



Senate

General Assembly

File No. 160

January Session, 2001

Substitute Senate Bill No. 1018

Senate, April 9, 2001

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING A FUEL CELL PILOT PROGRAM IN PUBLIC SCHOOLS.

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

1 Section 1. (a) Connecticut Innovations, Incorporated, in consultation
2 with the Commissioner of Education, shall establish a pilot program to
3 evaluate the use of fuel cell technology in public schools. The program
4 shall operate in four school districts selected by the corporation, in
5 consultation with the commissioner, two of which shall be located in
6 municipalities with a population forty thousand or more and two of
7 which shall be located in municipalities with a population forty
8 thousand or less. Two school districts shall receive fuel cell technology
9 and two shall not receive fuel cell technology. The two school districts
10 that do not receive the fuel cell technology shall provide baseline data
11 which shall be used to compare the costs and benefits of fuel cell
12 technology.

13 (b) On or before January 1, 2002, the corporation shall submit a

14 report on the pilot program to the joint standing committee of the
15 General Assembly having cognizance of matters relating to commerce
16 in accordance with the provisions of section 11-4a of the general
17 statutes. Such report shall include a cost benefit analysis of the
18 application of fuel cell technology in public schools as well as
19 recommendations for legislative implementation.

20 (c) If the report determines that fuel cell technology in public
21 schools is feasible, the school districts that did not receive fuel cell
22 technology shall be provided with fuel cell technology.

23 Sec. 2. Subsection (c) of section 16-245n of the general statutes is
24 repealed and the following is substituted in lieu thereof:

25 (c) There is hereby created a Renewable Energy Investment Fund
26 which shall be administered by Connecticut Innovations, Incorporated.
27 The fund may receive any amount required by law to be deposited
28 into the fund and may receive any federal funds as may become
29 available to the state for renewable energy investments. Connecticut
30 Innovations, Incorporated, may use any amount in said fund for
31 expenditures which promote investment in renewable energy sources
32 in accordance with a comprehensive plan developed by it to foster the
33 growth, development and commercialization of renewable energy
34 sources, related enterprises and stimulate demand for renewable
35 energy and deployment of renewable energy sources which serve end
36 use customers in this state. Such expenditures may include, but not be
37 limited to, grants, direct or equity investments, contracts or other
38 actions which support research, development, manufacture,
39 commercialization, deployment and installation of renewable energy
40 technologies, and actions which expand the expertise of individuals,
41 businesses and lending institutions with regard to renewable energy
42 technologies. The fund may be used for expenditures in implementing
43 the fuel cell pilot program in public schools established in section 1 of
44 this act.

45 Sec. 3. This act shall take effect July 1, 2001.

Statement of Legislative Commissioners:

In subdivision (b) of section 1, a reference to section 11-4a was inserted for consistency with the general statutes.

CE *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Cost (Special Fund)

Affected Agencies: Connecticut Innovations, Incorporated (quasi-public), Department of Education

Municipal Impact: See Explanation Below

Explanation

State and Municipal Impact:

It is estimated that it will cost approximately \$2.4 million (based on information available from the investment managers at Connecticut Innovations, Inc. (CII)) for installation of the fuel cells to test the technology at two school districts. There is a potential additional future cost of approximately \$2.4 million for fuel cells in two more schools. The funds for the fuel cells will come from the Renewable Energy Investment Fund. This fund is administered by CII and capitalized through a charge on electric bills. The Fund has a balance of \$12.4 million as of 3/31/01. It is also anticipated that since this technology is currently more expensive than other electric generation technologies, the two school districts could incur increased costs for power generation. The exact impact is indeterminate at this time. It is anticipated that these costs would also be paid from the Renewable Energy Investment Fund, but it is not clear from the legislation. It is also anticipated that CII can prepare the report required within its resources and the Commissioner of Education is anticipated to be able

to consult within budgetary resources. Baseline data is anticipated to be able to be provided from the schools within their existing resources.

OLR Bill Analysis

sSB 1018

AN ACT CONCERNING A FUEL CELL PILOT PROGRAM IN PUBLIC SCHOOLS.**SUMMARY:**

This bill requires Connecticut Innovations, Inc. (CII) to run a pilot program evaluating the costs and benefits of using fuel cell technology in public schools. CII must do this in consultation with the education commissioner. It can tap the Renewal Energy Investment Fund to fund the pilot. It must report its findings and legislative recommendations to the Commerce Committee by January 1, 2002.

EFFECTIVE DATE: July 1, 2001

FUEL CELL PILOT PROGRAM

CII must test the fuel cell technology in two school districts and compare the costs and benefits against two other districts using other, presumably, conventional technologies. The latter will receive fuel cell technology if the evaluation shows that it is feasible. CII must pick two districts in towns with 40,000 or fewer people and two with 40,000 or more. The bill does not specify if CII must pick a town from each category to test the technology.

BACKGROUND***Renewal Energy Investment Fund***

CII can use this fund to support the research and development of renewal energy technologies and ways to manufacture, commercialize, deploy, and install them. It can also use the fund to help individuals, businesses, and lenders become more expert about the technologies. It can spend the funds in any manner, including letting contracts, making grants and loans, and making direct and equity investments. The fund can receive money appropriated to it and federal funds

allocated to the state for renewable energy investments.

CII must prepare a comprehensive plan to promote the use of renewable energy sources and use that plan to guide its investments. The plan must specify ways to foster the growth, development, and commercialization of these resources and related enterprises. It must also specify ways to increase consumer demand for them.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute
Yea 26 Nay 0