

State of Connecticut Energy Efficiency Board (EEB)

Resolution in Support of the 2011 Electric and Natural Gas Conservation and Loan Management Plan

Docket No. 10-10-03 Docket No. 08-10-02

October 1, 2010

The Energy Efficiency Board herein submits its Resolution in support of the 2011 Electric and Natural Gas Conservation and Load Management Plan prepared by the Connecticut Light & Power Company, the United Illuminating Company, the Connecticut Natural Gas Corporation, the Southern Connecticut Gas Company, and the Yankee Gas Services Company (the Companies).

The Energy Efficiency Board has assisted and advised the Electric and Natural Gas Companies in the development of the 2011 Plan. The Board reviewed the Plan and draft components of the Plan during its meetings in July through September 2010, and the Board has approved the following Resolution in support of the Plan. As part of its Resolution, the Board highlights three priority issues addressed in the Plan, for consideration by the Department.

1. The Energy Efficiency Board supports the 2011 Electric and Natural Gas Conservation and Load Management Plan.¹

The Board supports the cost-effective electric and natural gas programs proposed in the Plan to increase energy efficiency in Connecticut and reduce customer energy costs. The programs will provide utility bill savings for customers and economic, environmental, and jobs benefits to meet Connecticut's policy objectives.

The electric and natural gas programs are aimed at capturing opportunities for reducing energy bills and providing other benefits through a wide range of strategic approaches. Every customer in Connecticut has an opportunity to benefit from the programs because the programs deliver services to all classes of customers across a wide array of energy end uses.

¹ The Energy Efficiency Board will be completing its final review of some components of the Plan on or before the date of the next Board meeting on October 13, 2010, including final review of the rate impact analysis. .

2. The 2011 Plan focuses on providing comprehensive services to residential and business customers, to increase the energy savings and benefits customers experience.

Whether in Home Energy Solutions, Small Business Services, or C&I Retrofit, the focus of the 2011 programs is on comprehensive, whole-building, multi-fuel efforts to provide significant energy savings to customers. Rather than delivering lower levels of savings in a one-shot, single-measure approach, the programs engage and offer each customer a complete package of integrated and multi-fuel opportunities to save energy, resulting in higher cost savings on the customer's utility bill.

Integrated programs across the Electric and Natural Gas Companies provide opportunities for cross-promotion to shared customers, are more convenient for customers, reduce costly duplication of effort, and enhance the quality of the energy efficiency services provided. A single, integrated electric and gas Plan supports and enhances the integrated programs.

3. The 2011 programs, cost-effective in their own right, also provide valuable economic and environmental co-benefits that help to meet important policy objectives in Connecticut.

The 2011 programs will support jobs and provide additional economic benefits in Connecticut, including from the re-spending of energy savings locally to boost the in-state economy. The programs also help Connecticut meet its environmental objectives, including air quality requirements and climate goals. These economic and environmental co-benefits are not considered or fully accounted for within the framework the Department uses to analyze cost-effectiveness, yet they provide significant value to Connecticut residents and businesses.

4. The Energy Efficiency Board and the Companies, with significant interaction with and approval of the Department, have been developing innovative approaches to leverage ratepayer funding, develop financing, and achieve higher benefits for customers.

The Energy Efficiency Board is focused primarily on increasing comprehensiveness to provide more energy cost savings per customer, helping customers become more effective managers of their own energy use, and leveraging the ratepayer funding using financing and additional sources of funding. These program strategies are focused on *achieving deeper savings per customer*, with the *participating customers* (who receive the higher energy cost savings) paying for a larger portion of the total project costs, supported by innovative financing, continuous improvement/strategic energy management, and market transformation initiatives.

The Energy Efficiency Board and the Companies have implemented financing for Small Businesses, for customers in existing homes through the Home Energy Solutions program, and for Commercial and Industrial customers. The Board is committed to exploring and implementing improvements to these financing approaches as well as to pursue other sources of financing capital. Innovative and effective financing should also help to reach more customers with comprehensive program services.

Thank you for the opportunity to submit this Resolution in support of the 2011 Plan.