

**Written Testimony  
of  
AVANGRID/UIIL HOLDINGS CORPORATION  
Before  
BANKING COMMITTEE  
Virtual Hearing  
March 2, 2021**

**S.B. 150 - AN ACT ESTABLISHING THE CONNECTICUT INFRASTRUCTURE AUTHORITY**

UIL Holdings Corporation (UIL) is the parent company for United Illuminating (UI), The Southern Connecticut Gas Company (SCG) and Connecticut Natural Gas (CNG), and wholly-owned subsidiaries of Avangrid, Inc.

UI, SCG and CNG employ more than 1,400 Connecticut residents. In addition to the employees we directly employ, the electric and natural gas infrastructure and other programs we administer generate hundreds of additional Connecticut-based jobs for contractors and subcontractors. Our infrastructure and projects also generate substantial tax revenue for Connecticut and its municipalities and we are typically the top property tax payer in most of the towns we serve. For the fiscal year July 2019 to June 2020 alone, UI, SCG and CNG paid approximately \$76 million in property taxes to Connecticut towns, and for 2019 we paid an additional \$83 million in gross earnings tax to the State of Connecticut.

AVANGRID/UIIL Holdings does not support S.B. 150 as currently drafted.

Avangrid/UIIL Holdings does support the general concept and goals of a State Infrastructure Authority that seeks to improve our State's transportation infrastructure, leverage federal funds that are available for transportation infrastructure, and offer loans and various types of credit enhancement products to support transportation infrastructure projects. We also support the stated objectives of the Infrastructure Authority in the raised bill, which are to "prioritize infrastructure improvement projects and public and private partnerships that will stimulate and encourage economic growth and development in the state."

However, AVANGRID/UIIL Holdings does not support the language that defines the term "infrastructure improvement project" to include "the acquisition, removal, construction . . . and improvement of . . . energy transmission and distribution resources . . ." The terms "energy transmission and distribution resources" are undefined.

United Illuminating is a regulated Connecticut electric company with franchise rights to transmit and distribute electricity over poles and wires in 17 Connecticut towns along south central portion of the state. Additionally, the Federal Power Act of 1935 and the Federal Energy Regulatory Commission (FERC) along with ISO New England exercise regulatory oversight over the facilities that the Bill refers to as "energy transmission . . . resources." This language casts doubt on the regulated utilities' pre-existing legal rights to distribute and transmit electricity, because it empowers the new Infrastructure Authority to fund as well as potentially

“acquire, lease, purchase, own, manage, hold, sell and dispose of” projects that fall into the Bill’s undefined categories of “energy transmission and distribution resources.”

This is troubling because funding electric distribution and transmission projects through federal and state-approved electric rates charged to consumers – and constructing and owning that equipment – is precisely what federal and state law authorize UI and other regulated utilities (like Eversource) to do. The proposed bill’s language does not explain how it complies with, and interacts with, these pre-existing rights that have already been granted to the regulated electric utilities through the FERC and ISO-NE.

For these reasons, AVANGRID/UII Holdings respectfully requests that the Bill be clarified by deleting the broad terms “energy transmission and distribution resources” and by explaining in greater detail which specific types of energy-related infrastructure the Infrastructure Authority seeks to fund and potentially own.

For more information, please contact Al Carbone, AVANGRID’s Manager of Connecticut State Government Relations at (203) 671-4421.