



TESTIMONY **IN SUPPORT OF HB 6929**
AAC ESTABLISHING A THERMAL ENERGY NETWORK GRANT AND LOAN
PROGRAM.
February 18, 2025

To: Co-Chairs Sen. Needleman and Rep. Steinberg, and Distinguished Members of the Energy & Technology Committee

From: Connor Yakaitis, Deputy Director, CT League of Conservation Voters

Thank you for the opportunity to submit testimony **in support of HB 6929** that will require DEEP to establish a thermal energy network grant and loan program to provide funding for the development of thermal energy networks.

The Connecticut League of Conservation Voters (CTLCV) is a statewide environmental nonprofit dedicated to advocating for policies that promote sustainability, equity and environmental stewardship. HB 6929 is critical to advancing Connecticut's clean energy future, reducing greenhouse gas emissions, and providing efficient, affordable heating and cooling for communities across the state.

The Benefits of Thermal Energy Networks

Thermal Energy Networks (TENs) are modern, efficient systems that deliver climate-friendly heating and cooling at a community scale. Instead of burning fossil fuels, TENs use underground infrastructure to transfer and store thermal energy, enabling buildings to share heating and cooling resources. This model provides numerous benefits:

- **Lower Pollution:** Heating buildings with fossil fuels accounts for 30% of Connecticut's greenhouse gas emissions. TENs use electric heat pumps that produce zero on-site emissions, significantly cutting pollution. As Connecticut transitions to 100% clean electricity by 2040, emissions from heating will decline even further.
- **Cost Savings:** TENs stabilize and lower energy bills by improving efficiency and eliminating reliance on volatile fossil fuel prices.
- **Local Jobs:** TENs provide a pathway for utility workers to transition to clean energy careers, leveraging their existing skills.
- **Improved Public Health:** Because TENs eliminate the need for on-site combustion, indoor and outdoor air quality improves, reducing health risks.
- **Equitable Access:** TENs provide clean heating and cooling for entire neighborhoods, benefiting renters and low-income communities without requiring upfront installation costs.
- **Reliable Cooling:** As heatwaves become more frequent, access to

cooling is essential. TENs offer an efficient solution, especially for vulnerable populations.

We encourage you to read our [Thermal Energy Network briefing paper](#) that was compiled in partnership with our fellow advocates for our 2025 Environmental Summit for more information.

Funding Recommendation

We recommend a \$20 million budget to effectively launch the TEN program. This allocation aligns with similar state and federal programs and would allow for the full development of TEN projects, from feasibility studies to implementation.

- **\$1 million:** Ten grants of up to \$100,000 for feasibility studies, including thermal conductivity testing and community planning. (Comparable to similar awards in [Colorado](#) and [Massachusetts](#).)
- **\$4 million:** Four grants of up to \$500,000 for design and design development. (Similar to DOE's Geothermal Technologies Office grants and [Colorado's design grants](#).)
- **\$15 million:** Two grants of up to \$7.5 million each for implementation. (Modeled on DOE's Geothermal Technologies Office [implementation grants](#).)

We urge the state to use **bond funding**, as this is a one-time capital investment that will yield long-term environmental and economic benefits.

Key Legislative Amendments

To ensure the success of HB 6929, we recommend the following amendments:

1. **Authorize Utilities to Own and Operate TENs:** Explicitly permit existing utilities to develop and manage TENs. Their infrastructure expertise will be invaluable in scaling up these networks.
2. **Require Utility Pilot Proposals:** Utilities should be mandated to submit TEN pilot project proposals to PURA by December 31, 2026. PURA should also be authorized to approve cost recovery for these projects, incentivizing utilities to invest in clean heating and cooling.
3. **Ensure Fair Market Access:** While utilities should be allowed to develop TENs, municipalities and other entities must also have the right to establish their own networks. Additionally, PURA should establish regulations to ensure:
 - a. Multiple actors can participate in TEN development.
 - b. Alternative energy sources, such as waste heat, can be incorporated.
 - c. Interoperability between different TENs within the same region.

Conclusion

Connecticut must act now to remain a leader in clean energy innovation. TENs are a proven solution for reducing emissions, lowering energy costs,

and improving public health. HB 6929, with the recommended amendments, will create a strong foundation for a clean, efficient, and equitable energy future.

We urge the General Assembly to pass HB 6929 and appreciate your commitment to a sustainable Connecticut.

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