

House Republican Press Release

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Harkins: State Should Increase Incentives to Companies for Generating Their Own Electricity



*Measure Would Save Money for Companies,
Residents*

HARTFORD- State Representative John Harkins (R-Stratford) testified this week before the General Assembly's Energy and Technology Committee, recommending they act favorably on legislation he is co-sponsoring this session that will encourage companies to build their own source of electricity on their premises, otherwise known as customer-side distributive resources.

“When the number one issue facing our state is soaring electricity prices, removing large companies from the grid would allow us a two-fold benefit,” said Harkins. “First, they would be supplying their own energy and therefore would not be subject to the drastic increases in rates enacted by the electric distribution companies. Next, they would be reducing the total amount of electricity needed in the state on the grid. This would reduce the need for expensive peaking generation which is causing cost increases for all ratepayers.”

Harkins noted that the Energy Independence Act of 2005, which reduced charges assessed against Connecticut by the federal government due to a poor transmission system had another benefit for the state. Projects currently utilizing customer-side distributive resources at Kimberly Clark and Fairfield University have been successful examples of ways to handle additional needs for generation and load management during peak hours.

The bill, HB 5840, An Act Concerning Awards for Customer-Side Distributed Resources would increase the monetary grant awards for qualifying emergency generators to three hundred dollars per kilowatt and increase the awards for base load generation to six hundred dollars per kilowatt with a one hundred dollar per kilowatt incentive for southwest Connecticut. In layman's terms, the bill provides additional incentives to large users of electricity to get off the main power grid thus providing much needed supply to area residents. It remains before the Energy and Technology Committee, and awaits further action.