate the entire interconnection process, benefit customers, and may ultimately encourage more customers to install solar. Currently, Eversource is administering over 1,200 LREC/ZREC contracts, all within the 149 municipalities that it serves within the state of Connecticut. While Eversource is not responsible for municipal permitting, it believes that the standardized permitting approach will help these projects meet the terms of the contracts in a more efficient fashion.

S.B. No. 103 AN ACT CONCERNING THE RESPONSIBILITIES OF THE PROCUREMENT MANAGER OF THE PUBLIC UTILITIES REGULATORY AUTHORITY AND MINOR REVISIONS TO ENERGY-RELATED STATUTES.

Eversource opposes this bill as written. As proposed, the bill removes the permanent position of Procurement Manager within PURA and replaces it with one or more designees that shall be appointed from time to time by PURA. The Company is concerned that by having this designee system, rather than the current permanent Procurement Manager, there may be a lack of consistency going forward. This could disrupt a system that is currently running quite smoothly. Further, there is concern that the bill, as written, may undermine the confidence that bidders have

in the current bid process. The current law is clear with respect to the authority of the Procurement Manager and all parties to the bidding process have a clear understanding of what that is. This proposal may inadvertently shake that confidence, which could lead to fewer bids and less competition.

S.B. No. 224 AN ACT CONCERNING THE CAPACITY AND CRITERIA FOR CERTAIN RENEWABLE ENERGY GENERATION FACILITIES

While Eversource fully supports renewable energy projects, it opposes the changes presented in this particular bill. There are currently several RFPs for renewable energy sources in place and Eversource believes that those RFPs should conclude before something as substantial as this is put in place. The Company is concerned that the aggregate limit of megawatts of Class I renewable energy sources that an entity may build, own, or operate, would jump significantly from 30 to 200 and as noted, since there are currently other RFPs for renewable energy sources underway, the Company believes that a more prudent approach would be to bring those RFPs to a close before increasing the aggregate limit so significantly. In addition, the Company is concerned about the language as proposed, in Section 1(a), which removes the reference to July 1, 2011, and replaces with July 1, 2016. There are existing contracts that were entered into under the July 1, 2011 authority and the Company believes that this start date, therefore, needs to be retained in order to ensure that those projects are captured under this provision.

Finally,

S.B. No. 272 AN ACT CONCERNING THE USE OF MICROGRID GRANTS AND LOANS FOR CERTAIN DISTRIBUTED ENERGY GENERATION

Eversource is opposed to the revisions set forth in this bill. This bill essentially eliminates the use of Standby Emergency Generation and could prove to be unfair and uneconomical for remote or small municipalities, as their critical facilities are generally located farther away from natural gas facilities. This bill seems to favor specific types of technology, such as gas microturbines, notwithstanding the fact that the intent of the original legislation was to provide resiliency during emergencies. The bill continues by providing funding for batteries and generation; however, funding for projects such as these are already in place and to include additional funding here is unnecessary, redundant, and could take funding away from the types of projects that were contemplated in the original bill. Finally, this bill eliminates the use of existing generation, which is contrary to the original intent of the legislation, which was to leverage existing distributed generation, which currently totals over 650 megawatts, and existing emergency and standby generators in service.

Thank you.