

PROBLEM STATEMENT

The single most effective tool in the climate change tool box is efficiency. Connecticut's Conservation and Load Management (C&LM) plan saves money, improves resiliency and equitably reduces carbon. Efforts are underway to "ban the public benefit charge" that funds these programs. These programs must be defended and ideally expanded. They benefit our economy, our environment, advance clean energy, and provide the basis for accessing Federal Funds from the IRA and CPRG.

IMPACTS

These programs are important economics drivers for Connecticut. In 2023 they:

- Saved 62 million dollars in energy costs
- Employed 34,000 energy efficiency professionals
- Completed residential and business projects in every town
- Conducted educational programs to help Connecticut develop the work force of the future

These programs help mitigate climate change and carbon emissions:

- 30% of Connecticut's total carbon emissions come from the building sector with the majority of that 30% coming from burning fossil fuels
- These programs reduced carbon emissions by 114,758 tons in 2023
- Measures such as insulation and weatherization make our state more resilient in the face of temperature and weather extremes

The Conservation and Load Management programs are important to the deployment of clean energy and grid stabilization:

- As energy demands increase because of new energy loads, these programs reduced energy demand by 359 Giga Watt Hours. Reduced demand means less need for new energy infrastructure
- Through active and demand response programs 139,123 kw of peak demand can be managed. In 2023 more than 56,000 units were enrolled in the active demand response program (these are mostly thermostats that can automatically decrease demand during peak periods).

In 2025 we can expect the Federal IRA programs to deliver savings to Connecticut residents in every town.

- The C&LM programs and their equivalents in municipal utilities are the key platform to get these dollars to residents and businesses in our state.
- This approach leverages existing program management expertise in Connecticut



CURRENT POLICY STATUS

The C&LM Plan guides the priorities, design, and incentives for Connecticut's energy efficiency and demand management programs pursuant to Public Act 18-50. These programs provide energy conservation, demand response programs, and market transformation measures. Such programs are required to be cost effective (i.e. benefits outweigh costs). As of 2024 these programs have been in effect for 25 years.

LEGISLATIVE SOLUTIONS

The most important action that the legislature can take is to safeguard these programs which are the only tool the state now has to meet its efficiency, equity, and decarbonization goals.

THREATS TO PROGRESS

Unfortunately, these programs are threatened by the public outcry about the "Public Benefits Charge". The C&LM funding rate has not changed and is a small part of our utility bills. For electric utilities, the rate is 6 tenths of a cent (.006 dollars) per kWh. Source: <https://www.cga.ct.gov/2024/rpt/pdf/2024-R-0132.pdf>



FAST FACTS

- The C&LM program has been in force for 25 years. It is an important lever for utilities to use to manage the energy they deliver. These cost effective measures (3 dollars of benefit for each dollar of investment) reduce energy consumption and help to manage demand. It is more economical to lower peak demand by conservation and demand management than to bring expensive generation assets on line to briefly supply that peak. Across the 6 New England states managed by New England's Grid manager (ISO-NE) energy efficiency measures reduced the summer peak by 3.3 GW and the winter peak by 3.2 GW. As our region works to meet increasing electric demand, Energy Efficiency is a critical tool. The ISO NE forecast for load management is that Energy Efficiency will keep pace with load growth.

COMMUNITY SOLUTIONS

- Energy Efficiency is intrinsically a local solution. Unlike generation assets and transmission assets ,energy efficiency must be adopted one house, one business, one appliance, and one customer at a time. Legislators of all persuasions can provide a benefit to the residents and communities that they represent by encouraging constituents to avail themselves of C&LM programs.

RESOURCES



MORE INFORMATION,

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