

March 5, 2020

STATEMENT OF THE WATERBURY REGIONAL CHAMBER TO THE ENERGY & TECHNOLOGY COMMITTEE OPPOSING RAISED HOUSE BILL 5350 (LCO 2199): AN ACT CONCERNING NATURAL GAS INFRASTRUCTURE

Senator Needleman, Representative Arconti, and members of the Energy & Technology Committee, my name is David Krechevsky and I am the Director of Public Policy & Economic Development for the Waterbury Regional Chamber. Thank you for the opportunity to submit testimony on this legislation.

The Waterbury Regional Chamber, which serves 14 communities in Greater Waterbury and represents the interests of nearly 1,000 member businesses of all sizes on matters of public policy, strongly opposes **House Bill 5350 (LCO 2199)**, An Act Concerning Natural Gas Infrastructure.

Our Chamber members believe that a main goal for state legislators should be to promote sound economic development that benefits communities by bringing in new business or improving existing businesses. This will foster job creation while also benefitting communities by increasing their Grand Lists, raising much needed tax revenue from businesses to ease the burden on residential taxpayers. Our Chamber members also know that energy costs in Connecticut are very high, so they want the legislature to do whatever it can to reduce those costs. That would benefit not only businesses, but residential energy consumers as well.

Regrettably, HB 5350 does *not* achieve either of these goals. In fact, it does the opposite. If enacted, this bill would effectively limit the ability to expand access to natural gas across the state by reducing the amount of time a utility has to recover its gas expansion costs. Shortening this recovery period would force consumers who want access to natural gas to make prohibitive upfront payments to connect to the system. Businesses and residential consumers that would choose to convert to natural gas under the current system would likely be unable to make that choice if HB 5350 is enacted, because of these significantly higher upfront costs. The result is an unlevel playing field, one tilted against natural gas providers.

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This would adversely affect everyone:

- It hurts municipalities, which lose the benefit of increased tax revenue that would be raised from the increased installation of natural gas infrastructure, as well as potentially losing access to natural gas for use in schools and municipal buildings and facilities, which could lower municipal energy costs.
- It hurts consumers, who lose the ability to access a less-expensive energy option.
- It hurts businesses and industries, which also lose access to a less-expensive energy option and which could have the added effect of preventing them from expanding their workforces, since they cannot realize these energy savings.
- It hurts utilities, which will be faced with reducing their installation of new natural gas infrastructure, resulting in fewer new customers and potentially causing them to have to reduce their workforces.
- It hurts the environment, because switching to natural gas can help reduce carbon dioxide emissions.

As I stated earlier, the legislature should be focused on creating opportunities for economic development and job creation, and on reducing the high cost of energy in Connecticut. HB 5350 will not do this and, in fact, will do more harm than good.

For these reasons, the Chamber urges the committee to reject HB 5350.

Thank you.

David Krechevsky Director of Public Policy Waterbury Regional Chamber