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Advancing the Clean Energy Future

STATE SPOTLIGHT: CONNECTICUT

GridTECH Connect Forum Northeast

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Boston, MA • Hartford, CT • New York, NY • Providence, RI • Rockport, ME

WHO IS ACADIA CENTER?

MISSION

Acadia Center's mission is to advance bold, effective, and equitable clean energy solutions for a livable climate and a stronger, more equitable economy.

PROGRAMS

Acadia Center focuses on six areas of climate and clean energy, within which we prioritize consumer benefits, public health, economic growth, and equitable distribution of benefits:

Next Generation Energy Efficiency: Make Our Buildings Healthy, Efficient, and Climate Safe
Beyond Gas: Phasing Out Our Dependence on Fossil Fuels
Utility Innovation: Reform Utilities and Energy Systems
Transportation Climate and Equity Investments
Clean Energy and Climate Pathways
Public Engagement and Communications

SUPPORT

Acadia Center is funded by foundation grants and individual donations. It does not accept corporate or government funding.

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AGENDA

- Energy Affordability and Equity
- Energy Efficiency
- Utility Innovation and Accountability
- Offshore Wind Procurement
- Federal Funding Awards
- Looking Ahead to Legislation
- Q&A

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ENERGY AFFORDABILITY

- Over 400,000 households in CT face unaffordable home energy costs
- Households with an income 0-30% of the state median income experience a 19% energy burden on average
- Currently paying hundreds of millions of dollars more for energy than if their energy burden was reduced to 6%
- July 1 rate increase that totaled $800M (80% Millstone expenses, 20% COVID mortarium recovery)
- Inaccurate portrayals of the Public Benefits Charge in media

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ENERGY EFFICIENCY

- 2025 – 2027 Conservation and Load Management Plan approved by Energy Efficiency Board - $706M,
- Decrease from 2022 – 2024 despite rising costs and increased residential and income-eligible program demand
- Braiding of federal funding
- Balancing traditional EE measures with electrification
- Equity PMI, stakeholder engagement, and environmental justice community program participation

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ENERGY EFFICIENCY

Benefits of Energy Efficiency Programs in Connecticut: 2012-2023

WHAT THE STATE ACHIEVED:

$9.5 BILLION
IN TOTAL
LIFETIME BENEFITS

$4.40 IN LIFETIME BENEFITS
FOR EVERY $1 INVESTED
IN ENERGY EFFICIENCY

35,250 JOBS
IN ENERGY EFFICIENCY
INDUSTRIES IN 2023

CUMULATIVE LIFETIME SAVINGS ARE EQUIVALENT TO:

2.4 YEARS
OF ELECTRICITY GENERATION FROM
MILLSTONE POWER PLANT*

1,911,000 HOMES
USING NATURAL GAS FOR ONE YEAR
IN CONNECTICUT

CO_2 FROM 6,213,800 GAS CARS
DRIVEN FOR ONE YEAR
IN CONNECTICUT

*2022 DATA

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UTILITY INNOVATION AND ACCOUNTABILITY

- Connecticut and PURA (under Chair Marissa Gillett's leadership) have become innovative leaders in recent years
- Equitable Modern Grid Framework (2019)
- Performance-Based Regulation
- Stakeholder Compensation Program
- Senate Bill 7 (2023) – prohibits the recovery through *customer rates* advertising, lobbying, charitable, investor-related, and trade association expenses used to influence public opinion.

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PERFORMANCE-BASED REGULATION (PBR)

- The Take Back Our Grid Act (2020) required PURA to open a Performance-Based Regulation proceeding.
- PBR is a modern approach to regulating utilities that better aligns utility revenues with performance outcomes and policy goals.
- Expands the metrics used to measure utility performance
  - e.g. reducing greenhouse gas emissions, deploying Distributed Energy Resources, and promoting environmental justice.
- Metrics can be tied to financial rewards/penalties.
- Other states (e.g. Hawaii, New York, Illinois) have already employed PBR and performance incentives with varying degrees of success.
- Although the CT PBR proceedings have not concluded, pushback from utilities has spilled over to other jurisdictions.

(Dockets 21-05-15RE01, 21-05-15RE02, and 21-05-15RE03)

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INTEGRATED DISTRIBUTION SYSTEM PLANNING (IDSP)

- Track 3 of PURA's PBR proceedings is focused on developing an IDSP framework.
- Utility planning today is a black box: siloed, with insufficient stakeholder review.
- Existing regulation creates financial conflicts of interest for utilities that inform the projects they propose for regulatory approval.
- IDSP is a more comprehensive approach to long-term planning
  - Increases transparency and stakeholder review of assumptions, forecasts, methodologies
  - Better aligns utility planning with climate, equity, affordability, and clean energy goals
- Coordinated gas-electric planning increasingly important as we electrify buildings and transportation.

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OFFSHORE WIND

- In 2019, Connecticut authorized the procurement of up to 2,000 MW of offshore wind energy by 2030, equivalent to 30% of the state load and the largest authorization of any state in the region at the time
- CT Department of Energy and Environmental Protection estimated an additional 3,745 to 5,710 MW of OSW would be needed to meet the state's 2040 zero carbon goals
- Multi-state OSW procurement efforts between CT, MA, and RI have not yet produced intended outcomes
- No new OSW commitments from CT despite discussions between CT and MA for joint procurement efforts and cost-sharing on Millstone
- Estimated an additional 3,745 to 5,710 MW of OSW to meet the state's 2040 zero carbon goals

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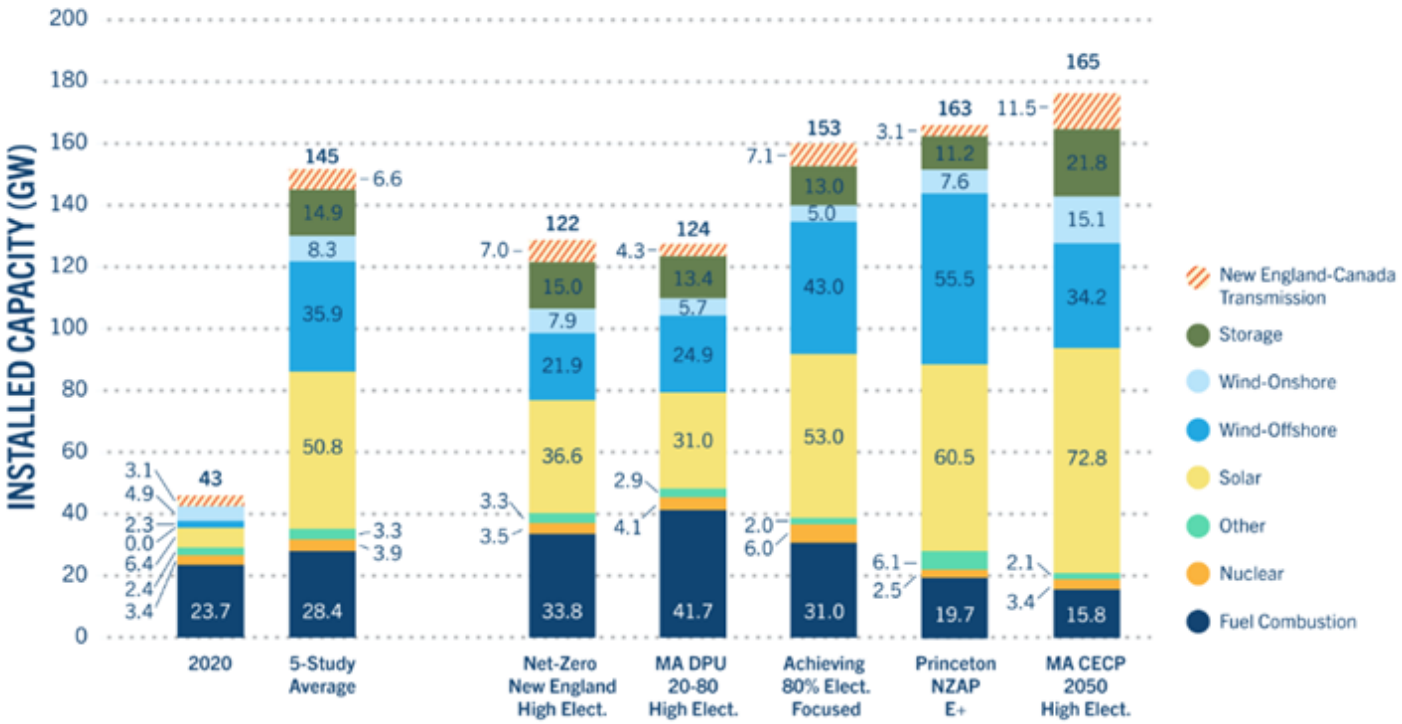
OFFSHORE WIND ANALYTICAL INSIGHTS

Installed New England Capacity by Resource Type: 2020 vs. 2050 5-Study Comparison



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FEDERAL FUNDING UPDATES

- CT and New England states received $450M Department of Energy award to fund multi-state heat pump deployment effort.
- CT and New England states receive $389M Department of Energy award through Grid Innovation Program (GRIP) to fund regional electric infrastructure Power Up New England, tied largely to OSW integration
- Clean Corridor Coalition: $250M to fund medium- and heavy-duty electric charging stations along multi-state I-95 corridor
- Project SunBridge (Solar for All): $62.45M to support solar distribution and storage installations in multi-family affordable housing units
- Home Energy Rebates and Home Electrification and Appliance Rebate Programs: $100M total

LOOKING AHEAD TO LEGISLATION

- Energy Efficiency Funding
- Future of Gas and Affordable Heat
- Grid Enhancing Technologies and Advanced Transmission Technologies (GETs and ATTs)
- Non-Pipeline Alternatives

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FOR MORE INFORMATION:

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