

# Energy and Technology Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-7087

**Title:** AN ACT CONCERNING SHARED CLEAN ENERGY SUBSCRIPTIONS.

**Vote Date:** 3/18/2025

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/6/2025

**File No.:**

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### SPONSORS OF BILL:

The Energy and Technology Committee

### CO-SPONSORS OF BILL:

[Rep. Hector Arzeno, 151<sup>st</sup> Dist.](#)

[Rep. Mary Mushinsky, 85<sup>th</sup> Dist.](#)

[Rep. Jaime Foster, 57<sup>th</sup> Dist.](#)

[Rep. Tom O'Dea, 125<sup>th</sup> Dist.](#)

[Rep. Nick Gauthier, 38<sup>th</sup> Dist.](#)

### REASONS FOR BILL:

This bill would allow an expansion of Connecticut's shared clean energy facilities programs. It would allow these programs to build and operate facilities without limits to power generation or build location. It also allows electric distribution companies to recover the costs and investments incurred from these programs from ratepayers at a rate authorized by PURA. This Bill is attempting encourage more solar development while imitating the success of shared clean energy facility programs the state has already implemented.

### SUBSTITUTE LANGUAGE:

The Substitute Language establishes a community solar energy generating system pilot program, requires the Green Bank to establish a program to sell unsubscribed energy credits from community solar energy generating systems, and establishes a working group to study the performance of the pilot program.

### RESPONSE FROM ADMINISTRATION/AGENCY:

[Katie S. Dykes, Commissioner, Department of Energy & Environmental Protection:](#)

Opposes Section 1 of this bill because it would shift significant costs from a small number of ratepayers who can afford to participate in the proposed program to all ratepayers and is duplicative of the existing statewide Shared Clean Energy Facility program. In the existing SCEF program, EDCs procure up to 50 Megawatts of Class I clean energy every year. This energy is credited to ratepayers and adds up to \$17.50 a month in savings for those using 700 kilowatt-hours per month. If the intention of lines 86-90 is to give subscribers the same on-bill payment as customers in the Residential Renewable Energy Solutions programs, they would be paying 31.95 cents per kilowatt-hour which is significantly higher than the SCEF rate of 14.5 cents per kilowatt-hour. RRES provides higher incentive for participants because it utilizes on-site generation that avoids transmission and distribution costs. Attempting to mirror these incentives on SCEF would not work as the energy used for SCEF can be generated anywhere in the electric utility service territory. As written, the bill would transfer these costs onto all ratepayers. Connecticut has seemed to reach a point where the penetration of solar has successfully reduced the peak load such that solar production is no longer coincident with the peak load. It is not clear how storage would be incorporated into a shared clean energy subscription program. There is no cap on this program to limit ratepayer costs. Any expansion of community solar should have a cap to ensure costs for ratepayers, particularly non-participating customers, SCEF and NRES are capped at 50 and 110 MW per year.

**Claire E. Coleman, Consumer Counsel, OCC:**

Ratepayer impact cannot be assessed because the method for recovering revenue electric distribution companies provide as billing credits is not given, nor are limits set on costs charged to customers, nor are guarantee's that the costs will not be passed on to Connecticut ratepayers given. The Bill's goal of adding clean energy capacity to the grid will increase valuable flexibility but it must be crafted mindfully to work with existing programs. It does not make sense to enact this new program model until PURA's study on renewable energy tariff programs is completed as to do so otherwise would risk excessive costs to ratepayers.

**Daniel O'Keefe, Commissioner, Department of Economic and Community Development:**

Funding would need to be identified for the Department of Economic and Community Development to establish the program as this initiative was not built into the Governor's Biennial Budget.

**NATURE AND SOURCES OF SUPPORT:**

**Alex Whitney:**

Urges exploring a federal rebate or discount program for CT residents. Electricity is a public resource, and the state should assume more control of it via rate setting. Eversource has always and continues to profit off ratepayers. Suggests a total evaluation of the energy delivery system and all delivery costs, reverting to lowered residential rates during off-peak hours, remain on daylight savings time all year, and establish "Dark Sky" policies to decrease demand.

**Cary Lynch, Climate and Energy Policy Manager, The Nature Conservancy:**

This bill will facilitate growth in community solar, including in those who cannot install solar on their own property. These facilities will be built without financial risk to ratepayers while

increasing local energy resilience. Expanding community solar will also generate new employment opportunities across construction, engineering, maintenance, and more.

**Jessica A.:**

Supports control for electricity rates and the public benefits charge. Believes Connecticut residents should not need to make budget plans.

**Mr. Jerry Geci:**

Supports the Bill because of support for energy efficiency and green initiatives.

**Ed Levene, Chief Executive Officer, Clean Peak Energy Group:**

This Bill ensures that Connecticut does not fall behind neighboring states in the adoption of solar.

**Gregg Felton, Chief Executive Officer, Altus Power:**

Community solar provides the mechanism for distributing power generated from solar built on underutilized spaces. This model benefits all involved, between leases for land, savings for those purchasing the power, and reduced prices for all as peak demand is reduced. Community Solar also creates jobs – on average 15 per megawatt installed.

**Twenty-Two** testimonies were submitted in support because of a need to reduce electricity rates. Their names are:

Deb Abel, Ranae Albert, Vicki Brink, Glen Brooks, Randy Cyr, Mary Fairchild, Kelly Fowler, Patricia Fritz, Mr. Peter Lombardozzi, Ms. Tina Marchese, Eunice Rhodes, Christine Robbins, Joseph Ruggiero, Judith Sutter, Jeffrey Vucocolo, Sandra Wainwright, Catherina Zawrotny, Anonymous, Anonymous, Anonymous, Anonymous, Anonymous.

**Twelve** testimonies were submitted in support because of opposition to the Public Benefits Charge. Their names are:

Allyson Beals, Mrs. Lisa Bova, Glen Brooks, Mr. Brian Cummings, Kelly Fowler, Sandra Felicissimo, Barbara Keady, Janet Keener, Mr. Chris Kuen, Ms. Diane O'Reilly, Elda Smith, Catherine Zawrotny.

Uncharacterized support was given by **Dr. Diane Sholomskas**.

**NATURE AND SOURCES OF OPPOSITION:**

**Andrew C. Belden, Vice President of Solar Programs, Eversource:**

Eversource supports the continued advancement of Connecticut's clean energy through the already existing programs and does not recommend introducing the costs and risks associated with this Bill. The costs of Connecticut customers funding compensation for other state's (such as New Hampshire or Maine) renewable energy programs could be more than 30 cents per kilowatt-hour. The additional costs in aggregate would be wholly unnecessary and would ultimately be recovered from Connecticut electric customers, exacerbating affordability issues in the state. The Bill very likely violates the Federal Power Act and the Public Utilities Regulatory Policy Act. Also, implementing the mechanisms of the bill would require electric distribution companies to incur additional costs as they adapt. This Bill proposes a significant expansion to approaches for credit sharing mechanisms that give Eversource feasibility and potential cost concerns. Shared clean energy mechanisms often

introduce additional costs and consumer protection risks. 3<sup>rd</sup> party entities that manage shared clean energy and Community Shared Solar often bring additional administrative costs, in Massachusetts it's been an additional 20-30% premium. Any marketplace marketed to end use consumers by a wide range of firms and salespeople risks the participation of bad actors. It may be challenging for existing agencies to provide adequate oversight without additional resources.

### **Anonymous**

Opposes Connecticut's energy policies as anti-business and anti-resident.

**Seven** testimonies were submitted in opposition because of opposition to the Public Benefits Charge. Their names are:

Paul Hefeale, Diana Bergeron, Laura Gallagher, Andreas Karagiannis, Laraine Johnson, Akeylah Khandwala, Maria Theam.

**Five** testimonies were submitted in opposition because of a need to reduce electricity rates. Their names are:

Renae Albert, Cindy Belopavlovic, Jonathan Jejer, Parker Russell, Frank DeFelice.

Uncharacterized opposition was submitted by **Dr. Linda Dalessio**.

### **GENERAL COMMENTS:**

#### **Christie Prescott, Director of Wholesale Power Contracts, United Illuminating:**

The new proposed program has no energy limits allowing for the creation of projects throughout Connecticut without the oversight and eligibility requirements that make the SCEF program so effective. The Bill does not address capacity limits, oversight, approval of contract terms, prices, or other controls which will lead to customer confusion and exploitation. The bill would require EDCs to apply bill credits without detail or requirements and has no limit on capacity. The Cost Recovery language in this bill is very broad and includes options for cost recovery including putting contract costs into base rates. This deviates from historical practice. Suggests the concepts in this bill be included for consideration to a future SCEF Program successor.

#### **William McCarthy:**

We need more power generation in Connecticut, nuclear should be priority.

**Seven** people submitted testimonies commenting that electric rates in Connecticut are too high was submitted by:

Diana Bergeron, Laura Gallagher, Paul Hefeale, Jonathan Jejer, Laraine Johnson, Akeylah Khandwala, Robert M., James Nawracaym, Maria Theam

**Five** testimonies opposing the Public Benefits Charge was submitted by:

Cindy Belopavlovic, Frank DeFelice, Andreas Karagiannis, Robert M., Joseph Swart

**Reported by: Aston Foley**

**Date: 3/27/2025**