

2016 Comprehensive Energy Strategy Priorities



Renewable Energy and Efficiency Business Association, Inc.

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ZREC/LREC Program

- Extend the program by 5 years
- Pricing floor (80% of previous years average accepted bid)
- Administered by the CT Green Bank
- Institute semi-annual auctions instead of annual



Shared Renewables/VNM

- Shared Renewables
 - Unlimited program size but allow PURA to revisit at 5% of peak
 - New program should account for locational benefits and streamline ZREC process for certainty
- VNM
 - Allow towns to tap brownfield development. New program capped at 10% of peak load based on MW instead of dollars, with 40% restriction removed
 - New rate design to account for distributing and environmental benefits, increased utility transparency on program capacity and project queue
 - Expand VNM program to commercial, industrial and nonprofit owned properties



Grid Modernization

- Should be overarching theme of electricity section
- DEEP should take the lead in devising the goal of regulatory reforms that enable robust DER deployment and make utilities agnostic to resource procurement
- Rate design, value of solar (VOS), DSP, new business models, etc.



Microgrids

- Reduce the amount of funding that is held back until project completion. Currently, a developer is paid 30 % of the project's cost and must self-fund the remaining 70% of the project until funding is awarded upon commissioning
- Reinstate funding for proposal development costs. Previously, funding had been available to support the cost of completing the design portion of the program application
- Encourage the Connecticut Green Bank to engage with entities such as higher education, municipalities, state agencies and commercial/industrial sites to educate them about the value of microgrids and bring in private capital to support microgrid projects
 - With the support of United Illuminating and Eversource, create a map of areas within the State where microgrids can address issues of electrical congestion and alternatives to substation replacement



Fuel Cells

- Encourage utility ownership of distributed generation including fuel cells
- Continue the LREC program for behind the meter projects
- Regular opportunities for multi-MW utility side of the meter projects for fuel cells
- Encourage and assist municipalities to use fuel cell technology for critical facilities
- Procure fuel cells at state facilities in order to reduce cost as well as to provide reliability and resiliency



Performance Contracting and Energy Efficiency

Re-energize the Lead-by-Example Program

- Empower, promote, hire, or enable an overall Lead-by-Example Program Manager
- Conduct specific Lead-by-Example seminars for State agencies and municipalities
- Reevaluate pool of Lead-by-Example consultants to ensure their goals and efforts are aligned with the stated goals of PA 11-80, Section 123
- Decouple performance contracting financing from the annual State Bonding requests
- Promote any Lead-by-Example successes that have occurred similar to C-PACE



Comprehensive Materials Management Strategy

Address the identified need in the Comprehensive Materials Management Strategy for newer, cleaner technologies to handle CT's waste stream:

- Focused analysis on the clean energy technology potential for handling the waste stream in Connecticut to address needs and goals outlined in the Comprehensive Materials Management Strategy
 - Program options to incentivize these technologies for their preferred fuel production, including electricity, renewable natural gas and compressed natural gas



Geothermal Energy

- As a reliable, low-maintenance and environmentally friendly heating and cooling choice, CTDEEP should place greater emphasis on geothermal energy in its Comprehensive Energy Strategy
- CTDEEP, in conjunction with the Green Bank, should implement more and better incentives to encourage the utilization of geothermal energy
- For example, the C-PACE program should be amended to extend the term of the C-PACE assessment to 30 years for geothermal projects
 - The CES should ask the legislature to consider the authorization of an R-PACE program. Refer to the report prepared by the Clean Energy States Alliance (January 2015) as commissioned by the CT Green Bank.



Energy Storage

- Incentivize deployment:
 - Create cost-effective Energy Storage Portfolio Standards and require utilities to procure storage at transmission, distribution and behind the meter
- Remove barriers:
 - Eliminate 12-month demand ratchet
- Provide clarity:
 - How storage fits in with net metering and proper interconnection procedures across state



Biomass

Consider reversing mandate to phase down biomass energy (as set in Public Act 13-303)

- Percentage of biomass in Class I is naturally diminishing through market forces
- Biomass is viewed as climate change mitigation strategy in Clean Power Plan
 - Devaluation of biomass RECs would lead to closure of biomass power facilities and reduce Class I supply, creating ratepayer risk and running counter to goals for renewable energy, green house gasses reduction and fuel diversity. Plant closures also would harm rural economies in northern New England



CT Green Bank Recommendations

- Renewable Thermal Technologies
 - Consider performance-based incentives with strong measurement systems
 - Consider creating a comparable tool as ZRECs/LRECs
- Alternative Fuel Vehicles
 - Incorporate Green Bank study into CES
- Rate Design
 - Maintain volumetric-based rate designs to reward reduced consumption



CT Green Bank Recommendations

- Grid 2.0
 - Assess when the right time is to allow for substantial smart meter deployment
 - Enable pay-for-performance compensation models for efficiency
- Bundled Energy Improvements
 - Consider solar PV as a gateway to push customers toward deeper improvements
 - Facilitate Diverse Funding Flows
 - USDA Rural Utilities Service
 - DOE Loan Programs Office
 - Health and Safety sources
(for pre-improvement requirements)

