



SIERRA CLUB

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Connecticut Energy Efficiency Board
c/o Department of Energy and Environmental Protection
10 Franklin Square
New Britain, CT 06053
via email: EEB_Secretary@EnergizeCT.com

Sierra Club Comments on Draft 2025-2027 Conservation and Load Management Plan

On behalf of the Sierra Club and our more than 30,000 members and supporters in Connecticut, thank you for the opportunity to provide comments on the [Draft 2025-2027 Conservation and Load Management Plan \(C&LM\)](#). The C&LM Plan is one of the most direct ways to lower energy costs for residents and businesses and drive down climate- and health-harming emissions. To be most successful at achieving these outcomes, it is critical that rebates through the C&LM plan do not further our reliance on polluting fossil fuels which drive up energy costs and lock Connecticut into decades of pollution that harm public health and the climate.

BACKGROUND

For 13 months in a row, the [world has experienced record temperatures](#). According to the [National Weather Service](#), 2023 was the hottest year on record in Connecticut. Connecticut also experiences high energy prices due to our overreliance on methane gas. Without action to decarbonize, we can expect higher temperatures and more climate impacts as well as continued high prices and price volatility associated with our region's overreliance on methane gas.

Decarbonization, one of the three themes of the 2025-2027 C&LM Plan, must be accelerated in order to meet Connecticut's mandated greenhouse gas emission reduction targets and address high prices. Connecticut's Global Warming Solutions Act requires a 45% reduction in greenhouse gas emissions by 2030 and an 80% reduction by 2050. HVAC and hot water heating systems in Connecticut are responsible for 30% of all climate-destroying greenhouse gas emissions and 23% of Connecticut's total NOx pollution. That's roughly eight times more than all of the state's power plants combined.

Connecticut's latest [Greenhouse Gas Inventory](#), released in April 2024, states that "...emissions increased from 2020 and based on preliminary data, they increased again in 2022..." and "...further sharp reductions are needed to meet statutory medium- and long-term goals." The Inventory shows that greenhouse gas emissions from fossil fuel use in residential and commercial buildings are on the rise.

Electrification has been identified as the key pathway in Connecticut's planning processes, policy guidance, and federal grant applications including the Comprehensive Energy Strategy and Connecticut's Priority Climate Action Plan to the U.S. Environmental Protection Agency ("EPA") under the federal Climate Pollution Reduction Grant program, and the PURA decision to end the Gas System Expansion Plan early, finding that gas expansion does not advance the state's climate and energy goals.

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The [2022-2024 C&LM Plan](#) identified “incremental steps” to phase-out all residential natural gas equipment incentives during its Plan term. The [Schedule of Conditions](#) for approval included:

- Item #3 requiring an investigation of Condensing Gas Equipment Incentives
- Item #13 requiring an All Electric Residential New Construction program

2025-2027 DRAFT C&LM PLAN

The Sierra Club applauds the successful transition to an all-electric residential new construction program and the continuation of that transition in the 2025-2027 Plan.

Yet, the phase-out of residential rebates signaled in the 2022-2024 plan is far from complete, and it is clear that more must be done to decarbonize in the draft 2025-2027 Plan. Therefore, the Sierra Club respectfully requests revisions to the draft plan, and makes the following recommendations:

Section 3: Residential Portfolio

Throughout this section of the draft plan, there is inconsistency about ceasing incentives and rebate support for new natural gas combustion heating, hot water, and commercial kitchen equipment beginning in 2025. The draft must be revised to be clear that rebates or incentives will not be used for fossil fuel equipment. Any new fossil fuel equipment installed today will produce greenhouse gas emissions for decades to come and make it harder to meet our climate targets. All rebates for fossil fuel equipment should be ended immediately. Customer rebates should only be available for all-electric, zero-emission equipment.

Section 3.3.2 Gas Combustion Equipment

As stated in the draft plan, “In 2024, Eversource made announcements regarding the cessation of incentive and rebate support for new natural gas combustion heating, hot water, and commercial kitchen equipment beginning in 2025.” Sierra Club strongly supports this language and applauds Eversource’s commitment to cease incentives and rebate support for new natural gas combustion heating, hot water, and commercial kitchen equipment beginning in 2025. The draft C&LM Plan must be revised to require *both utilities* to cease incentives and rebate support for new natural gas combustion heating, hot water, and commercial kitchen equipment beginning in 2025. It is unacceptable that CNG and SCG will only consider changes to gas combustion incentives while Eversource moves ahead with an all-electric approach. The program must be consistent for both utilities, and must cease rebates for fossil fuel equipment.

Section 3.3.2 Gas Combustion Equipment, Exceptions

Sierra Club does not support blanket exceptions as proposed in the plan, “..there will be exceptions for specific cases. Within the Residential Portfolio, single-family low-income customers and income eligible multifamily properties with dwelling units using individual heating equipment participating in Home Energy Solutions-Income Eligible will continue to be eligible to receive support for heating and hot water equipment upgrades.” This blanket exception could result in low-income households left with the increased costs of the gas distribution system because it is spread over fewer rate payers as wealthier households transition to electrified solutions.

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While not quantified, “specific cases,” suggests a small number of situations. We recognize there may be some situations that are more challenging for installing all-electric, zero emission equipment. There should be a process for these “specific cases.” The process should determine if more funding is needed to achieve an all-electric zero-emission transition, and the process should provide more funding if that is the case. The process should also determine if services from another program are needed to achieve an all-electric zero-emission transition (IRA rebates, Solar for All, etc). This is similar to the approach of the C & I program, which will bundle solar with heat pumps to reduce energy costs. Residential financing, highlighted in Section 3.8, is another potential option for “specific cases” that is not a rebate or incentive. “Specific case” data should be quantified, recorded, and analyzed so that the program can adapt.

3.3.3 Program Design

This section is one that is clearly inconsistent with ceasing fossil fuel rebates. It states that the (1) Heat Pump Installer Network, (2) Midstream incentives/Instant Discounts, and (3) Online Marketplace will all offer fossil fuel incentives. “Eligible high efficiency HVACsystems include air source heat pumps, boiler circulator pumps, ground source heat pumps, natural gas furnaces/boilers (qualified low-income households and priority, environmental communities only), smart thermostats, variable refrigerant flow heat pumps, and water source heat pumps. Eligible high efficiency water heating equipment includes integrated or split-system electric heat pump water heaters and natural gas/fuel water heating systems.” Fossil fuel systems must be eliminated from this section.

Equity & Energy Affordability

The Sierra Club supports the continued focus on equity and energy affordability in the plan, and encourages the companies to accelerate equity and energy affordability work.

Thank you for considering our comment,

Samantha Dynowski
State Director
Sierra Club Connecticut