

February 7, 2006

DPUC Hearing, Docket No. 03-07-17RE02
Review of Long-Term Renewable Energy Contracts

Statement of William Rudis, Grand Lodge Representative
International Association of Machinists and Aerospace Workers, AFL/CIO

Good morning Chairman Downes and members of the Commission.

My name is William Rudis. I am a Grand Lodge Representative for the International Association of Machinists and Aerospace Workers, AFL/CIO, which represents thousands of manufacturing workers here in Connecticut, including the IAM bargaining unit fuel cell workers employed at UT Fuel Cells, South Windsor, Ct. I am also a Connecticut resident and rate payer and consumer, and represent thousands of workers who share the pain of hurtful utility rates.

Thank you for providing the opportunity to address our union's concerns with the Commission today.

The IAM is a founding member of the Connecticut Hydrogen-Fuel Cell Coalition. The Coalition is a collaborative forged toward energizing, developing and enhancing similar research, technology, business and/or educational interests in order to advance the development, manufacture, and deployment of fuel cell and hydrogen technologies and associated fueling systems in Connecticut.

We ask you to reject the proposition fielded by the Office of Consumer Counsel, that would imply and provide that components of the 2005 Energy Independent Act legislation enacted and signed into law by Governor Rell pose violations of ICC regulation and/or provide unfair economic advantage to anyone because the legislation provides that certain incentives will be given, '...provided those fuel cells are *primarily manufactured in the State of Connecticut.*'

As you are aware, the 2005 statute now provides special incentives for construction of fuel cell projects in Connecticut – provided those fuel cells are *primarily manufactured in the State of Connecticut.* This legislation means JOBS for our state.

Why is a state agency – the Office of Consumer Counsel – taking it on itself to challenge a law that helps preserve and create Connecticut JOBS? What authority do they have to question the constitutionality of a law passed by elected members of the General Assembly, and signed into law by the top elected official in our state?

Most important – why would the Office of Consumer Counsel find in its position allied position statements by Northeast Utilities, and other out-of-state operators, against the actions of the people's representatives?

Why DPUC feels the need, or the authority, to review the legality of CT legislative action is unclear? We believe the Consumer Counsel's logic to be outrageous on its face.

Why would the Consumer Counsel, who serves in an appointed position as determined by the incumbent Governor, work to nullify a key component of the new energy law requiring only in state projects under Project 100 as non constitutional?

We are here today because good jobs, Connecticut-based fuel cell jobs are at stake. Is it possible that CL&P is coming out supporting the OCC's position? Is it because CL&P is interested in putting its Schiller plant into Project 100?

For those of us who worked tirelessly to seek enactment of a comprehensive provision that would assure jobs here in Connecticut, during the 2005 legislative session, we find it unconscionable to find that an appointed official may be acting in a partisan manner, and it clearly is not viewed as in the best interests of consumers and Jobs in Connecticut.

Connecticut leads the nation in the concentration of fuel cell companies within its borders. The fuel cell industry is critical to the state's future. With the new 2005 legislation in place many more jobs are becoming available and growing here in Ct., beyond the plus 1,000 jobs cited in industry reports.

Please be aware of the growing numbers of Connecticut Jobs associated with the research and development of fuel cells. These jobs bring scientists, engineers, analysts, planners, and other professionals. In addition, the fuel cell technicians, testers, and support specialists are here in the state and have been working diligently to preserve our energy future with clean, efficient fuel cell generated electricity.

Additionally, the members of this agency should understand that wind and solar enjoy considerably larger incentives for much less efficient means of generating power. If fuel cells were to enjoy the same level of subsidy as solar and wind, we could compete directly with out of state projects that really provide no incremental benefit to the economy of the state of Ct. The out of state projects also rely on a transmission and distribution infrastructure that is already over taxed and continues to be less and less reliable.

To use tax payer dollars to provide unfair incentive to long distance projects hundreds or thousands of miles away does nothing to alleviate the congestion within the state.

Fuel cells can avoid that problem and provide significant grid support once sufficient quantities are deployed in the state.

Fuel cell technology is the real energy bridge to best and most economically use renewable fuels including methane or ethanol from biomass, and hydrogen produced by solar and wind energy. Specifically, fuel cells operating on natural gas is the bridge that gets the state to wide spread deployment of fuel cells that can then operate on renewable fuels when they become available on a broader basis. Practically speaking, fuel cells are not a bridge technology; rather they are the long term solution.

We ask the DPUC find the Consumer Counsel's proposition as unfounded. Its time to end partisan efforts to overturn the good that has been legislated in the 2005 Energy Independence Act.

Finally, we request that the DPUC, find that the 2005 Energy legislation provides that certain incentives will be given, '...provided those fuel cells are *primarily manufactured in the State of Connecticut*,' is appropriate and not any violation of ICC and or restrictive to business in Connecticut, and that fuel cells are good for Connecticut's economy and its consumers, and a means of preserving and Growing Jobs in this state.

Thank you.