

To: Energy and Technology Committee Members

From: The Connecticut League of Conservation Voters, Acadia Center CT, CT Sierra Club Chapter, Citizens Campaign for the Environment, Consumers for Sensible Energy, the Ashford Clean Energy Task Force and the Connecticut Citizens Action Group

Date: August 26, 2020

Re: Suggestions for the Energy and Technology Committee regarding utility reform

Connecticut is at a critical crossroads with respect to our energy future. As advocates of clean, renewable energy we offer the following suggestions for the Energy and Technology Committee to consider for inclusion in upcoming utility reform legislation. Most of these items received a public hearing by the Energy and Technology Committee earlier this year. These items will help our state to make the grid more resilient and renewable and have been proven to reduce energy cost to ratepayers as evidenced by a recent report from the [Acadia Center](#).

1. Energy Storage Expansion - HB 5351 - The storage language in HB 5351 is generally really good and if passed during a special session would green light PURA to approve a number of energy storage focused programs or tariffs. It gets the state/market moving towards a 1 GW storage goal and already has language that the programs/tariffs created by PURA should include considerations of resilience (obviously top of mind right now), deployment of DERs, and to develop an energy storage industry in the state. We recommend two proposed edits to HB 5351:

- Require PURA to create an energy storage program/tariff for commercial or industrial customers rather than just the ability to consider one.
- Include an objective of the energy storage programs to be increasing access of DERs and energy storage programs to disadvantaged communities. If the state is pushing storage, low-income ratepayers need to have access to those resilience benefits too.

2. Extend RSIP 100 MW and Expand RSIP goal to 450 MW - Residential solar plus storage provides resilience, and to provide time until the storage incentive program or tariffs are actually implemented RSIP should be kept alive to preserve a healthy solar industry. RSIP will currently end in fall 2020 when the industry is still trying to recover. This is also a COVID-19 recovery measure given the 2,000 jobs in the industry. The CT Green Bank has also been advocating for this.

COVID-19 interrupted the passage of legislation this year to continue the Green Bank's Residential Solar Incentive Program (RSIP). Without action during the September 2020 special session, RSIP will expire in October or November of 2020, further disrupting Connecticut's solar industry.

Increasing the RSIP goal to 450 MW would solve this problem and could be accomplished with a simple revision to section 16-245ff of the general statutes (much like the revision in [HB 5002 in 2019 on page 16](#)).

3. Keep net metering until December 31, 2022 - Getting the energy storage programs, tariffs, and solar successor programs designed and implemented will take a lot of work at PURA. In addition you have all the rate and storm response investigations that will take a lot of resources. Connecticut should focus on energy storage and other pressing needs rather than using precious time on a rushed net metering successor program which isn't necessary at this time. The proposed net metering program extension is only for one additional year. This is also necessary so RSIP and the successor program don't overlap because both require transfer of RECs, so having them going at the same time would be very problematic.

This could be accomplished by simply changing the implementation date of the program from 1/1/22 to 1/1/23 in [P.A. 19-35](#) (see page 13).

This action would be consistent with steps other states are taking, including New York, [where the Public Service Commission decided to continue NEM and delay the implementation of a new fee](#) on solar customers.

4. Clarify property tax exemption for solar and storage - [HB 5317](#) was working through the P&D committee prior to COVID-19 but obviously stalled. It contains critical clarifications on the property tax exemption for solar, and by extension energy storage. While we believe that it currently covers storage paired with solar but it should be made explicit in the law in addition to the other critical clarifications. Without this, towns will keep improperly assessing property taxes on residential solar (and storage) systems which will chill the market.

5. Repeal the pipeline tax (interstate natural gas transportation capacity and procurement provisions of [HB 5350](#)) and **require legislative approval for any and all new gas infrastructure**, including yet-to-be constructed Siting Council approved fossil fuel power plants and pipelines.

This will prevent consumers from being on the hook for costly, polluting, unneeded fossil fuel infrastructure which will become a stranded asset for ratepayers.

The state should conduct an independent review for new gas infrastructure, including analysis of:

- need
- sustainable alternatives
- compliance with state's Global Warming Solutions Act
- compliance with Executive Order 3
- ratepayer impact
- stranded assets