



June 5, 2017

Dear Members of the Connecticut General Assembly:

Re: Business community support for the Connecticut Energy Efficiency Fund (CEEF) programs; and concerns with state budget proposals to cut CEEF program funding

As a group of manufacturers, service providers, and trade associations, we encourage you to support continued funding for the Connecticut Energy Efficiency Fund programs.

Our companies have a long and successful history of doing business in Connecticut. We have a dedicated and loyal workforce in the state that we hope to grow in the future. As large employers and major energy consumers, we understand firsthand how Connecticut's energy policies affect the cost of doing business and the state's economic competitiveness.

Our businesses support policies that advance energy efficiency because Connecticut consumers and businesses benefit when we eliminate energy waste.

Connecticut's energy efficiency programs are the lowest-cost energy resources available. By investing in energy efficiency, we can reduce total energy costs for all customers, mitigate the impact of fuel and electricity price increases, and build a more affordable, reliable electricity system for the businesses and people of the state.

The Connecticut Energy Efficiency Fund and its programs have been a tremendous success for the state. For example, in 2016 the Connecticut Energy Efficiency Fund programs:

- Generated ~ \$1.4 billion in the gross state domestic product;ⁱ

- Delivered \$2.30 in benefits for every dollar invested;ⁱⁱ and
- Generated savings for residential, business, and industrial customers that will exceed \$960 million over the life of the measures installed.ⁱⁱⁱ

A commitment to continuing the Connecticut Energy Efficiency Fund and its programs would help give the business community the confidence to invest and grow. We are industrial and manufacturing companies that specialize in a broad range of high-technology products, solutions, and services. The continuation of the Connecticut Energy Efficiency Fund and its programs provides the regulatory and market certainty we need to make investment decisions. Their continuation would also help us to make well-informed, long-term plans for our Connecticut workforce.

While we recognize and applaud Connecticut’s energy efficiency leadership to date, we are concerned that state budget proposals may seek to significantly reduce funding for the Connecticut Energy Efficiency Fund. In particular, we have concerns about state budget proposals that would eliminate \$160 million in ratepayer funding annually over the next two years or would divert some CEEF funding from critical programs. These proposed changes concern us because doing so would raise energy costs for everyone. Additionally, they would introduce uncertainties that make it harder for us to make long-term investment plans and decisions. We urge you to build upon the successes of the Connecticut Energy Efficiency Fund and send a strong signal that Connecticut’s investment in energy efficiency should be continued — not weakened.

In closing, our companies stand ready to work with you. We would welcome the opportunity to meet with you and your staff and to provide additional information about the benefits that the Connecticut Energy Efficiency Fund and its programs have delivered for Connecticut, and will deliver for the state in the future.

Sincerely,

United Technologies
Ormat Technologies Inc.
The Dow Chemical Company
Honeywell International Inc.
Siemens
Cree, Inc.
Schneider Electric
Ameresco
The National Electrical Manufacturers Association (NEMA)

The Air Conditioning, Heating, and Refrigeration Institute (AHRI)
The National Association of Energy Service Companies (NAESCO)
The Polyisocyanurate Insulation Manufacturers Association (PIMA)

ⁱ Connecticut Energy Efficiency Fund, Energy Efficiency Board 2016 Programs and Operations Report, <https://www.energizect.com/sites/default/files/FINAL-ALR-2106-R2-WEB-3-24-17.pdf>; and 2009 Environment Northeast, “Energy Efficiency in Connecticut: Engine of Economic Growth”

ⁱⁱ Connecticut Energy Efficiency Fund, Energy Efficiency Board 2016 Programs and Operations Report, <https://www.energizect.com/sites/default/files/FINAL-ALR-2106-R2-WEB-3-24-17.pdf>

ⁱⁱⁱ Ibid at 3.