

Benefitting from high energy costs in CT

Hugh Bailey

Published 9:52 pm, Tuesday, May 12, 2015



L.J. Blaiotta, owner of MDL Realty, LLC, is installing 2500 solar panels on the roof of his industrial building at 380 Horace Street in Bridgeport, Conn. on Tuesday, May 12, 2015. The panels will supply 100 percent of the building's electrical needs. Photo: Brian A. Pound

The high cost of electricity in Connecticut, often cited as a factor in driving businesses out of the state, turns out to have an unexpected benefit: It's helping power a boom in solar energy at state businesses.

As the price of installing panels has declined in recent years, the state has achieved something close to grid parity, meaning the cost of solar is competitive with buying power from the grid. Connecticut has the second-highest electricity costs in the country, trailing only Hawaii.

"The economics of solar make enough sense for a much larger scale of expansion," said [Scott L. Licamele](#), senior vice president at MSL Group, which handles solar installations for businesses.

His company was at the headquarters of Columbia Elevator in Bridgeport, where a massive array of panels is being installed through financing from C-PACE, or Commercial Property Assessed Clean Energy. The program is run by the [Clean Energy Finance and Investment Authority](#), otherwise known as Connecticut's Green Bank, a quasi-public agency that uses private funding to provide 100 percent of the financing for a company's solar projects, paid back over a 20-year period.

The Horace Street building is also used by Unger Enterprises, a German company that makes cleaning supplies whose main offices are next door. The 140,000-square-foot roof will have 2,500 solar panels when the project is completed in the next two months, providing 600 kilowatts of electricity, Licamele said, adding that it is the largest private solar project in Bridgeport.

The stability of the financing is a major draw, said [Genevieve Sherman](#), acting director of commercial and industrial programs at the Green Bank. Companies can also sell renewable energy credits to the local utility, which helps offset costs. Utilities are required to procure a certain amount of power from renewable sources or purchase credits for the same amount. "We've been able to finance a lot of solar projects," Sherman said. "It's a great investment if you use a lot of energy."

Connecticut's electricity costs are pushing the program's popularity, she said. "High energy prices are driving it," she said. "In other states, the rates aren't as high. In this state, we're grid constrained, natural-gas-pipeline constrained -- we have all kinds of challenges."

Columbia Elevator moved to Bridgeport in 2011 from Port Chester, N.Y. It employs about 65 people producing elevator cabin boxes and doors.

The C-PACE financing goes beyond solar panels. [L.J. Bliotta](#), president of MDL Realty, which owns the building, said the facility is in the process of replacing all its lights with 10-year LED fixtures, which save electricity and provide better lighting, and has put in a new boiler that he said has the building paying about 20 percent of its old heating costs. Bliotta, whose father founded Columbia Elevator 50 years ago, said Connecticut energy prices make the difference. "We have facilities in Kansas and Florida and it doesn't make the same kind of sense to do it there," he said, because the cost of solar is still much higher than traditional sources.

He said the work has Unger considering installing solar panels at its building on Asylum Street. "It's contagious," Bliotta said. "You get that green bug and you want to do more."

hbailey@ctpost.com; 203-330-6233; <http://twitter.com/hughsbailey>