

Chairperson Lonnie Reed
Co-Chairperson Paul Formica
Co-Chairperson Gary Winfield
Energy & Technology Committee
State Capitol
Hartford, CT 06106

Re: HB 6312, AN ACT CONCERNING DISTRICT HEATING SYSTEM INCENTIVE PAYMENTS & HB 6304, AN ACT ESTABLISHING A PILOT PROGRAM FOR A DISTRICT HEATING DISTRICT

On behalf of the Rep. E. Santiago, Rep. Rosario and Hennessy, we ask the Committee's support of both bills HB 6312 and HB 6304.

HB 6312 clarifies the grant formula for District Heating consistent with previous legislation and the General Statute. The Conservation and Load Management Plan in which the District Heating grant is included used a methodology to calculate the District Heating grant amount that differs from what was intended under the Statute. This bill will bring clarity to the District Heating grant administration.

HB 6304 provides the means to build a Combined Heat and Power (CHP) plant that will support the Bridgeport Heating District. District heating uses waste heat from power plants to provide low temperature hot water for space heating in building and residences. District heating is the most accepted way to heat cities efficiently while minimizing environmental concerns.

Although several power plants in Bridgeport are committed to supplying heat to the Heating District, a centrally located heat source will minimize the length of pipe needed to supply both Bridgeport's downtown and south end. HB 6304 will facilitate this development by requiring the purchase of the CHP generated electricity under a long term power purchase agreement. The CHP Plant when combined with the District Heating District will have a combined efficiency of over 70 percent and provide greater grid reliability through decentralized power production.

A District Heating Network will be transformative for Bridgeport. Cities such as Nashville, ST Paul and Seattle, for example, have found their heating districts to be catalysts for economic growth as well as environmental health.

A few of the benefits of District Heating include a significant reduction in the use of natural gas or oil by customers resulting in a nearly 80 percent reduction in greenhouse gas emissions. The economic impact for the project's initial phase is approximately \$50 million from construction and full time jobs. In addition, Bridgeport will receive the associated tax revenues from the Project.

The Committee been critical in shaping Connecticut's energy future to be economic, reliable and environmentally friendly. These Bills contribute to that future and we ask for your support.