

District gathers businesses for energy savings

Stamford Advocate

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STAMFORD - The Board of Representatives has passed legislation creating an Energy Improvement District for downtown, South End and portions of Shippan.

It allows large power users, such as office buildings and apartment buildings, to band together to generate their own more reliable source of electricity on a microgrid.

Proponents say it's more economical than traditional power generation methods because users can recapture waste heat generated during the production of electricity to heat and cool the buildings.

Users in the district would remain connected to the main power grid as a backup.

"The idea is to have larger users of power in Stamford, as we do downtown, join in a formal organization of their own to make their own power," said city Rep. Paul Esposito, D-4, chairman of the board's State and Commerce Committee. "No. 1 it's cheaper; No. 2 it's here. Part of the problem with CL&P is the transmission issue - getting the power from where it is to downtown."

Stamford Director of Economic Development Michael Freimuth said concerns about the reliability of energy in lower Fairfield County were heightened by major blackouts in recent summers. Power generation has become more important to businesses than taxes, transportation, the price of real state, and even the talent pool in the labor force, Freimuth said.

"It's become a primary concern of businesses that are coming here and those wishing to stay here," he said.

He wonders how many times companies cross Stamford off their list of places to move because of concerns about power, Freimuth said.

"Energy is a critical, critical issue in business relocation decisions," he said.

Participants can sell excess power they generate to other property owners.

"We can sell to the grid, frankly, because the grid does not have enough power," Freimuth said.

Joseph McGee, vice president of public policy for the Business Council of Fairfield County, said the city's future as an employment center hinges on its ability to meet power demand.

"To stay competitive and to grow the financial services sector, you've got to have clean, reliable power," McGee said.

In Connecticut, where electric rates are second only to Hawaii, customers deserve reliability, McGee said.

"Efficiency and reliability, hopefully, will offset these higher energy costs," he said.

Proponents say taking large users off the grid should increase reliability for all other users, including residential customers.

The district is expected to lower electric bills because it will reduce the \$300 million in federal congestion charges paid by residential and commercial customers in Fairfield County, McGee said.

"As you take the load off the system, that reduces the congestion charges, so that's a real benefit for residential customers because everyone would benefit," he said.

The city plans to build the first microgrid at the Stamford Government Center as part of Mayor Dannel Malloy's Stamford Cool & Green 2020 plan. The city might power adjacent Stamford Housing Authority buildings with the same system, Freimuth said.

The energy improvement district has the potential to solve the city's power problems, Esposito said.

"It really does sound like it will take care some of the major concerns some of the big companies downtown have because they are really concerned about the power issue, especially in the summer," he said. "The only real debate we had was how far the energy district would extend. We ended it at North Street, but some wanted it to go so far as North Stamford."

The city hired Pareto Energy Ltd. of Washington, D.C., to set up and manage the district. The company will assist with the financing of the project by arranging the sale of municipal bonds to pay for the initial capital investment.

Stamford is believed to be the second town in Connecticut to take advantage of new state legislation allowing such districts.

Pareto also is working with Ansonia, which is using the energy improvement district to attract businesses for vacant manufacturing buildings, said Michael Scorrano, the company's director of business development.

Scorrano said he has been in contact with at least 30 Connecticut municipalities interested in establishing districts, including Bridgeport.

In Stamford, plans call for using gas turbines, fuel cells and solar systems to power, heat and cool buildings, Scorrano said.

The district is expected to include the city sewage treatment plant, where officials are working on plans to burn dried sewage into energy.

"We are turning poop into power, which is a good thing," McGee said. "This is great environmentalism."

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