

**Testimony
of
AVANGRID (UI, SCG, CNG)
Before
The ENERGY AND TECHNOLOGY COMMITTEE
Regarding

RAISED SENATE BILL 10
AN ACT CONCERNING CERTAIN RECOMMENDATIONS REGARDING CLIMATE
CHANGE

LEGISLATIVE OFFICE BUILDING
HARTFORD, CT
March 5, 2020**

Good morning Senators Needleman, Lesser and Formica, Representatives Arconti, Allie-Brennan, and Ferraro, and members of the Energy and Technology Committee. My name is Jane Lano and I am the Manager of Conservation & Load Management for UIL Holdings Corporation (UIL), the parent company for United Illuminating, The Southern Connecticut Gas Company and Connecticut Natural Gas, and wholly-owned subsidiaries of Avangrid, Inc.

I thank you for this opportunity to offer testimony on **Raised Senate Bill 10, AN ACT CONCERNING CERTAIN RECOMMENDATIONS REGARDING CLIMATE CHANGE**. UI supports the concept of this bill to advance the procurement of cost effective clean energy resources within the state, but cannot support the bill in its current form. Connecticut has established national leadership with its delivery of conservation and load

management (C&LM) programs providing cost effective passive and active demand reduction to CT residents and business that provides benefits to all ratepayers – both participants and non-participants. Our recognition of excellence is not just a result of effective implementation, but a result of a transparent process with rigorous third party evaluations, an independent advisory board and transparent public reporting as established in *CGS 16-245m*. Additionally, the Department of Energy and Environmental Protection's conditions of approval of the C&LM plan requires equitable distribution reporting as required in *CGS 16-245ee* to ensure all rate classes, including low income customers, receive benefits commensurate with their contributions. In its current state, the proposed procurements in Sec 3 for active and passive demand response are not explicitly held to the same level of transparency as the existing C&LM programs and there is no clear requirement that benefits must accrue to all customers, not just participants.

In its current form the bill is also not clear as to whether these procurements are incremental to the C&LM programs if they are awarded to entities other than the EDCs. We believe these procurements should not only be incremental to the existing C&LM programs, but it is also critically important that any C&LM program offering be integrated into the current suite of programs. At the end of the day, the energy savings associated with any demand side initiative are the result of customers taking discrete actions. It is critically important that end use customers are presented a comprehensive integrated package for them to implement. Any incremental activity associated with this procurement should also be under the direction of the Energy Efficiency Board to provide for not only stakeholder engagement but also the same level of accountability for measurement, independent third party review and transparent reporting that ratepayers enjoy from the current portfolio of programs.

For context, the existing C&LM programs for 2020 outlined in the C&LM plan approved by the Department of Energy and Environmental Protection will deliver 315,873 MWh of annual customer savings at a budget of \$212M. While this proposed bill does not have a bill impact provided, it does cite a not to exceed cap of 300,000 MWh of annual electricity reduction. This would have a significant impact to customers and it is critical to employ the best practices learned from delivery of the C&LM programs over the past two decades to ensure that all customer classes are benefiting, the savings claims are verified, and the delivered benefit to cost ratio is positive.

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