

**TESTIMONY  
OF  
UIL HOLDINGS CORPORATION**

Regarding

**Proposed H.B. No. 6304  
AN ACT ESTABLISHING A PILOT PROGRAM FOR A DISTRICT HEATING  
NETWORK**

**Proposed H.B. No. 6312  
AN ACT CONCERNING DISTRICT HEATING SYSTEM INCENTIVE PAYMENTS**

**Raised H.B. No. 7012  
AN ACT REQUIRING INFORMATION ON THE STATE'S ENERGY COSTS  
COMPETITIVENESS AS PART OF THE COMPREHENSIVE ENERGY STRATEGY**

**H.B. No. 7036  
AN ACT PROMOTING THE USE OF FUEL CELLS FOR ELECTRIC DISTRIBUTION  
SYSTEM BENEFITS AND RELIABILITY**

**Before the  
Energy & Technology Committee**

**Legislative Office Building  
February 21, 2017**

Good afternoon Chairmen Winfield and Formica, Chairwoman Reed, Ranking Member Hoydick and members of the Energy and Technology Committee. My name is Roddy Diotalevi and I am the Senior Director of Sales & External Relations for UIL Holdings Corporation (UIL), the parent company for The United Illuminating Company (UI), The Southern Connecticut Gas Company (SCG), and Connecticut Natural Gas Corporation (CNG).

I thank you for this opportunity to offer these comments in opposition of **Proposed H.B. No. 6304, AN ACT ESTABLISHING A PILOT PROGRAM FOR A DISTRICT HEATING NETWORK** and **Proposed H.B. No. 6312, AN ACT CONCERNING DISTRICT HEATING SYSTEM INCENTIVE PAYMENTS**; and in support of **Raised H.B. No. 7012, AN ACT REQUIRING INFORMATION ON THE STATE'S ENERGY COSTS COMPETITIVENESS AS PART OF THE COMPREHENSIVE ENERGY STRATEGY** and **H.B. No. 7036, AN ACT PROMOTING THE USE OF FUEL CELLS FOR ELECTRIC DISTRIBUTION SYSTEM BENEFITS AND RELIABILITY**

First, UIL opposes Proposed H.B.'s No. 6304 and No. 3612 because both of these bills appear to be duplicative of statutes that are already in place to support district heating projects.

Specifically, Section 16-258(d) of the Connecticut General Statutes provides for incentives to support district heating systems. Both bills provide for additional incentive payments to end use customers who connect to a district heating system based on a customer's projected natural gas demand reduction, not to exceed similar incentives already available for equivalent natural gas demand reductions through the State's conservation and load management (C&LM) programs. Current statute already provides incentives for district heating systems and aligns those incentives with the State's broader C&LM programs for similar systems. In doing so, the

incentive accounts for the value of the reduction in energy consumption, regardless of how that reduction is achieved, without favoring a particular project or technology.

UIL supports Raised H.B. No. 7012, **AN ACT REQUIRING INFORMATION ON THE STATE'S ENERGY COSTS COMPETITIVENESS AS PART OF THE COMPREHENSIVE ENERGY STRATEGY.** UIL supports the bill as a means to help reduce energy costs by increasing the use and availability of natural gas. UIL believes that this is the best available option for achieving the State's energy, environmental and economic goals while we continue to advance cost-effective, non-intermittent, renewable technology solutions.

Lastly, UIL supports H.B. No. 7036, **AN ACT PROMOTING THE USE OF FUEL CELLS FOR ELECTRIC DISTRIBUTION SYSTEM BENEFITS AND RELIABILITY.** UIL recognizes the need to transition to a cleaner electric system while maintaining affordable electric costs and believes that fuel cells are an important part of the solution. UIL has had much success in deploying fuel cells throughout our distribution system in Woodbridge, Bridgeport, and New Haven and believes that similar cost effective opportunities for fuel cell deployment exist in other towns as well. Furthermore, UIL believes that distributed energy resources (DER) such as fuel cells can be combined with microgrids, storage technologies, and smart grid analytics to enhance electrical grid operation in conjunction with DER deployment.

Thank you for your consideration, I would be happy to answer any questions that you may have.