

845 Brook Street, Rocky Hill, CT 06067
T 860.563.0015
ctgreenbank.com



**Statement of the Connecticut Green Bank
on Senate Bill 565**

**AN ACT CONCERNING THE SOLICITATION OF PROPOSALS FROM CLASS I RENEWABLE ENERGY FACILITIES
THAT PROVIDE A WASTE STREAM MANAGEMENT BENEFIT**

February 7, 2017

As the nation's first green bank, the Connecticut Green Bank ("Green Bank") leverages the limited public resources it receives to attract multiples of private investment to scale up clean energy deployment. Recently the Green Bank celebrated its 5-year anniversary, to which it has mobilized over \$1 billion of investment into Connecticut's clean energy economy, supported the creation of nearly 13,000 direct, indirect and induced jobs, reduced the energy burden on over 20,000 households and businesses, deployed over 215 MW of clean energy, and helped reduce over 2.6 million metric tons of CO2 emissions over the life of the projects. The Green Bank supports the policy vision of cleaner, cheaper and more reliable energy sources for Connecticut – while creating jobs and supporting local economic development.

The Green Bank supports the goals of SB 565.

Food waste constitutes a substantial proportion of Connecticut's total solid waste volume. Much food waste is otherwise compostable, and produces co-benefits such as waste heat, biogas, and energy generation. Anaerobic digester technology facilitates these processes, and support the food waste diversion benefits articulated in DEEP's *2016 Comprehensive Materials Management Strategy*,¹ as well as the goal of diverting 60% of solid waste from disposal by 2024.² The General Assembly recognized these benefits with Public Act 15-152, extending the Green Bank's anaerobic digester pilot program by two years to January 1, 2018, allowing us to support up to five projects with loans, grants, or power purchase agreements.

Green Bank participation aided the first completed anaerobic digester project with a \$2 million loan in June 2016. The Quantum Biopower facility opened in Southington in November 2016 and should begin operation this year after it secures relevant approvals. In partnership with People's United Bank, the Green Bank has invested in this first-of-its-kind food waste to energy project.

¹ http://www.ct.gov/deep/lib/deep/waste_management_and_disposal/Solid_Waste_Management_Plan/CMMS-Final_Adopted_Comprehensive_Materials_Management_Strategy.pdf

² This goal was established through Public Act 14-94.

If enacted, this proposal would help the development of anaerobic digester projects in Connecticut. Digesters create a variety of products that can be monetized: 1) energy revenue from electricity, gas, heat and hot water; 2) tipping fees for accepting waste from other sources; and 3) digestate end products, such as liquid fertilizer, animal bedding and mulch.³ Digester projects are new for Connecticut and attaining favorable project economics is one of the various challenges they face - given the ancillary revenue streams required to help their financing packages viable. Providing greater certainty around any of the aforementioned revenue streams would support the development of more anaerobic digester facilities.

To date the Green Bank has been a successful implementer of public policy set by the General Assembly – reducing costs on ratepayers while attracting and deploying more private investment into Connecticut’s economy. We respectfully encourage your continued consideration for our involvement and input on matters such as these, and we would welcome an opportunity to support policy implementation.

³ Draft *Agricultural Anaerobic Digestion Roadmap for Connecticut*, CT Farm Energy Program. (June 2016).