



General Assembly

Substitute Bill No. 571

February Session, 2008

* SB00571GL 050108 *

AN ACT CONCERNING ENERGY AUDITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-245m of the 2008 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2008*):

4 (a) (1) On and after January 1, 2000, the Department of Public Utility
5 Control shall assess or cause to be assessed a charge of three mills per
6 kilowatt hour of electricity sold to each end use customer of an electric
7 distribution company to be used to implement the program as
8 provided in this section for conservation and load management
9 programs but not for the amortization of costs incurred prior to July 1,
10 1997, for such conservation and load management programs.

11 (2) Notwithstanding the provisions of this section, receipts from
12 such charge shall be disbursed to the resources of the General Fund
13 during the period from July 1, 2003, to June 30, 2005, unless the
14 department shall, on or before October 30, 2003, issue a financing order
15 for each affected electric distribution company in accordance with
16 sections 16-245e to 16-245k, inclusive, to sustain funding of
17 conservation and load management programs by substituting an
18 equivalent amount, as determined by the department in such financing
19 order, of proceeds of rate reduction bonds for disbursement to the
20 resources of the General Fund during the period from July 1, 2003, to

21 June 30, 2005. The department may authorize in such financing order
22 the issuance of rate reduction bonds that substitute for disbursement to
23 the General Fund for receipts of both the charge under this subsection
24 and under subsection (b) of section 16-245n of the 2008 supplement to
25 the general statutes and also may, in its discretion, authorize the
26 issuance of rate reduction bonds under this subsection and subsection
27 (b) of section 16-245n of the 2008 supplement to the general statutes
28 that relate to more than one electric distribution company. The
29 department shall, in such financing order or other appropriate order,
30 offset any increase in the competitive transition assessment necessary
31 to pay principal, premium, if any, interest and expenses of the issuance
32 of such rate reduction bonds by making an equivalent reduction to the
33 charge imposed under this subsection, provided any failure to offset
34 all or any portion of such increase in the competitive transition
35 assessment shall not affect the need to implement the full amount of
36 such increase as required by this subsection and by sections 16-245e to
37 16-245k, inclusive. Such financing order shall also provide if the rate
38 reduction bonds are not issued, any unrecovered funds expended and
39 committed by the electric distribution companies for conservation and
40 load management programs, provided such expenditures were
41 approved by the department after August 20, 2003, and prior to the
42 date of determination that the rate reduction bonds cannot be issued,
43 shall be recovered by the companies from their respective competitive
44 transition assessment or systems benefits charge but such expenditures
45 shall not exceed four million dollars per month. All receipts from the
46 remaining charge imposed under this subsection, after reduction of
47 such charge to offset the increase in the competitive transition
48 assessment as provided in this subsection, shall be disbursed to the
49 Energy Conservation and Load Management Fund commencing as of
50 July 1, 2003. Any increase in the competitive transition assessment or
51 decrease in the conservation and load management component of an
52 electric distribution company's rates resulting from the issuance of or
53 obligations under rate reduction bonds shall be included as rate
54 adjustments on customer bills.

55 (b) The electric distribution company shall establish an Energy
56 Conservation and Load Management Fund which shall be held
57 separate and apart from all other funds or accounts. Receipts from the
58 charge imposed under subsection (a) of this section shall be deposited
59 into the fund. Any balance remaining in the fund at the end of any
60 fiscal year shall be carried forward in the fiscal year next succeeding.
61 Disbursements from the fund by electric distribution companies to
62 carry out the plan developed under subsection (d) of this section shall
63 be authorized by the Department of Public Utility Control upon its
64 approval of such plan.

65 (c) The Department of Public Utility Control shall appoint and
66 convene an Energy Conservation Management Board which shall
67 include representatives of: (1) An environmental group knowledgeable
68 in energy conservation program collaboratives; (2) the Office of
69 Consumer Counsel; (3) the Attorney General; (4) the Department of
70 Environmental Protection; (5) the electric distribution companies in
71 whose territories the activities take place for such programs; (6) a state-
72 wide manufacturing association; (7) a chamber of commerce; (8) a
73 state-wide business association; (9) a state-wide retail organization;
74 (10) a representative of a municipal electric energy cooperative created
75 pursuant to chapter 101a; (11) two representatives selected by the gas
76 companies in this state; and (12) residential customers. Such members
77 shall serve for a period of five years and may be reappointed.
78 Representatives of the gas companies shall not vote on matters
79 unrelated to gas conservation. Representatives of the electric
80 distribution companies and the municipal electric energy cooperative
81 shall not vote on matters unrelated to electricity conservation.

82 (d) (1) The Energy Conservation Management Board shall advise
83 and assist the electric distribution companies in the development and
84 implementation of a comprehensive plan, which plan shall be
85 approved by the Department of Public Utility Control, to implement
86 cost-effective energy conservation programs and market
87 transformation initiatives. Each program contained in the plan shall be
88 reviewed by the electric distribution company and either accepted or

89 rejected by the Energy Conservation Management Board prior to
90 submission to the department for approval. The Energy Conservation
91 Management Board shall, as part of its review, examine opportunities
92 to offer joint programs providing similar efficiency measures that save
93 more than one fuel resource or otherwise to coordinate programs
94 targeted at saving more than one fuel resource. Any costs for joint
95 programs shall be allocated equitably among the conservation
96 programs. The Energy Conservation Management Board shall give
97 preference to projects that maximize the reduction of federally
98 mandated congestion charges. The Department of Public Utility
99 Control shall, in an uncontested proceeding during which the
100 department may hold a public hearing, approve, modify or reject the
101 comprehensive plan prepared pursuant to this subsection.

102 (2) There shall be a joint committee of the Energy Conservation
103 Management Board and the Renewable Energy Investments Board.
104 The board and the advisory committee shall each appoint members to
105 such joint committee. The joint committee shall examine opportunities
106 to coordinate the programs and activities funded by the Renewable
107 Energy Investment Fund pursuant to section 16-245n of the 2008
108 supplement to the general statutes with the programs and activities
109 contained in the plan developed under this subsection to reduce the
110 long-term cost, environmental impacts and security risks of energy in
111 the state. Such joint committee shall hold its first meeting on or before
112 August 1, 2005.

113 (3) Programs included in the plan developed under subdivision (1)
114 of this subsection shall be screened through cost-effectiveness testing
115 which compares the value and payback period of program benefits to
116 program costs to ensure that programs are designed to obtain energy
117 savings and system benefits, including mitigation of federally
118 mandated congestion charges, whose value is greater than the costs of
119 the programs. Cost-effectiveness testing shall utilize available
120 information obtained from real-time monitoring systems to ensure
121 accurate validation and verification of energy use. Such testing shall
122 include an analysis of the effects of investments on increasing the

123 state's load factor. Program cost-effectiveness shall be reviewed
124 annually, or otherwise as is practicable. If a program is determined to
125 fail the cost-effectiveness test as part of the review process, it shall
126 either be modified to meet the test or shall be terminated. On or before
127 March 1, 2005, and on or before March first annually thereafter, the
128 board shall provide a report, in accordance with the provisions of
129 section 11-4a, to the joint standing committees of the General
130 Assembly having cognizance of matters relating to energy and the
131 environment (A) that documents expenditures and fund balances and
132 evaluates the cost-effectiveness of such programs conducted in the
133 preceding year, and (B) that documents the extent to and manner in
134 which the programs of such board collaborated and cooperated with
135 programs, established under section 7-233y, of municipal electric
136 energy cooperatives. To maximize the reduction of federally mandated
137 congestion charges, programs in the plan may allow for
138 disproportionate allocations between the amount of contributions to
139 the Energy Conservation and Load Management Funds by a certain
140 rate class and the programs that benefit such a rate class. Before
141 conducting such evaluation, the board shall consult with the
142 Renewable Energy Investments Board. The report shall include a
143 description of the activities undertaken during the reporting period
144 jointly or in collaboration with the Renewable Energy Investment
145 Fund established pursuant to subsection (c) of section 16-245n of the
146 2008 supplement to the general statutes.

147 (4) Programs included in the plan developed under subdivision (1)
148 of this subsection may include, but not be limited to: (A) Conservation
149 and load management programs, including programs that benefit low-
150 income individuals; (B) research, development and commercialization
151 of products or processes which are more energy-efficient than those
152 generally available; (C) development of markets for such products and
153 processes; (D) support for energy use assessment, real-time monitoring
154 systems, engineering studies and services related to new construction
155 or major building renovation; (E) the design, manufacture,
156 commercialization and purchase of energy-efficient appliances and

157 heating, air conditioning and lighting devices; (F) program planning
158 and evaluation; (G) indoor air quality programs relating to energy
159 conservation; (H) joint fuel conservation initiatives programs targeted
160 at reducing consumption of more than one fuel resource; (I) public
161 education regarding conservation; and (J) the demand-side technology
162 programs recommended by the procurement plan approved by the
163 Department of Public Utility Control pursuant to section 16a-3a of the
164 2008 supplement to the general statutes. Such support may be by direct
165 funding, manufacturers' rebates, sale price and loan subsidies, leases
166 and promotional and educational activities. The plan shall also provide
167 for expenditures by the Energy Conservation Management Board for
168 the retention of expert consultants and reasonable administrative costs
169 provided such consultants shall not be employed by, or have any
170 contractual relationship with, an electric distribution company. Such
171 costs shall not exceed five per cent of the total revenue collected from
172 the assessment.

173 (e) Notwithstanding the provisions of subsections (a) to (d),
174 inclusive, of this section, the Department of Public Utility Control shall
175 authorize the disbursement of a total of one million dollars in each
176 month, commencing with July, 2003, and ending with July, 2005, from
177 the Energy Conservation and Load Management Funds established
178 pursuant to said subsections. The amount disbursed from each Energy
179 Conservation and Load Management Fund shall be proportionately
180 based on the receipts received by each fund. Such disbursements shall
181 be deposited in the General Fund.

182 (f) No later than December 31, 2006, and no later than December
183 thirty-first every five years thereafter, the Energy Conservation
184 Management Board shall, after consulting with the Renewable Energy
185 Investments Board, conduct an evaluation of the performance of the
186 programs and activities of the fund and submit a report, in accordance
187 with the provisions of section 11-4a, of the evaluation to the joint
188 standing committee of the General Assembly having cognizance of
189 matters relating to energy.

190 (g) Repealed by P.A. 06-186, S. 91, effective July 1, 2006.

191 (h) (1) Beginning January 1, 2009, and annually thereafter, the
192 Energy Conservation Management Board, in consultation with the
193 Department of Public Utility Control, shall conduct an overview of
194 available tax and financial incentives available to individuals and
195 businesses for energy conservation, including grants and loan
196 programs, offered by the state and the federal government.

197 (2) The Energy Conservation Management Board shall compile such
198 findings and publish the findings in a document to be supplied to the
199 Real Estate Commission.

200 Sec. 2. Section 20-311b of the general statutes is repealed and the
201 following is substituted in lieu thereof (*Effective October 1, 2008*):

202 (a) Within thirty days after the appointment of the members of the
203 commission, the commission shall meet in the city of Hartford for the
204 purpose of organizing by selecting such officers other than a
205 chairperson as the commission may deem necessary and appropriate.
206 A majority of the members of the commission shall constitute a
207 quorum for the exercise of the powers or authority conferred upon it.

208 (b) (1) The commission shall authorize the Department of Consumer
209 Protection to issue licenses to real estate brokers and real estate
210 salespersons. The commission shall receive and approve applications
211 for real estate student intern programs pursuant to the provisions of
212 section 20-314c.

213 (2) The commission shall administer the provisions of this chapter
214 as to licensure and issuance, renewal, suspension or revocation of
215 licenses concerning the real estate business.

216 (c) The commission shall be provided with the necessary office
217 space in Hartford by the Commissioner of Public Works. The place of
218 business of the commission and all files, records and property of the
219 commission shall at all times be and remain at such office, except that

220 inactive files shall be stored at a location designated by the
221 commission.

222 (d) The commission shall hold meetings and hearings in Hartford,
223 in space provided by the Commissioner of Administrative Services, or
224 at such places outside of Hartford as shall be determined by the
225 chairman of the commission. The commission shall meet at least once
226 in each three-month period and may meet more often at the call of its
227 chairman. The chairman of the commission shall call a meeting of the
228 commission whenever requested to do so by a majority of the
229 members of the commission.

230 (e) The commission shall vote on all matters requiring a decision
231 and votes shall be recorded in the commission's minutes.

232 (f) The commission shall make available to all licensed real estate
233 brokers and real estate salespersons information provided to it
234 pursuant to section 16-245m of the 2008 supplement to the general
235 statutes, as amended by of this act.

236 Sec. 3. Subsection (d) of section 20-327b of the 2008 supplement to
237 the general statutes is repealed and the following is substituted in lieu
238 thereof (*Effective October 1, 2008*):

239 (d) (1) The Commissioner of Consumer Protection, shall, by
240 regulations adopted in accordance with the provisions of chapter 54,
241 prescribe the form of the written residential disclosure report required
242 by this section and sections 20-327c to 20-327e, inclusive. The
243 regulations shall provide that the form include information concerning
244 municipal assessments, including, but not limited to, sewer or water
245 charges applicable to the property. Such information shall include: (A)
246 Whether such assessment is in effect and the amount of the
247 assessment; (B) whether there is an assessment on the property that
248 has not been paid, and if so, the amount of the unpaid assessment; and
249 (C) to the extent of the seller's knowledge, whether there is reason to
250 believe that the municipality may impose an assessment in the future.

251 (2) Such form of the written residential disclosure report shall
252 contain the following:

253 (A) A certification by the seller in the following form:

254 "To the extent of the seller's knowledge as a property owner, the
255 seller acknowledges that the information contained above is true and
256 accurate for those areas of the property listed. In the event a real estate
257 broker or salesperson is utilized, the seller authorizes the brokers or
258 salespersons to provide the above information to prospective buyers,
259 selling agents or buyers' agents.

T1 (Date) (Seller)
T2 (Date) (Seller)"

260 (B) A certification by the buyer in the following form:

261 "The buyer is urged to carefully inspect the property and, if desired,
262 to have the property inspected by an expert. The buyer understands
263 that there are areas of the property for which the seller has no
264 knowledge and that this disclosure statement does not encompass
265 those areas. The buyer also acknowledges that the buyer has read and
266 received a signed copy of this statement from the seller or seller's
267 agent.

T3 (Date) (Seller)
T4 (Date) (Seller)"

268 (C) A statement concerning the responsibility of real estate brokers
269 in the following form:

270 "This report in no way relieves a real estate broker of the broker's
271 obligation under the provisions of section 20-328-5a of the Regulations
272 of Connecticut State Agencies to disclose any material facts. Failure to
273 do so could result in punitive action taken against the broker, such as

274 fines, suspension or revocation of license."

275 (D) A statement that any representations made by the seller on the
276 written residential disclosure report shall not constitute a warranty to
277 the buyer.

278 (E) A statement that the written residential disclosure report is not a
279 substitute for inspections, tests and other methods of determining the
280 physical condition of property.

281 (F) Information concerning environmental matters such as lead,
282 radon, subsurface sewage disposal, flood hazards and, if the residence
283 is or will be served by well water, as defined in section 21a-150, the
284 results of any water test performed for volatile organic compounds,
285 and results of an audit of the energy efficiency of the residence which
286 shall include recommendations for energy efficiency improvements
287 and potential effectiveness of said improvements and such other topics
288 as the Commissioner of Consumer Protection may determine would be
289 of interest to a buyer.

290 (G) A statement that information concerning the residence address
291 of a person convicted of a crime may be available from law
292 enforcement agencies or the Department of Public Safety and that the
293 Department of Public Safety maintains a site on the Internet listing
294 information about the residence address of persons required to register
295 under section 54-251 of the 2008 supplement to the general statutes, 54-
296 252 of the 2008 supplement to the general statutes, 54-253 of the 2008
297 supplement to the general statutes or 54-254 of the 2008 supplement to
298 the general statutes, who have so registered.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	16-245m
Sec. 2	<i>October 1, 2008</i>	20-311b
Sec. 3	<i>October 1, 2008</i>	20-327b(d)

ET *Joint Favorable Subst.*

INS *Joint Favorable*

FIN *Joint Favorable*

GL *Joint Favorable*