



September 8, 2020 Comments from SolarConnecticut to Connecticut General Assembly's Energy & Technology Committee on LCO No. 3920 AN ACT CONCERNING EMERGENCY RESPONSE BY ELECTRIC DISTRIBUTION COMPANIES AND REVISING THE REGULATION OF OTHER PUBLIC UTILITIES.

Members of the Energy & Technology Committee – I am Mike Trahan Executive Director of SolarConnecticut, the state's solar industry business group. Our members have installed tens of thousands of home solar projects and developed hundreds of commercial rooftop and group mount solar systems. Our members employ a sizable portion of the state's 22-hundred solar industry workforce. And while LCO 3920 wasn't drafted to address the immediate issues facing solar businesses in Connecticut I am here in large part to speak to a amend LCO 3920 with a Residential Solar Incentive Program (RSIP) extension and a Virtual Net Metering (VNM) expansion discussed last March.

First though, a few comments on what is in LCO 3920.

Section 16 appears to consolidate within DEEP critical decisions regarding whether there is a need to procure distributed energy resources such as solar and wind power. The electric distribution companies would no longer to be consulted. Given the significant importance DER procurement will play in meeting clean energy goals, we believe important energy procurement policy should be a legislative directive and ask the Committee to assert its role in this process.

Section 22 permits DEEP to hire an outside contractor to prepare the state's Conservation and Load Management Plan. While DEEP should be the Department that interacts with the selected contractor, a subcommittee of Energy Committee members should be assigned to interview contractor candidates and hire the one most suitable.

Section 1 would have PURA create a framework for implementing performance-based regulation of each electric distribution company. As part of that proceeding, we ask the Committee to instruct the Authority to consider opportunities to create greater transparency in models that guide resource planning. Stakeholders should have ready access to models including cost assumptions and modeling choices, along with all other inputs and licenses so they may run the model themselves.

Overall, we'd like this section a whole lot more if utility model reform wasn't being launched as a reactionary measure. For years lawmakers and stakeholder groups, including SolarConn, have recommended switching to a utility model that better serves today's ratepayers and the growing demand for distributed energy resources. LCO 3920 would have PURA try to mold a new utility model into the energy landscape proposed by Governor Lamont. Ideally, the two should have been done at the same time. It's another unfortunate example of backwards energy planning in this state.

Thankfully, PURA had the foresight to start a grid modernization process months ago. The Committee has rightly decided to place the utility model overhaul squarely with PURA. And if you really want to see quick action on this issue, decouple PURA from DEEP and restore the Authority's independence that was taken away nearly 10 years ago making Connecticut the first state to do so (I don't know that other states have followed).

As for Taking Back the Grid, we encourage the Committee to take more forceful utility reform steps in this proposal and next session beyond fines for poor utility performance, and refunding ratepayers for spoiled food and medicine. One might question whether ratepayers can take back something they regularly are required pay to use, upgrade, and repair as we all do now.

A better route for ratepayers would be actions that grant greater independence from the grid like 2019's Proposed H.B. No. 6628 AN ACT CREATING CERTAIN PROTECTIONS FOR CUSTOMERS OF ELECTRIC DISTRIBUTION COMPANIES WHO GENERATE THEIR OWN ELECTRICITY FROM RENEWABLE ENERGY SOURCES. The bill aimed to simulate protections given customers of Nevada after electric distribution companies there attempted to block ratepayers from generating their own electricity from renewable energy sources. Connecticut electric distribution companies, aided by DEEP, attempted the same thing here two years ago. H.B. No. 6628 was not acted on.

Connecticut's history is dotted by a lack of energy resource planning, starts and stops, unnecessary pilots and caps that don't begin to speak to demand from homeowners, businessowners and cities and towns, incremental instead of aggressive policy making and short range policies that are not in sync with each other all of which ends up constantly threatening to slowdown/shutdown Connecticut's already tiny in-state clean energy development activity here. Not to mention keep Connecticut well behind the leading U.S. states in clean energy job creation.

And this brings me to what's not in what I understand to be the Committee's only bill it puts forward in 2020. I fully understand the Committee is under the spotlight to produce utility reform with AAC Utilities. The fallout from Tropical Storm Isaias makes this a priory. But before there was Tropical Storm Isaias there was COVID-19. COVID-19 is an economic disaster. The effects haven't gone away. As of three weeks ago, 230-thousand Connecticut workers had ongoing unemployment claims. 230-thousand workers is 12-percent of the Connecticut's pre-pandemic workforce. Connecticut now owns one of highest unemployment rates in America ... higher than the 10-percent national average.

All CGA committee's able to do so should be obliged to pass pro-jobs legislation this year during the worse jobs crisis in recent memory. Gov. Lamont's recent application for federal funding to provide a \$300 weekly wage supplement to existing unemployment benefits in response to the ongoing pandemic is evidence that there something seriously wrong with the state's job market.

The Residential Solar Incentive Program (RSIP) and Virtual Net Metering (VNM) action we ask for are clearly economic stimulus policies, jobs bills really. The Committee is familiar with these issues and just last year expressed unanimous support for both. To extend RSIP and expand VNM require no state budget funding. All they do is put people to work, lower municipal electric bills, increase consumers' energy choices, reduce consumers' independence on the electric grid, and reduce stress on what we all can now agree is a totally stressed out electric grid. Yes, the 100MW RSIP extension and the \$50M VNM expansion fall squarely in line with the pro-ratepayer *Take Back the Grid* movement.

Just last March, there was strong support in the Committee for these two proposals. We understand through media reports that both were submitted to legislative leadership for consideration in Special Session. Unless RSIP/VNM measures pass this year, there will be no bridge to new post-net metering tariffs. Home solar goes over the cliff. Home solar workers will lose their jobs and push unemployment in Connecticut even higher. Municipalities all over Connecticut are lined up to purchase VNM energy credits because doing so lowers their energy costs. But the cap remains too low to service every municipality that wants credits. Putting off RSIP/VNM to next year only makes the current situation worse.

Last, I would say that Connecticut General Statutes section 16-245ff (4)(d)(3) provides the orderly development of a state-based solar industry. Prematurely running down the RSIP program and limiting access cities and towns have to virtual net metering credits that allow them to lower their energy bills is not an orderly way to manage energy policy.

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