State of Connecticut
Public Utilities Regulatory Authority
Docket No. 26-06-04
Re: Implementation of Clean Energy Successor Programs

August 26th, 2026

The Connecticut League of Conservation Voters (CTLCV) is grateful for the opportunity to submit comments to the Public Utilities Regulatory Authority (PURA) on the Implementation of Clean Energy Successor Programs, Docket No. 26-06-04. CTLCV has long said that the expansion of renewable energy throughout the state is an affordable and equitable solution to the energy issues facing the state. As solar is the fastest growing energy source in the world, we were pleased to see the extension of these incentive programs in Public Act No. 26-127. As PURA considers input from stakeholders, we encourage you to build on the success of these programs that benefit Connecticut ratepayers.

Solar energy, where sited and deployed appropriately, is a critical tool in our renewable toolbox. Connecticut, like many northeastern states, is densely populated and developed; commercial and rooftop solar provides ample opportunities for residents, businesses and government agencies to take advantage of an energy technology whose source is free. While there are initial costs associated with deployment, the continued technological advancement in the solar industry is reducing these costs under the concept of Swanson's Law. It is important that Connecticut continues to incentivize these programs and build on their previous successes.

Over the past year, CTLCV has partnered with the University of Connecticut's Center for Economic Analysis (CCEA) to conduct a two-part energy study. Part one, which was released in June, provides a historical look at Connecticut's energy policies, specifically around natural gas expansion. It shows that the transition from coal powered plants to natural gas over a decade ago did reduce carbon emissions, but strapped the state to significant infrastructure costs and ultimately made Connecticut the power generator for New England. It highlights the benefits of renewable energy investment and specifically cites solar as the best option for affordable and quickly deployable energy that can fill critical gaps such as peaker days when Connecticut must fire up our fossil fuel energy plants to meet demand.

Part two of our energy study is set to be released in September and will be available at the same link. It takes a deeper dive into the various renewable energy sources such as solar, offshore wind, battery storage, geothermal and nuclear. It also looks at the hard costs (excluding environmental costs, health costs etc.) and outlines a combination of energy sources for the short term, mid term and long term. As part of the report, our partners at Uconn applied the REMI economic model to Public Act No. 26-127 to see how the legislation will benefit Connecticut in the long term. We have included that section as the remainder of our comments and hope PURA will consider this data as you continue to consider how to best implement the solar successor programs.

Impact of Government Assistance to Solar Expansion 2026–2035: REMI

In brief: CCEA's REMI modeling of HB 5340's solar programs — with the $85 M annual subsidy counted as a cost — shows more than 2,300 net new jobs and roughly $305 M in added real GDP by 2035, and a cumulative net state fiscal surplus of about $119 M by 2035, growing to $295 M by 2050.

Introduction

Connecticut's House Bill 5340 reauthorizes Connecticut's existing residential, commercial, and community solar programs, extending them until 2035, under a target budget of $85 million a year. The Bill establishes the $85 million as a "budget target" — as opposed to a hard cap — allowing PURA (the Public Utilities Regulatory Authority) to determine how to adjust or divide those costs between the three programs. PURA is also able to adjust the target by up to 5% each year in response to market conditions.

The Bill allows PURA some discretion in its expenditure. Residential solar systems paired with battery storage are exempt from the total budget target, to further promote the growth of battery storage. The Bill expedites solar permitting, creates a statewide program to support agrivoltaic projects (including a feasibility study due January 1, 2027), and establishes a pilot program to install low- or no-cost solar panels for 100 homes in environmental justice communities. It also sets up regulations for plug-in solar panels and imposes a one-year moratorium on new approvals for large solar arrays in the towns of East Windsor and Enfield, which are home to the highest concentration of solar in the state.[1]

The evolving nature of solar expenditures amid emerging technologies precludes information for modeling precise economic impacts, but preceding activities facilitate indicative CCEA modelling. Green Bank's experience shows that the $85 M average annual subsidy — a ratepayer-funded state budget target under HB 5340 that extends the financing role previously played by federal incentives [Author note: the prior draft called this both a "Federal subsidy" and a "State subsidy"; the language here reflects HB 5340's actual structure — please confirm this is the intended modeling assumption, particularly given federal ITC step-downs] — at 30% of project financing 2026–2032 will generate total investments of 6.7 times[2], or $569.5 M. The subsidy share shrinks by 400 basis points during each of the remaining years through 2035. Other Connecticut data indicate that on average extant Connecticut solar operates for 3.3 hours a day. Improved locations and technologies are expected to generate more electricity and revenues than presented below.

This overview of the economic impacts of the Bill assumes annual investments 2026–2035 as noted above; foregone sales taxes on construction of $5.2 M annually; yearly substitution of $20.2 M of green electricity for previously fossil-generated electricity, compounded throughout the period, resulting in improved amenities including health at $144 M annually accumulated throughout the decade. Annual

[1] Danniel Altman and Drew Millar, Introducing My New Book, Where Energy Prices Are Going, and More. May 26, 2026.

[2] Strategy + Impact - CT Green Bank | Accelerating Green Energy Adoption in CT. 123

consumer savings on electricity from Connecticut solar from 2027 onward are $21.2 M, and from Revolution Wind $125 M,[3] facilitating an annual consumption boost of $146.2 M relative to the REMI base case. The model treats these savings as spent on other Connecticut consumption.

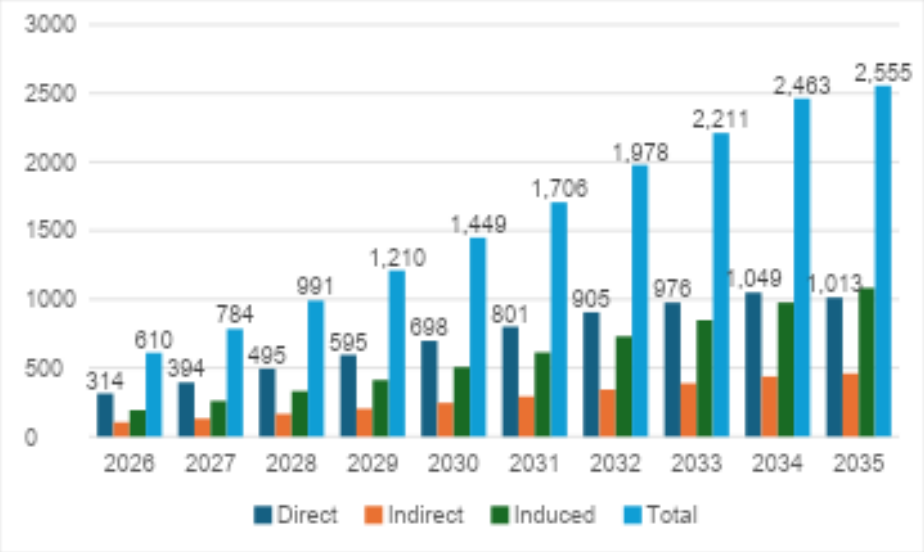
Connecticut Impacts

This summary outlines Connecticut macroeconomic impacts 2026–2035 on employment, incomes, inflation, and state and local government budgets.

Employment

Direct employment impacts include annual Connecticut fabrication, construction, and installation of additional solar systems reliant on the $85 M annual subsidy. Indirect employment involves all those employed in producing inputs from each supplier. Those employees earn and spend money, thereby inducing more employment, as do induced employees themselves. Chart A-1 illustrates those employment impacts annually.

Chart A-1: Employment Impacts: 2026–2035 (# Jobs)



Impacts rise over time due to operating activity and improvements in the atmosphere from replacing fossil-fuel-generated electricity with solar, either enticing migrants or retaining those who would otherwise have departed. The first three columns for each year represent the share of each type of employment, culminating in the last column — the total. Numerical data are included for both direct and total employment for the derivation of annual multipliers rising from 1.90 to 2.67 over the decade.

Table A-1 illustrates that about 71% of the additional employment is concentrated among 17 of the more highly impacted industries. By 2035, among private-sector leaders are construction (411), real estate

[3] Connecticut Department of Energy and Environmental Protection (via Public) / DEEP: 124 Stoppage of Revolution Wind Project Will Increase Costs for CT and New England Ratepayers, Make Grid Less Reliable.

(277), food and drinking services (265), and retail trade (213). State and local government employment impacts reach 531. Incremental ambulatory services employment impacts start strongly but turn negative with improved air quality. The top 17 sectors account for 1,712 of the 2,565 jobs generated in 2035.

Table A-1: Leading Private Employment Sectors 2026–2035 (# Jobs)

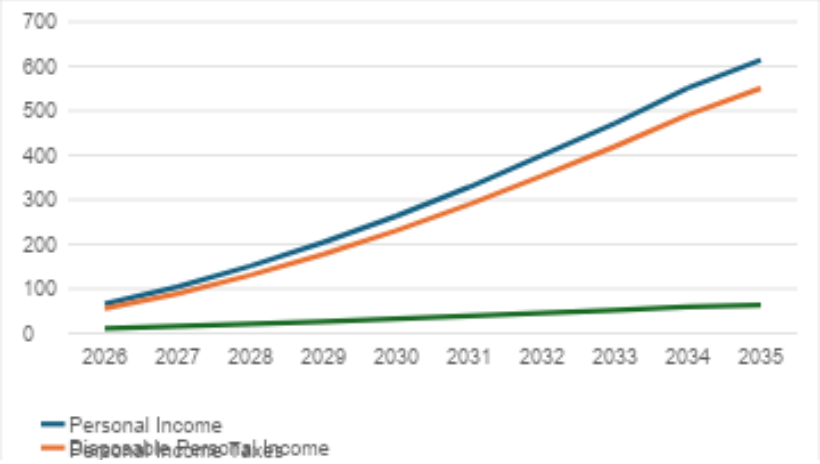
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Construction	70	123	173	220	263	304	343	373	401	411
Machinery manufacturing	10	9	8	6	5	4	3	2	2	6
Computer and electronic product manufacturing	46	44	45	44	44	44	44	39	35	10
Electrical equipment, appliance, and component manufacturing	37	36	36	35	34	34	33	28	24	1
Wholesale trade	21	21	23	24	26	29	32	35	41	46
Retail trade	80	91	106	123	142	162	183	198	214	213
Real estate	29	45	67	92	120	150	182	214	248	277
Professional, scientific, and technical services	104	113	123	133	145	157	170	170	170	119
Administrative and support services	21	26	32	39	47	56	65	73	83	85
Educational services; private	5	7	10	14	17	21	26	30	34	38
Ambulatory health care services	15	9	4	-2	-7	-12	-15	-19	-21	-27
Hospitals	6	9	14	19	26	33	41	50	59	67
Nursing and residential care facilities	4	7	10	14	19	24	30	37	43	50
Social assistance	12	16	23	30	39	49	61	73	86	97
Food services and drinking places	22	38	59	83	111	140	171	203	236	265
Personal and laundry services	5	7	10	13	16	20	24	28	32	35
Religious, grantmaking, civic, professional, and similar organizatio	10	9	10	11	12	13	15	17	19	19
Sum	498	613	753	900	1060	1230	1410	1551	1705	1712
Total	610	784	991	1210	1449	1706	1978	2211	2463	2555

Income

In 2025 dollars, Real Gross Domestic Product (RGDP) impacts increase from $50 M in 2026 to $305 M in 2035. They rise over time because annual reductions in CO2 emissions extend through time and are therefore partially sustained.

Higher levels of GDP and employment augment personal incomes, illustrated in Chart A-2 in the form of current-dollar Personal Income (PI) and Disposable Personal Income (DPI). The difference between the two is Personal Income Taxes (PIT). PI impacts grow from $50 M to $577 M and DPI from $42 M to $520 M, causing PIT to jump from $9 M to $58 M[4], of which 23.5% accrues to Connecticut and 76.5% to the Federal Government. Of the 12.4-times growth of incremental DPI 2026 to 2035, 10.1 times is real growth, with the rest attributable to underlying inflation in the REMI base case.

Chart A-2: Personal Income Impacts: 2026–2035 (Millions Current $)



[4] Discrepancy due to rounding.

Inflation

The inflation above is not attributable to solar transformation but to underlying inflation in REMI's base case. Solar-case inflation fell by 1.3% in 2035 compared to the base case.

State and Local Government Revenues and Expenditures

In addition to PIT, CCEA's version of REMI estimates consumption, from which sales tax estimates can be attained at an historically derived ad valorem rate of 3.9%. Table A-2, line 2, presents these findings. In 2024, CT PIT and state sales taxes accounted for 62.4% of state revenues.[5] Assuming that the rest of the budget grows at the same pace as PIT and sales taxes combined, REMI delivers a rough estimate of impacts on State revenues.

Further, as part of its modeling, REMI also estimates incremental State expenditures over and above the $85 M annual subsidy to fund solar. These expenditures stem from managing and servicing the larger economy. As noted in the last two lines of the table, impacts are annually positive and over the ten years generate a surplus of $119.7 M cumulative through 2035.

Table A-2: State Revenue Impacts 2026–2035 (M Current $)

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
CT PIT	2.48	3.66	4.90	6.20	7.62	9.15	10.8	12.32	14.05	14.94
Sales Taxes	1.71	2.40	3.43	4.65	6.11	7.81	9.76	11.82	14.15	16.22
Other	2.53	3.65	5.02	6.53	8.26	10.21	12.37	14.53	16.97	18.75
Total Increased Revenues	6.72	9.71	13.53	17.38	22.00	27.17	32.93	38.68	45.17	49.91
Increased Expenditures	1.69	3.80	6.28	9.02	12.01	15.22	18.63	22.14	25.79	29.27
Net	5.03	5.91	7.08	8.36	9.98	11.95	14.30	16.54	19.38	20.64
Cumulative	5.03	10.94	18.02	26.38	36.37	48.32	62.62	79.16	98.54	119.17

Estimated benefits would rise if the value of amenities were to grow with inflation, or with further scientific findings of damage being avoided through reductions in fossil fuel emissions. As currently modeled, no account is taken of the improved resilience of the system — its ability to shrink the size of outage areas when repairs are required, and the reduced occurrence of outages due to solar generation being in closer proximity to consumption than with large sites generating the majority of the output.

[5] CT Budget Book FY24-FY25 (final).

Ongoing technological advances in generation, transmission, and distribution facilitate an annual $21.2 M shift in consumption from utilities to goods and services in general. Relative to the base case, Table A-3 extends impacts from 2035 to 2050.

Table A-3 demonstrates extended benefits from adopting green technologies 2026–2035 on key indicators out to 2050, inclusive of operations. Employment impacts remain in positive territory but shrink gradually with ongoing innovations and efficiency gains.

Table A-3: Extended Impacts 2035–2050

	2035	2040	2045	2050
Employment (# of Jobs)	2,356	1,198	867	543
Real GDP (Fixed M 2025 $)	305	181	132	79
Personal Income (Current M $)	577	278	254	335
Disposable Personal Income (Current M $)	520	253	226	305
Real Disposable Personal Income (Fixed M 2025 $)	455	215	159	268
PIT (Current $ M)	58	25	29	29
PCE-Price Index (2025 base of 100)	155	171	188	207
Improved Fiscal Capacity (Current Annual M $)	14	16	17	16
Cumulative Improved Fiscal Capacity from 2026 (Current M $)	82	196	279	295

Both RGDP and current incomes grow with employment. All of these can be expected to expand further as additional investors take advantage of efficiency and reliability gains. The PCE Index illustrates that underlying inflation prevails against minute shrinkage in overall price movements. REMI indicates improvements in annual fiscal capacity of $14 to $17 M that accumulates to $295 M by 2050.