

House Republican Press Release

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Opinion: New Energy Law Focuses on Conservation



By Marilyn Giuliano

Though far from perfect, a new state energy law adopted after a year's discussion moves toward giving consumers more control and more incentives for energy saving. The new energy law heavily promotes conservation and takes steps toward long-term energy stability for Connecticut's complex electricity market.

The legislation was delayed more than a year by a deep philosophical division between returning to a pre-1998 state-regulated electric utility system or moving forward with more consumer choice. In the end, the decision of the majority was to move forward.

Consumers will receive rebates on the purchase of energy efficient air conditioners. A state program will provide grants to people who replace furnaces with more efficient models. Owners can receive a tax break on cars that drive at least 40 miles per gallon.

No sales tax will be charged on the purchase of home insulation and other energy saving products. For homeowners interested in reducing energy consumption, energy audits will be available in conjunction with the electric utility companies.

These are some of the provisions of the new, much-debated energy legislation adopted by the Connecticut state House and Senate in the final days of the 2007 legislative session and signed into law by the governor.

In addition to conservation, the law addresses the need for Connecticut to create more electric generation. More renewable energy sources and smaller local power plants will help fill Connecticut's growing electricity needs.

Connecticut particularly has a problem in meeting peak electricity demand, especially during hot summer daytime hours. To ease some of that demand, the law contemplates shifting much electricity usage to off-peak hours, by both businesses and homeowners.

Electricity companies have long promoted a Wait-till-Eight campaign, urging consumers wait until at least 8 p.m. to run washing machines, dryers, pool pumps and other electricity-powered appliances. Taking the next step, electric companies will develop by 2009 advanced time-of-day meters that can support prices that vary as demand goes up

and down. Consumers who can shift demand will be able to look at an in-home meter and see how they can save money by shutting off appliances.

In other provisions, the new law promotes so-called green building standards for new and renovated school construction, state facilities and public universities. The new law will require higher energy efficiency and environmental design in buildings with at least \$2 million state funding and in school construction projects of at least \$5 million. Additional state reimbursement will be available for school projects that meet green building standards.

Though not directly reducing electricity rates, the new law aims to give people the power to make choices in their energy use and helps them to improve the efficiency of their homes.

In related energy issues, many of us have supported a reduction in state taxes on electricity, gasoline and other petroleum products. Many of these taxes rise with the price of energy and the state is collecting more revenue than anticipated. With surpluses approaching \$1 billion a year, state government can afford to roll back some energy taxes that add to the rising cost of powering our homes, driving to work and running local businesses.

These are some of the highlights of the energy legislation, HB 7432, adopted during the 2007 legislative session. If you would like more information, please contact my office at 1-800-842-1423 or log on to cga.ct.gov and type in Bill number 7432.

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