

# Legislative History for Connecticut Act

**PA 16-46**

HB5242

Senate	2739-2744	6
Energy & Technology	53, 55-56, 64, 67, 95-96, 151, 153, 156, 210-213, 530A	15
House Transcripts have not been received. They are available on CGA website, but are not the Official copy. Contact House Clerk for assistance (860) 240-0400		<b>21</b>

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**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2016**

**VOL. 59  
PART 8  
2400 – 2750**

cf  
Senate

295  
May 3, 2016

Seeing no objection, so ordered. Mr. Clerk, I think we have one more item on our calendar. Senator Duff.

SENATOR DUFF (25TH):

Thank you, Madam President. Would the clerk please call calendar page 6, Calendar 382, House Bill 5242.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On Page 6, Calendar 382, House Bill Number 5242, AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING.

THE CHAIR:

Senator Linares, for what reason do you rise?

SENATOR LINARES (33RD):

Madam President, under rule 15, I'd like to recuse myself from the chamber.

THE CHAIR:

So ordered. Senator Witkos.

SENATOR WITKOS (8TH):

Thank you, Madam President. Pursuant to rule 15, I ask for recusal from the debate and ultimate vote on this legislation.

THE CHAIR:

So ordered. Senator Kissel.

SENATOR KISSEL (7TH):

Good evening, Madam President, again, pursuant to rule 15, I ask leave to leave the chamber and not participate in the debate or vote on this matter.

THE CHAIR:

So ordered.

SENATOR KISSEL (7TH):

Thank you, ma'am.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE (9TH):

Good evening, Madam President.

THE CHAIR:

Good evening.

SENATOR DOYLE (9TH):

I move acceptance of the Joint Committee's favorable report and passage of the bill.

THE CHAIR:

Please continue.

SENATOR DOYLE (9TH):

Yes, thank you Madam President. We have before us House Bill 5242. Earlier in this session, this -- this deals with our agricultural -- sorry -- our virtual net metering program and the chamber will remember a few weeks ago, we did -- we did a bill on municipal virtual net metering. This is -- and the -- and the virtual net metering program -- there's three -- there's three silos, a municipal, state, and agricultural.

All we have before the chamber today is a minor tweak to the agricultural silo and this is a piece of legislation that the Senate passed last year, I believe unanimously and it died in the House, but what it simply does is in the agricultural silo, under current law, the only way farmers or the agricultural parties for one of these for virtual net metering can only own the actual virtual net metering project.

This program at the -- at the request of the agricultural community allows the agricultural entities to lease or enter into a long-term contract for agricultural net metering. The bottom line is this enables them to really make it for affective and utilize -- utilize the agricultural net metering program for our agricultural sector.

I think it's a good piece of legislation and I urge our chamber to approve it as we did last year. Thank you, Madam President.

THE CHAIR:

cf  
Senate

May 3, 2016

Thank you very much, Senator Doyle. Will you  
remark? Will you remark? Yes, Senator Formica.

SENATOR FORMICA (20TH):

Good evening, Madam President.

THE CHAIR:

Good evening.

SENATOR FORMICA (20TH):

Thank you, I rise in support of this legislation.

THE CHAIR:

Please continue.

SENATOR FORMICA (20TH):

Thank you, Madam President. This bill broadens the  
illegibility -- kind of late for a big word like  
that -- for virtual net metering for family farms  
allowing agricultural customers at least to have  
long-term projects here and this is a good bill for  
family farms and I urge adoption by my colleagues,  
and thank you to the good Chairman for his hard work  
on this bill. Thank you, Madam President.

THE CHAIR:

Thank you very much. Will you remark? Will you  
remark? Senator Doyle.

SENATOR DOYLE (9TH):

cf  
Senate

299  
May 3, 2016

Madam President, I ask to please have a roll call vote on this piece of legislation.

THE CHAIR:

Thank you very much. A roll call vote has been ordered. Mr. Clerk, could you announce the pendency of a roll call vote. The machine is open, please cast your vote.

THE CLERK:

Immediate Roll Call has been ordered in the Senate.  
Immediate Roll Call in the Senate.

THE CHAIR:

Would all members remain in the circle? I believe that the Consent Calendar will be called shortly.

Senator Duff.

Have all members have voted? Have members have voted? Please check to see that your votes have been properly recorded. If so, the machine shall be closed and the clerk shall announce the tally.

THE CLERK:

House Bill Number 5242.

Total number voting	33
Necessary for Adoption	17
Those voting Yea	33
Those voting Nay	0
Those absent and not voting	3

cf  
Senate

300  
May 3, 2016

THE CHAIR:

The Bill passes. Senator Duff.

SENATOR DUFF (25TH):

Thank you, Madam President. Madam President, I'd like to read off some items for our Consent Calendar, please.

THE CHAIR:

Please continue.

SENATOR DUFF (25TH):

Thank you, Madam President. On calendar page 6, Calendar 383, House Bill 5430, I'd like to place that item on our Consent Calendar. On calendar page 24, Calendar 534, House Bill 5621, I'd like to place that item on our Consent Calendar. On calendar page 15, Calendar 477, House Bill 5072, I'd like to place that item on our Consent Calendar. On calendar page 7, Calendar 385, House Bill 5254, I'd like to place that item on our Consent Calendar. On calendar page 8, Calendar 393, House Bill 5255, I'd like to place that item on our Consent Calendar. On calendar page 11, Calendar 440, House Bill 5252, I'd like to place that item on our Consent Calendar. On calendar page 19, Calendar 502, House Bill 5526, I'd like to place that item on our Consent Calendar. On calendar page 35, Calendar 586, House Bill 5521, I'd like to place that item on our Consent Calendar. On calendar page 41, Calendar 464, House Joint Resolution Number 38, I'd like to place that item on our Consent Calendar. On calendar page 41, Calendar 465, House Joint Resolution Number 43, I'd like to place that item on



**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**ENERGY AND  
TECHNOLOGY  
PART 1  
1 – 355**

**2016  
INDEX**

ART HOUSE: Senator Doyle. Representative Reed. Some of the active members of the committee. Thank you very much for allowing the Public Utilities Regulatory Authority today to comment on a few of the pieces of legislation that affect us, that are before you.

I have with me, Commissioner Michael Karen and some of the senior staff members from PURA, so if any of your questions exceed my knowledge, because we are a very broad agency carrying on -- covering a lot of ground -- I'd like to bring them up to help supplement my answer.

A few bills. Bill 103 represented to -- the RESPONSIBILITIES OF PURA, PROCUREMENT MANAGER AND MINOR REVISIONS TO ENERGY-RELATED STATUTES. We support the energy statute minor revisions in this bill, and we request that the sections of the bill related to the procurement manager be withdrawn. Sections one and two, which are streamlining the water infrastructure and conservation adjustment mechanism or WICA process by resolving conflict of definition of earnings. The two sections of Connecticut statutes -- one is 16-262WI and the other is 16-19G -- they provide different timings for -- for measuring over earnings -- and what we propose is a fairly standard one in the financial community which is using two consecutive financial quarters.

This aligns with the securities and exchange commission -- SEC quarterly filings requirements -- it codifies the normal business requirement of looking at the two most recent consecutive quarters.

Sections four and five -- eliminate some duplicates of language -- and electric supplier licensing requirements -- and the revised statutory language to allow suppliers more flexibility in advertising and their renewable products when approved by PURA.

SB168  
HB5242  
HB5311  
HB5427

Alright. Absent such authority, there's very little that we can accomplish.

Moving on. Bill 5242, which is AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING. We support this proposal. We supported it last year. We continue to see it as a constructive piece of legislation.

What it would do, would be to enable agricultural customer hosts. To lease or contract for virtual new metering facilities for renewable energy, as do state and municipal hosts. It would broaden the ability of agricultural hosts to engage in virtual net metering. We think it makes sense, and we support the bill.

Another is Bill 5311 - AN ACT CONCERNING TELECOMMUNICATIONS PROVIDER TARIFFS FOR SERVICES OFFERED TO BUSINESS RETAIL END-USERS AND CERTAIN TELECOMMUNICATIONS SERVICE-RELATED REPORTS. Now, this legislation would offer the state's telecommunication service providers, including telephone companies, the option of not filing tariffs with PURA for services that are offered to business retail end-users. Just, obviously, businesses often have procurement managers. They often are far more sophisticated in their knowledge of purchasing such services than are the individual retail consumers.

In lieu of tariffs, the carriers would be required to make the rates, terms and conditions for their services available in the form of customer service guides posted in understandable terms on their respected websites. So, the goal is to enable customers to verify their individual service rates by comparison with the carrier's published -- published rates, and their terms and conditions.

This legislation also would repeal the requirement for PURA to submit an annual telecommunications service status report to the general assembly.

Right now, we have to file an annual telecommunications service status report and it was a good idea when it was created, but many of the segments of the telecommunication industry are no longer subject to PURA jurisdiction -- and that fact -- coupled with the available technology these reports now have -- have no purpose and -- and are not used.

I would be pleased to respond to any questions regarding this legislature or anything else that PURA is doing these days.

SENATOR DOYLE (9TH): Thank you, Commissioner. I'll just point out, you mentioned your support for 5242 -- agricultural virtual net metering and it got a committee last year -- it got to the Senate, Senate passed it, and something happened in the house, so... Paul and I did our job, I'm not sure what happened in the -- in the house. [laughter] But, on a more serious note, I understand you -- your agency has a cyber-security plan that you worked out with the utilities. Can you give us an update on the status of that plan?

ART HOUSE: Yes, sir. Yes, this is a very interesting development. The action plan is complete and ready to go. We expect to release it very soon.

Cyber is a huge subject. And Connecticut is a national leader in this area. I might say that I've been asked to testify for the United States Senate on the Connecticut plan, and I'd be glad to come back. It's a huge subject that could take up the subject of a hearing as well. But, let me just sketch out with you what we have done, recently. First of all, there's an enormous national gap. Foreign countries have penetrated our public utilities. This is now a matter of public fact and record. Nationally, our intelligence agencies and the Federal Energy Regulatory Commission oversees

Michaud. Then it's Elin Katz. So, first, Paul Michaud.

PAUL MICHAUD: Well, good afternoon, Senator Doyle. Representative Reed, and members of the Energy and Technology committee. My name is Paul Michaud, and I'm the Executive Director of the Renewable Energy and Efficiency Business Association, better known as REEBA.

On behalf of REEBA, I thank you for the opportunity to offer comments -- very brief comments -- on Senate Bill 224, Senate Bill 272, House Bill 5242, House Bill 5309, and House Bill 5427.

So, starting with Senate Bill 224 -- which is utility-owned renewable generation -- REEBA supports this bill, but believes that the provision allowing the local distribution utilities to own renewable generation is inconsistent with the legislature's 1998 goal of electric industry restructuring and separating rate-based generation from utility distribution operations.

REEBA how a -- in no way -- opposes the local electric distribution utilities forming their own competitive affiliates that could compete in the renewable generation space, but on a level playing field with the private renewable energy companies.

Moving on, to Senate Bill 272 -- microgrids -- REEBA supports the use of microgrid grants and loans to help fund the generation component of microgrids. REEBA believes that by helping to fund both the interconnection side -- which was already funded -- and the generation side now -- micro -- makes good sense and is in the public interests.

Moving on, to House Bill 5242 -- agricultural net metering -- REEBA strongly supports this bill. This bill is a benefit because it puts farmers on a level playing field with the state and municipal players in the virtual net metering program.

however, we continue to support the use of a competitive process. We think any -- any of these procurements should involve repetitive -- competitive process -- I think Deputy Commissioner Dykes' detailed admirably the great successes we have with competitive processes. So, if this bill should go forward, we would ask that it include only a competitive process for such facilities. Finally, on the act concerning the shared clean energy facility pilot program -- 5427 -- again, we support this legislation because there's been no clear funding mechanism and that has stalled the pilot process from being completed -- and while this will have a small impact on electric bills, we have supported the pilot so that we can best examine how to create opportunities for consumers who would like to support solar development for environmental or financial reasons, but who cannot install solar at their homes and business, so...

With that, I will ask if there's any questions.

SENATOR DOYLE (9TH): Thank you. Any questions from the committee? Well, I think you're off. There's advantages to coming later -- everyone else gets -- the questions are gone. Thank you for coming.

REP. REED (102ND): Thank you.

ELIN KATZ: Absolutely.

SENATOR DOYLE (9TH): Next speaker is Dan Bosley, then John Emra, then Maureen Westbrooke.

DAN BOSLEY: Thank you, Mr. Chairman. And through you, to the members of your committee. For the record, my name is Dan Bosley. From the NECEC, the Northeast Clean Energy Council. I appreciate the opportunity to speak today. I would also like to echo the remarks of the gentleman from Colombia, Coventry, Tolland, and Vernon, congratulating the gentleman from Westport, on his -- and also the Commissioner. Commissioner Klee on their clean

SB 224  
SB 272  
HB 5242  
HB 5309  
HB 5427

HENRY TALMAGE: Good afternoon, Senator Doyle, Representative Reed, Members of the Committee. My name is Henry Talmage. I'm the Executive Director of the Connecticut Farm Bureau. I come before you today in support of Raised Bill 168 -- AN ACT CONCERNING TRASH-TO-ENERGY FACILITIES. [1:22.18] We would support the expansion of this to study also the potential for the use of waste heat for production of -- of -- of food.

One of the things we've been looking at is the opportunity to increase the amount of local food production that's consumed in the state. One of the real challenges is season extension and looking for ways to engage heating sources that can help grow that through what's called control environment agriculture -- Greenhouse production of food -- so, that we'd like to see included in 168.

I'd also like to support 5242, AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING. One of the challenges with the agricultural virtual net metering program has been essentially the restriction that the facilities be owned by the operator. That has -- that has turned out to be an actual challenge for implementation for farmers themselves. Even -- even as simple as having properties that are owned by different family members and different entities. We think that's an important fix to a -- a barrier to having that program utilized more efficiently by agriculture in the state.

Lastly, I'd like to recommend that either 5252 be -- 42 -- be expanded to allow for agriculture to use the residential service heating natural gas rate and residential service general natural gas rate, similar to how the -- the -- the residential electric rates can be used by agriculture. The -- the reason for this is -- we're seeing expansion of natural gas but one of the barriers to that is the very seasonal nature of the use of the natural gas

makes it such that the demand charges often cancel out the advantage to -- to being able to utilize the -- those natural gas savings. So, this would allow to pay the higher residential rates but not be subject to the demand charges.

So, I'm happy to stop there. If there are any questions, be able ... happy...

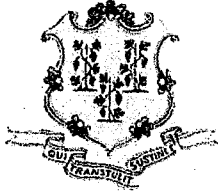
SENATOR DOYLE (9TH): Thank you. Any questions? Representative Ackert.

REP. ACKERT (8TH): Thank you, Mr. Chairman. And thank you for your testimony. Just -- you -- touched on a couple things that I'm not sure have been thought about -- under 168, you happen to mention the heat component of -- for greenhouses. As some say, expanding your season here in Connecticut -- and -- I'm just curious, how does this -- this language -- how would that -- how does this -- you know, fit into this trash-to-energy facilities we're talking about -- you know, maintaining them -- how does that fit into this?

HENRY TALMAGE: Well -- it -- so, where this has been utilized in other parts of the world, is we're using a -- a residual waste-heat component, coming off of plants that are essentially used to -- to -- for heating of greenhouse space. And, what we're suggesting here is that that -- not necessarily that that become a -- a requirement, but to look for opportunities, if there are opportunities, in -- either the existing infrastructure or the suitability of utilizing a -- a waste-heat component for heating of greenhouse space that could be then used for year-round production of -- especially fresh fruits and vegetables.

REP. ACKERT (8TH): No, I think it's a great avenue, I just -- so these facilities would be on the local area -- [crosstalk] of the farm.





**STATE OF CONNECTICUT**  
**PUBLIC UTILITIES REGULATORY AUTHORITY**

**STATE OF CONNECTICUT**

**PUBLIC UTILITIES REGULATORY AUTHORITY (PURA)**

Public Hearing – March 1, 2016

Energy and Technology Committee

Testimony Submitted by Arthur A. House, Chairman, Public Utilities  
 Regulatory Authority (PURA)

SB 168  
HB 5242

**RAISED BILL NUMBER 103- AN ACT CONCERNING THE  
 RESPONSIBILITIES OF THE PROCUREMENT MANAGER OF THE  
 PUBLIC UTILITIES REGULATORY AUTHORITY AND MINOR  
 REVISIONS TO ENERGY-RELATED STATUTES**

This bill is being proposed by PURA.

Sections 1 and 2 – Water Infrastructure and Conservation Adjustment  
 (WICA)

PURA believes this provision in the bill is necessary to streamline the PURA's WICA review process by amending an inconsistency found with regards to the definition of overearnings used in WICA dockets per §16-262w(i) as compared to the historical definition of overearnings per §16-19(g).

By aligning the computation of overearnings between the WICA overearning definitions with the historical understanding of overearnings, the Act would provide the consistency among Statutes that currently does not exist. A consistent interpretation of overearnings will lead to less staff and utility resources when adjudicating WICA dockets.

The Act also proposes to update the time period used to evaluate overearnings from six consecutive months to two consecutive financial quarters. This change will align the PURA overearnings measurement with valuation time periods that utility corporations use for multiple reporting purposes.

**RAISED BILL NUMBER 168 - AN ACT CONCERNING TRASH-TO-ENERGY FACILITIES**

This bill requires the chairperson of the Public Utilities Regulatory Authority to conduct a study pertaining to trash-to-energy facilities. PURA **cannot support** this proposal as it lacks any details and direction regarding what the purpose, objective, deliverables and expectations are for the "study". In addition, PURA cannot determine what the fiscal impact would be on PURA and whether we have the expertise in house to conduct whatever study the proponents of the bills have in mind. PURA also has no other jurisdiction over this type of facility, making PURA a very poor jurisdictional fit for this responsibility.

**RAISED BILL NUMBER 5242 - AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING**

We appreciate the Committee's willingness to raise and hold a public hearing on House Bill No. 5242 - An Act Concerning Agricultural Customers and Virtual Net Metering.

This proposal, which PURA proposed last year and continues to **support**, would set agricultural customer hosts on a par with state and municipal customer hosts. Currently, state and municipal hosts can own, lease or contract for virtual net metering facilities. Agricultural hosts, however, can only own facilities. PURA's proposal allows agricultural customer to host own, lease or contract for facilities. PURA came across this issue while developing a Final Decision concerning the implementation of VNM in Connecticut. See PURA's Final Decision in Docket No. 13-08-14RE01 - PURA Development of the Administrative Processes and Program Specifications for Virtual Net Metering Methodology.



**Connecticut Farm Bureau Association**  
 775 Bloomfield Ave., Windsor, CT 06095-2322  
 (860) 768-1100 • Fax (860) 768-1108 • [www.cfba.org](http://www.cfba.org)

March 1, 2016

Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association, a statewide nonprofit membership organization representing 5,000 families dedicated to farming and the future of Connecticut agriculture.

Senator Doyle, Representative Reed and members of the Energy and Technology Committee,

Testimony in support of:

**Raised Bill No. 168 AN ACT CONCERNING TRASH-TO-ENERGY FACILITIES.**

The Connecticut Farm Bureau supports this Bill which will require the chairperson of the Public Utilities Regulatory Authority to conduct a study pertaining to trash-to-energy facilities. In particular we recommend that the chairperson evaluate existing and potential trash-to-energy facilities for their appropriateness for the utilization of waste heat for food production through Controlled Environment Agriculture (CEA). Connecticut has a strong existing greenhouse industry that is unique in New England and our location between Boston and New York as well as the strong demand for fresh fruits and vegetables year round represents a potentially large new market for CT grown products.

**Raised Bill No. 5242 AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING.**

The Connecticut Farm Bureau fully supports Raised Bill 5242 which fixes an important flaw in the current agricultural virtual net metering law. The bill amends the definition of "agricultural customer host" to allow for leases or long-term contracts for agricultural virtual net metering facilities. Whereas the intent to limit the definition to farmer-owned facilities was probably designed to limit participation to legitimate farming operations, in reality it has made very difficult for farmers to participate in the program. Agricultural virtual net metering projects often include third-party investors that are not interested in joining the farm business. Furthermore, many farming families have their land in a separate corporation or LLC which may have different owners from the operating company. The end result is that legitimate farming operations interested in utilizing the agricultural virtual net metering cannot because of the restriction. HB 5242 solves this problem and we encourage its adoption.

In addition to the existing language contained in the bill, the Connecticut Farm Bureau would also like to encourage the Energy and Technology Committee to amend Raised Bill 5242 to allow farmers to utilize the Residential Service Heating (RSH) natural gas rate and the Residential Service General (RSG) natural gas rate. This would allow farm operations that meet the state definition of agriculture to utilize natural gas without being subject to demand charges. This is especially important in farming operations where the use of natural gas is very seasonal such as heating of greenhouses or the running of back-up generators. Currently farm operations are able to utilize the Residential Electric Service and the Residential Electric Heating service rates for electricity and this proposal would offer similar treatment of natural gas.

**Connecticut Farm Bureau Association - *The Voice of Connecticut Agriculture***



Renewable Energy and Efficiency Business Association, Inc. c/o Murtha Cuffina LLP | CityPlace I | 185 Asylum Street | Hartford, CT 06103 | 860-240-6131

## TESTIMONY OF

**THE RENEWABLE ENERGY AND EFFICIENCY BUSINESS ASSOCIATION, INC.**

**ON S.B. NO. 224, S.B. NO. 272, H.B. NO. 5242, H.B. NO. 5309 AND H.B. NO. 5427**

**March 1, 2016**

Good afternoon Senator Doyle, Representative Reed, Senator Formica and Representative Ackert and members of the Energy & Technology Committee. My name is Paul Michaud and I am the Executive Director the Renewable Energy and Efficiency Business Association, Inc. ("REEBA"). With over 60 members, REEBA is a Connecticut business trade association that promotes renewable energy and energy efficiency in Connecticut. On behalf of REEBA, I thank you for the opportunity to offer comments on S.B. 224, S.B. 272, H.B. 5242, H.B. 5309 and H.B. 5427.

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

REEBA generally supports this bill, but believes that the provision allowing the local distribution utilities to own renewable "generation" is inconsistent with the legislature's 1998 goal of electric industry restructuring and separating rate-based generation from utility electric distribution operations. REEBA, however, in no way opposes the local electric distribution utilities forming competitive affiliates that could compete in the renewable generation space on a level playing field with the renewable energy companies.

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

REEBA supports the use of microgrid grants and loans to help fund the generation component of microgrids. Currently, state funding can only be used to fund the design, engineering services and interconnection infrastructure. This bill calls for matching funds or low interest loans for Class I and Class III renewable energy generating projects, gas micro-turbines and energy storage systems. REEBA believes that helping to fund both the interconnection and generation infrastructure of microgrids makes good sense and is in the public interest.

### **H.B. No. 5242: AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING**

REEBA supports this bill. It modifies the definition of "Agricultural Customer Host" to allow the owner of farmland to lease or enter into a long-term contract for an agricultural virtual net metering project. The benefit of this bill is that it puts farmers on a level playing field regarding the development of renewable energy projects as municipalities and the state.

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

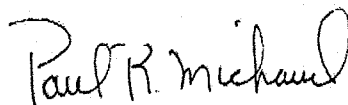
REEBA strongly supports the ongoing discussions aimed at improving the residential solar permitting process. Most residential rooftop solar projects have a capacity rating of twelve kilowatts or less and are basic "cookie cutter" installations. Thus, a standardized permitting process will not only reduce soft costs for the solar installers, but will also increase permitting efficiencies for local building officials. REEBA and other stakeholders have worked diligently since the end of the 2015 legislative session to improve the efficiency of the solar installation permitting process statewide. REEBA looks forward to continuing these discussions with the state building inspectors, local building inspectors, The Council of Small Towns (COST) and the Connecticut Conference of Municipalities (CCM) on this important issue.

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

REEBA supports this bill, which will make important changes to the program in connection with utility cost recovery, tariff mechanisms, and other technical changes. Regarding the proposed 15-year financing mechanism, REEBA believes that this is too short. A 20-year financing mechanism is much more in line with industry financing and is consistent with other long-term renewable contracts supported by this legislature.

On behalf of all of the REEBA's members, I thank the Energy and Technology Committee for their consideration.

Kind regards,



Paul R. Michaud, Esq.  
Executive Director



**TESTIMONY OF THE NORTHEAST CLEAN ENERGY COUNCIL**

Regarding

**Senate Bill 224 (Raised)**

An Act Concerning the Capacity and Criteria for Certain Renewable Energy Generation Facilities

**Senate Bill 272 (Raised)**

An Act Concerning the Use of Microgrid Grants and Loans for Certain Distributed Energy Generation

**House Bill 5242 (Raised)**

An Act Concerning Agricultural Virtual Net Metering

**House Bill 5309 (Raised)**

An Act Concerning Facilitation of the Municipal Residential Solar Application Process

**House Bill 5427 (Raised)**

An Act Concerning the Shared Clean Energy Facility Pilot Program

Submitted by:

**Dan Bosley, NECEC Government Relations Executive**

March 1, 2016

To the Members of the Energy and Technology Committee:

The Northeast Clean Energy Council (NECEC) appreciates the opportunity to comment on the five raised Senate and House bills noted above.

NECEC is the lead voice for hundreds of clean energy companies across the Northeast, helping to grow the clean energy economy. NECEC's mission is to create a world-class clean energy hub in the Northeast delivering global impact with economic, energy and environmental solutions. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including energy efficiency, demand response, renewable energy, combined heat and power, energy storage, fuel cells and advanced and "smart" technologies. Many of our members are operating and investing in Connecticut, and more are interested in doing so.

**SB 224 (Raised)** *An Act Concerning the Capacity and Criteria for Certain Renewable Energy Generation Facilities*

This bill would increase the size and number of Class I renewable generation facilities for which "an electric distribution company, or owner or developer of generation projects that emit no pollutants" could submit unsolicited proposals to the Department of Energy and Environmental Protection (DEEP). While NECEC strongly supports action that would allow a range of independent owners and developers of "generation projects that emit no pollutants" (such as fuel cell and other clean energy technology companies) to submit unsolicited proposals to the Department of Energy and Environmental Protection (DEEP), we do not support policies that would make it easier for electric distribution companies to increase their ownership of clean energy or any generation as proposed here. Therefore, **NECEC opposes the bill in its current form.**

We respectfully urge the Committee to consider that action on the proposals in this bill might better be vetted as part of the larger Comprehensive Energy Strategy discussion to take place later this year. In the meantime, Connecticut is already undertaking procurements of grid scale and small renewable and clean energy resources pursuant to Public Act 15-107.

There is also an existing "customer side of the meter" fuel cell program in the Connecticut LREC program, which is currently set to expire after the April 2016 solicitation. The LREC program leverages private investment and federal investment tax dollars into "customer side of the meter projects" that may require less ratepayer support than the proposed bill. Regardless of action taken on this proposed bill, the General Assembly should assure that action on the extension of the Connecticut LREC program is a policy priority.

**SB 272 (Raised)** *An Act Concerning the Use of Microgrid Grants and Loans for Certain Distributed Energy Generation*

**NECEC supports this bill**, which would allow DEEP to provide microgrid grants and loans for additional types of costs associated with microgrids.

**HB 5242 (Raised)** *An Act Concerning Agricultural Virtual Net Metering*

**NECEC supports this bill**, which clarifies that agricultural customers are allowed to lease or enter into long-term contracts for an agricultural virtual net metering facility.

**HB 5309 (Raised)** *An Act Concerning Facilitation of the Municipal Residential Solar Application Process*

**NECEC strongly supports this bill**, which would require the Green Bank to develop, in consultation with the State Building Inspector, a standardized solar photovoltaic system permit application form and make it available for use by municipalities.

Local permitting processes for residential solar installations of smaller projects (generally 12 kilowatts or less) can be inconsistent, cumbersome, time-consuming and costly, without providing compensating benefits for customers and the general public. Among other concerns, these possible delays place an unnecessary brake on the SHREC program, which calls for an additional 300 MW of residential solar (roughly 40,000 new home installations) by 2022. The

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**TESTIMONY OF**  
**THE RENEWABLE ENERGY AND EFFICIENCY BUSINESS ASSOCIATION, INC.**  
**ON S.B. NO. 224, S.B. NO. 272, H.B. NO. 5242, H.B. NO. 5309 AND H.B. NO. 5427**

**March 1, 2016**

Good afternoon Senator Doyle, Representative Reed, Senator Formica and Representative Ackert and members of the Energy & Technology Committee. My name is Paul Michaud and I am the Executive Director the Renewable Energy and Efficiency Business Association, Inc. ("REEBA"). With over 60 members, REEBA is a Connecticut business trade association that promotes renewable energy and energy efficiency in Connecticut. On behalf of REEBA, I thank you for the opportunity to offer comments on S.B. 224, S.B. 272, H.B. 5242, H.B. 5309 and H.B. 5427.

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

REEBA generally supports this bill, but believes that the provision allowing the local distribution utilities to own renewable "generation" is inconsistent with the legislature's 1998 goal of electric industry restructuring and separating rate-based generation from utility electric distribution operations. REEBA, however, in no way opposes the local electric distribution utilities forming competitive affiliates that could compete in the renewable generation space on a level playing field with the renewable energy companies.

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

REEBA supports the use of microgrid grants and loans to help fund the generation component of microgrids. Currently, state funding can only be used to fund the design, engineering services and interconnection infrastructure. This bill calls for matching funds or low interest loans for Class I and Class III renewable energy generating projects, gas micro-turbines and energy storage systems. REEBA believes that helping to fund both the interconnection and generation infrastructure of microgrids makes good sense and is in the public interest.

**H.B. No. 5242: AN ACT CONCERNING AGRICULTURAL VIRTUAL NET METERING**

REEBA supports this bill. It modifies the definition of "Agricultural Customer Host" to allow the owner of farmland to lease or enter into a long-term contract for an agricultural virtual net metering project. The benefit of this bill is that it puts farmers on a level playing field regarding the development of renewable energy projects as municipalities and the state.