



General Assembly

January Session, 2003

**Committee Bill No. 733**

LCO No. 3210

Referred to Committee on Energy and Technology

Introduced by:  
(ET)

**AN ACT CONCERNING REVISIONS TO THE ELECTRIC  
RESTRUCTURING LEGISLATION.**

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

1 Section 1. Subdivisions (26) and (27) of subsection (a) of section 16-1  
2 of the general statutes are repealed and the following is substituted in  
3 lieu thereof (*Effective July 1, 2003*):

4 (26) "Class I renewable energy source" means (A) energy derived  
5 from solar power, wind power, a fuel cell, methane gas from landfills,  
6 [or] ocean thermal power, wave or tidal power, low emission  
7 advanced renewable energy conversion technologies, a biomass  
8 facility, including, but not limited to, a biomass gasification plant that  
9 utilizes land clearing debris, tree stumps or other biomass that  
10 regenerates or the use of which will not result in a depletion of  
11 resources, provided such facility begins operating on or after July 1,  
12 1998, [and] except that energy derived from a biomass facility that  
13 exceeds the facility's three-year average production of electricity for  
14 the period from 1995 to 1997, inclusive, may be considered a Class I  
15 renewable energy source, provided the average emission rate for such  
16 facility is equal to or less than .075 pounds of nitrogen oxides per

17 million BTU of heat input for the previous calendar quarter and  
18 provided such biomass is cultivated and harvested in a sustainable  
19 manner, or (B) any electrical generation, including distributed  
20 generation, generated from a Class I renewable energy source;

21 (27) "Class II renewable energy source" means energy derived from  
22 a trash-to-energy facility, or a biomass facility [that does not meet the  
23 criteria for a class I renewable energy source] that exceeds such  
24 facility's three-year average production of electricity for the period of  
25 1995 to 1997, inclusive, provided the average emission rate for such  
26 facility is equal to or less than .2 pounds of nitrogen oxides per million  
27 BTU of heat input for the previous calendar quarter or a hydropower  
28 facility, provided such facility has a license issued by the Federal  
29 Energy Regulatory Commission, has been exempted from such  
30 licensure, is the subject of a license application or notice of intent to  
31 seek a license from said commission, has been found by the  
32 Commissioner of Environmental Protection to be operating in  
33 compliance with the federal Clean Water Act, or has been found by the  
34 [Canadian environmental assessment agency] appropriate Canadian or  
35 provincial regime to be operating in compliance with said [agency's]  
36 regime's resource objectives.

37 Sec. 2. Subsection (a) of section 16-1 of the general statutes is  
38 amended by adding subdivision (40) as follows (*Effective July 1, 2003*):

39 (NEW) (40) "Distributed generation" means the generation of  
40 electricity on the premises of an end user within the transmission and  
41 distribution system including fuel cells, microturbines, photovoltaic  
42 systems or small wind turbines.

43 Sec. 3. Section 16-243h of the general statutes is repealed and the  
44 following is substituted in lieu thereof (*Effective July 1, 2003*):

45 On and after January 1, 2000, each electric supplier [, as defined in  
46 section 16-1,] and any electric distribution company providing,  
47 pursuant to section 16-244c, as amended by this act, standard offer,

48 transitional standard offer, standard service or back-up electric  
49 generation service, shall give a credit for any electricity generated by a  
50 residential customer from a Class I renewable energy source or a  
51 hydropower facility. [as described in subdivision (27) of section 16-1.]  
52 The electric distribution company providing electric distribution  
53 services to such a customer shall make such interconnections necessary  
54 to accomplish such purpose. An electric distribution company, at the  
55 request of any residential customer served by such company and if  
56 necessary to implement the provisions of this section, shall provide for  
57 the installation of metering equipment that (1) measures electricity  
58 consumed by such customer from the facilities of the electric  
59 distribution company, (2) deducts from the measurement the amount  
60 of electricity produced by the customer and not consumed by the  
61 customer, and (3) registers, for each billing period, the net amount of  
62 electricity either [(i)] (A) consumed and produced by the customer, or  
63 [(ii)] (B) the net amount of electricity produced by the customer. A  
64 residential customer who generates electricity from a generating unit  
65 with a name plate capacity of more than ten kilowatts of electricity  
66 pursuant to the provisions of this section shall be assessed for the  
67 competitive transition assessment, pursuant to section 16-245g and the  
68 systems benefits charge, pursuant to section 16-245l, as amended by  
69 this act, based on the amount of electricity consumed by the customer  
70 from the facilities of the electric distribution company without netting  
71 any electricity produced by the customer. For purposes of this section,  
72 "residential customer" means a customer of a single-family dwelling or  
73 multifamily dwelling consisting of two to four units.

74 Sec. 4. Section 16-244c of the general statutes is repealed and the  
75 following is substituted in lieu thereof (*Effective July 1, 2003*):

76 (a) (1) On and after January 1, 2000, each electric distribution  
77 company [, as defined in section 16-1,] shall make available to all  
78 customers in its service area, the provision of electric generation and  
79 distribution services through a standard offer. Under the standard  
80 offer, a customer shall receive electric services at a rate established by

81 the Department of Public Utility Control pursuant to subdivision (2) of  
82 this subsection. Each electric distribution company shall provide  
83 electric generation services in accordance with such option to any  
84 customer who affirmatively chooses to receive electric generation  
85 services pursuant to the standard offer or does not or is unable to  
86 arrange for or maintain electric generation services with an electric  
87 supplier. [, as defined in said section 16-1.] The standard offer shall  
88 automatically terminate on January 1, 2004. [, unless extended by the  
89 General Assembly pursuant to section 74 of public act 98-28\*.] While  
90 providing electric generation services under the standard offer, an  
91 electric distribution company may provide electric generation services  
92 through any of its generation entities or affiliates, provided such  
93 entities or affiliates are licensed pursuant to section 16-245, as  
94 amended by this act.

95 (2) Not later than October 1, 1999, the Department of Public Utility  
96 Control shall establish the standard offer for each electric distribution  
97 company, effective January 1, 2000, which shall allocate the costs of  
98 such company among electric transmission and distribution services,  
99 electric generation services, the competitive transition assessment and  
100 the systems benefits charge. The department shall hold a hearing that  
101 shall be conducted as a contested case in accordance with chapter 54 to  
102 establish the standard offer. The standard offer shall provide that the  
103 total rate charged under the standard offer, including electric  
104 transmission and distribution services, the conservation and load  
105 management program charge described in section 16-245m, as  
106 amended by this act, the renewable energy investment charge  
107 described in section 16-245n, electric generation services, the  
108 competitive transition assessment and the systems benefits charge  
109 shall be at least ten per cent less than the base rates, as defined in  
110 section 16-244a, in effect on December 31, 1996. The standard offer  
111 shall be adjusted to the extent of any increase or decrease in state taxes  
112 attributable to sections 12-264 and 12-265 and any other increase or  
113 decrease in state or federal taxes resulting from a change in state or  
114 federal law and shall continue to be adjusted during such period

115 pursuant to section 16-19b. Notwithstanding the provisions of section  
116 16-19b, the provisions of said section 16-19b shall apply to electric  
117 distribution companies. The standard offer may be adjusted, by an  
118 increase or decrease, to the extent approved by the department, in the  
119 event that (A) the revenue requirements of the company are affected as  
120 the result of changes in (i) legislative enactments other than public act  
121 98-28\*\*, (ii) administrative requirements, or (iii) accounting standards  
122 occurring after July 1, 1998, provided such accounting standards are  
123 adopted by entities independent of the company that have authority to  
124 issue such standards, or (B) an electric distribution company incurs  
125 extraordinary and unanticipated expenses required for the provision of  
126 safe and reliable electric service to the extent necessary to provide such  
127 service. Savings attributable to a reduction in taxes shall not be shifted  
128 between customer classes.

129 (3) The price reduction provided in subdivision (2) of this  
130 subsection shall not apply to customers who, on or after July 1, 1998,  
131 are purchasing electric services from an electric company or electric  
132 distribution company, as the case may be, under a special contract or  
133 flexible rate tariff, and the company's filed standard offer tariffs shall  
134 reflect that such customers shall not receive the standard offer price  
135 reduction.

136 [(b) On and after January 1, 2004, each electric distribution company  
137 shall serve any customer who does not or is unable to arrange for or  
138 maintain electric generation services with an electric supplier. The  
139 electric distribution company shall procure electric generation services  
140 for such customers through a competitive bidding process. An electric  
141 distribution company may procure electric generation services through  
142 any of its generation entities or affiliates, provided such entity or  
143 affiliate is the lowest qualified bidder and provided further any such  
144 entity or affiliate is licensed pursuant to section 16-245.]

145 (b) (1) On and after January 1, 2004, each electric distribution  
146 company shall make available to all customers in its service area, the

147 provision of electric generation and distribution services through a  
148 transitional standard offer. Under the transitional standard offer, a  
149 customer shall receive electric services at a rate established by the  
150 Department of Public Utility Control pursuant to subdivision (2) of  
151 this subsection. Each electric distribution company shall provide  
152 electric generation services in accordance with such option to any  
153 customer who affirmatively chooses to receive electric generation  
154 services pursuant to the transitional standard offer or does not or is  
155 unable to arrange for or maintain electric generation services with an  
156 electric supplier. The transitional standard offer shall automatically  
157 terminate on January 1, 2006. While providing electric generation  
158 services under the transitional standard offer, an electric distribution  
159 company may provide electric generation services through any of its  
160 generation entities or affiliates, provided such entities or affiliates are  
161 licensed pursuant to section 16-245, as amended by this act.

162 (2) Not later than October 1, 2003, the Department of Public Utility  
163 Control shall establish the transitional standard offer for each electric  
164 distribution company, effective January 1, 2004, which shall allocate  
165 the costs of such company among electric transmission and  
166 distribution services, electric generation services, the competitive  
167 transition assessment and the systems benefits charge. The department  
168 shall hold a hearing that shall be conducted as a contested case in  
169 accordance with chapter 54 to establish the transitional standard offer.  
170 The transitional standard offer shall provide for the cost of electric  
171 transmission and distribution services, the conservation and load  
172 management program charge described in section 16-245m, as  
173 amended by this act, the renewable energy investment charge  
174 described in section 16-245n, electric generation services, the  
175 competitive transition assessment and the systems benefits charge  
176 shall not exceed the base rates, as defined in section 16-244a, in effect  
177 on December 31, 1996. The transitional standard offer shall be adjusted  
178 to the extent of any increase or decrease in state taxes attributable to  
179 sections 12-264 and 12-265 and any other increase or decrease in state  
180 or federal taxes resulting from a change in state or federal law and

181 shall continue to be adjusted during such period pursuant to section  
182 16-19b. Notwithstanding the provisions of section 16-19b, the  
183 provisions of section 16-19b shall apply to electric distribution  
184 companies. The transitional standard offer may be adjusted, by an  
185 increase or decrease, to the extent approved by the department, in the  
186 event that (A) the revenue requirements of the company are affected as  
187 the result of changes in (i) legislative enactments other than this act or  
188 public act 98-28, (ii) administrative requirements, or (iii) accounting  
189 standards occurring after July 1, 2003, provided such accounting  
190 standards are adopted by entities independent of the company that  
191 have authority to issue such standards, or (B) an electric distribution  
192 company incurs extraordinary and unanticipated expenses required  
193 for the provision of safe and reliable electric service to the extent  
194 necessary to provide such service. Savings attributable to a reduction  
195 in taxes shall not be shifted between customer classes.

196 (3) The price provided in subdivision (2) of this subsection shall not  
197 apply to customers who, on or after July 1, 1998, are purchasing  
198 electric services from an electric company or electric distribution  
199 company, as the case may be, under a special contract or flexible rate  
200 tariff, and the company's filed transitional standard offer tariffs shall  
201 reflect that such customers shall not receive the transitional standard  
202 offer price during the term of said contract or tariff.

203 (4) Notwithstanding the provisions of this subsection regarding the  
204 price of the transitional standard offer, each electric distribution  
205 company shall, not later than October 1, 2003, file with the Department  
206 of Public Utility Control, a tariff for the provision of a green  
207 transitional standard offer, effective January 1, 2004, comprised of  
208 electric generation services from Class I renewable energy sources and  
209 Class II renewable energy sources. The department shall approve a  
210 tariff that sets a price for customers electing to receive such green  
211 transitional standard offer that exceeds the price mandated by  
212 subdivision (2) of this subsection provided the department finds, in a  
213 contested case conducted pursuant to chapter 54, that the tariff filed by

214 the electric distribution company reflects a premium in excess of said  
215 mandated price that reflects the additional costs incurred by the  
216 electric distribution company in providing such green transitional  
217 standard offer, plus the approved rate of return authorized for such  
218 company. Such tariff shall automatically terminate on January 1, 2006.

219 (c) (1) On and after January 1, 2006, each electric distribution  
220 company shall provide electric generation services through standard  
221 service to any customer who (A) does not arrange for or is not  
222 receiving electric generation services with an electric supplier, and (B)  
223 does not use a demand meter or has a maximum demand of less than  
224 three hundred fifty kilowatts.

225 (2) Not later than October 1, 2004, and periodically as required by  
226 subdivision (4) of this subsection, but not more often than every  
227 calendar quarter, the Department of Public Utility Control shall  
228 establish the standard service price for such customers pursuant to  
229 subdivision (4) of this subsection. Each electric distribution company  
230 shall recover the actual net costs of procuring and providing  
231 generation services pursuant to this subsection, provided such  
232 company mitigates the costs it incurs for the procurement of electric  
233 generation services for customers who are no longer receiving service  
234 pursuant to this subsection.

235 (3) Administrative costs incurred by the electric distribution  
236 company for providing service pursuant to this subsection shall be  
237 eligible for inclusion in rates pursuant to sections 16-19 and 16-19e. The  
238 department shall reopen the last rate case of each electric distribution  
239 company for the sole purpose of including such costs in their rates.

240 (4) (A) Notwithstanding any regulations concerning a competitive  
241 bidding process regarding the procurement of standard service or  
242 back-up electric generation services, an electric distribution company  
243 providing electric generation services pursuant to this subsection shall  
244 mitigate the variation of the price of the service offered to its customers  
245 by procuring electric generation services contracts in the manner

246 prescribed in a plan approved by the department. Such plan shall  
247 require that a portfolio of service contracts sufficient to meet the  
248 projected load shall be effective for the period commencing on January  
249 1, 2007. Such plan or bidding process shall require that the portfolio of  
250 contracts be procured in an overlapping pattern of fixed periods at  
251 such times and in such manner and duration as the department  
252 determines to be most likely to produce just, reasonable and  
253 reasonably stable retail rates while reflecting underlying wholesale  
254 market prices over time. The portfolio of contracts shall be assembled  
255 in such manner as to invite competition, guard against favoritism,  
256 improvidence, extravagance, fraud and corruption, and secure a  
257 reliable electricity supply while avoiding unusual, anomalous or  
258 excessive pricing. The portfolio of contracts procured under such plan  
259 shall be for terms of not less than six months, provided contracts for  
260 shorter periods may be procured under such conditions as the  
261 department shall prescribe to (i) ensure the lowest rates possible for  
262 end-use customers; (ii) ensure reliable service under extraordinary  
263 circumstances; and (iii) ensure the prudent management of the  
264 contract portfolio. An electric distribution company may receive a bid  
265 for an electric generation services contract from any of its generation  
266 entities or affiliates, provided such generation entity or affiliate  
267 submits its bid the business day preceding the first day on which an  
268 unaffiliated electric supplier may submit its bid and further provided  
269 the electric distribution company and the generation entity or affiliate  
270 are in compliance with the code of conduct pursuant to section 16-  
271 244h.

272 (B) The department, in consultation with the Office of Consumer  
273 Counsel, shall retain the services of a third-party entity with expertise  
274 in the area of energy procurement to oversee the development of the  
275 request for proposal and the bidding process conducted by an electric  
276 distribution company. Each bidder shall submit its bid to the electric  
277 distribution company and the third-party entity who shall jointly  
278 review the bids and submit an overview of all bids together with a  
279 joint recommendation to the department as to the preferred bidders.

280 The department may, within five days of submission of the overview,  
281 reject the recommendation regarding preferred bidders. In the event  
282 that the department rejects the preferred bids, the electric distribution  
283 company shall rebid the service.

284 (d) (1) On and after January 1, 2006, an electric distribution  
285 company shall serve customers that may not receive standard service  
286 as the supplier of last resort. This subsection shall not apply to  
287 customers purchasing power under contracts entered into pursuant to  
288 section 16-19hh.

289 (2) An electric distribution company shall procure electricity to  
290 provide electric generation services to such customers. The  
291 Department of Public Utility Control shall determine a price for such  
292 customers that reflects the full cost of providing the electricity on a  
293 monthly basis. Each electric distribution company shall recover the  
294 actual net costs of procuring and providing electric generation services  
295 pursuant to this subsection, provided such company mitigates the  
296 costs it incurs for the procurement of electric generation services for  
297 customers that are no longer receiving service pursuant to this  
298 subsection.

299 (3) Administrative costs incurred by the electric distribution  
300 company for providing service pursuant to this subsection shall be  
301 eligible for inclusion in rates pursuant to sections 16-19 and 16-19e. The  
302 department shall reopen the last rate case of each electric distribution  
303 company for the sole purpose of including such costs in their rates.

304 [(c)] (e) On and after January 1, 2000, and until such time the  
305 regional independent system operator implements procedures for the  
306 provision of back-up power to the satisfaction of the Department of  
307 Public Utility Control, each electric distribution company shall provide  
308 electric generation services to any customer who has entered into a  
309 service contract with an electric supplier that fails to provide electric  
310 generation services for reasons other than the customer's failure to pay  
311 for such services. Between January 1, 2000, and December 31, [2003]

312 2004, an electric distribution company may procure electric generation  
313 services through a competitive bidding process or through any of its  
314 generation entities or affiliates. On and after January 1, [2004] 2006,  
315 such company shall procure electric generation services through a  
316 competitive bidding process. Such company may procure electric  
317 generation services through any of its generation entities or affiliates,  
318 provided such entity or affiliate is the lowest qualified bidder and  
319 provided further any such entity or affiliate is licensed pursuant to  
320 section 16-245, as amended by this act.

321 [(d)] (f) An electric distribution company is not required to be  
322 licensed pursuant to section 16-245, as amended by this act, to provide  
323 standard offer [electric generation services in accordance with  
324 subsection (a) of this section] service, transitional standard offer  
325 service or back-up electric generation [services] service prior to  
326 January 1, [2004] 2006. [, in accordance with subsection (c) of this  
327 section.]

328 [(e)] (g) The electric distribution company shall be entitled to  
329 recover reasonable costs incurred as a result of providing standard  
330 offer [electric generation services pursuant to the provisions of  
331 subsection (a) of this section, the default service pursuant to subsection  
332 (b) of this section or the] service, transitional standard offer service,  
333 standard service or back-up electric generation [services pursuant to  
334 subsection (c) of this section] service. The provisions of this section and  
335 section 16-244a shall satisfy the requirements of section 16-19a until  
336 January 1, [2004] 2006.

337 [(f)] (h) The Department of Public Utility Control shall establish, by  
338 regulations adopted pursuant to chapter 54, [standards or procedures  
339 for an electric distribution company's procuring power and  
340 competitive bidding for purposes of subsections (b) and (c) of this  
341 section in a commercially reasonable manner and] procedures for  
342 when and how a customer is notified that his electric supplier has  
343 defaulted and of the need for the customer to choose a new electric

344 supplier within a reasonable period of time.

345 (i) An electric distribution company providing transitional standard  
346 offer, standard service, supplier of last resort service or back-up  
347 electric generation service in accordance with this section shall comply  
348 with the portfolio standards pursuant to section 16-245a, as amended  
349 by this act. Any such electric distribution company that fails to comply  
350 with the portfolio standards shall make a payment to the department  
351 to be allocated to the Renewable Energy Investment Fund for the  
352 development of Class I renewable energy sources. The department  
353 shall annually set a range of the amount of such payment on a cent per  
354 kilowatt hour basis following a hearing that is conducted as a  
355 contested case, in accordance with chapter 54, which amount shall be  
356 the greater of (A) \$0.055 per kilowatt hour, or (B) not less than the  
357 difference between the average cost of production of Class I renewable  
358 energy sources for the previous year and the electric distribution  
359 company's rate for providing standard service, supplier of last resort  
360 service or back-up electric generation service, as applicable, to the  
361 customer class for which the electric distribution company charges its  
362 lowest rate. Such payments shall not be deemed a recoverable  
363 operating expense in any rate proceedings held pursuant to section 16-  
364 19.

365 (j) Each electric distribution company shall, not later than July 1,  
366 2005, file with the Department of Public Utility Control, one or more  
367 long-term power purchase contracts comprised of no less than fifty per  
368 cent of the following year's Class I RPS requirements. On and after  
369 January 1, 2006, the cost of such contracts and the administrative costs  
370 for the procurement of such contracts shall be eligible for inclusion in  
371 rates pursuant to sections 16-19 and 16-19e, provided that such  
372 contracts are for a minimum of ten years and are for Class I power  
373 generated solely in Connecticut. The department shall reopen the last  
374 rate case of each electric distribution company for the sole purpose of  
375 including such costs in their rates. The amount of Class I power  
376 contracted under such contracts will reduce the applicable annual

377 Class I requirements of section 16-245a, as amended by this act.

378 Sec. 5. Section 16-244d of the general statutes is amended by adding  
379 subsections (f) and (g) as follows (*Effective July 1, 2003*):

380 (NEW) (f) The Department of Public Utility Control, in consultation  
381 with the Office of Consumer Counsel, shall establish a program for the  
382 dissemination of information regarding electric suppliers. Such  
383 program shall require electric distribution companies to distribute an  
384 informational summary on electric suppliers to any new customer and  
385 to existing customers beginning on January 1, 2004, and biannually  
386 thereafter. Such informational summary shall be developed by the  
387 department and shall include, but not be limited to, the name of each  
388 licensed electric supplier, the state where the supplier is based,  
389 information on whether the supplier has active offerings for either  
390 residential or commercial and industrial consumers, the telephone  
391 number and Internet address of the supplier, and an identification of  
392 whether the supplier offers electric generation services from renewable  
393 energy sources in excess of the portfolio standards pursuant to section  
394 16-245a, as amended by this act. The department shall include pricing  
395 information in the informational summary to the extent the  
396 department determines feasible. The department shall post the  
397 informational summary in a conspicuous place on its website and  
398 provide electronic links to the website of each supplier. The  
399 department shall update the informational summary on its website on  
400 at least a quarterly basis.

401 (NEW) (g) The Department of Public Utility Control, in consultation  
402 with the Office of Consumer Counsel and the Consumer Education  
403 Advisory Council, shall, not later than October 1, 2003, develop a plan  
404 for the restart of the education outreach program on or before October  
405 1, 2004, and submit, in accordance with the provisions of section 11-4a,  
406 such plan to the joint standing committee of the General Assembly  
407 having cognizance of matters relating to energy and technology.

408 Sec. 6. Section 16-245 of the general statutes is repealed and the

409 following is substituted in lieu thereof (*Effective July 1, 2003*):

410 (a) No person, no municipality and no regional water authority  
411 shall execute any contract relating to the sale of electric generation  
412 services to be rendered after January 1, 2000, to end use customers  
413 located in the state unless such person has been issued a license by the  
414 department in accordance with the provisions of this section. No  
415 license shall be valid before July 1, 1999.

416 (b) On and after January 1, 2000, no person, no municipality and no  
417 regional water authority shall sell or attempt to sell electric generation  
418 services to end use customers located in the state using the  
419 transmission or distribution facilities of an electric distribution  
420 company [, as defined in section 16-1, and no municipality and no  
421 regional water authority except as provided in section 16-245b and no  
422 person shall aggregate, broker or market the sale of electric generation  
423 services to end use customers using the transmission or distribution  
424 facilities of an electric distribution company] unless the person has  
425 been issued a license by the Department of Public Utility Control in  
426 accordance with the provisions of this section, provided an electric  
427 distribution company is not required to be licensed pursuant to this  
428 section to provide electric generation services pursuant to [subsection  
429 (a) or, prior to January 1, 2004, subsection (c) of] section 16-244c, as  
430 amended by this act. On and after the effective date of this section, the  
431 Connecticut Resources Recovery Authority shall not sell or attempt to  
432 sell electric generation services to end-use customers located in the  
433 state using the transmission or distribution facilities of an electric  
434 distribution company unless the authority has been issued a license by  
435 the Department of Public Utility Control in accordance with the  
436 provisions of this section. On and after April 30, 2002, the Connecticut  
437 Resources Recovery Authority shall not (1) sell or attempt to sell  
438 electric generation services to end use customers located in the state  
439 using the transmission or distribution facilities of an electric  
440 distribution company [, as defined in section 16-1,] unless the authority  
441 has been issued a license by the Department of Public Utility Control

442 in accordance with the provisions of this section, or (2) aggregate,  
443 broker or market the sale of electric generation services to end use  
444 customers using the transmission or distribution facilities of an electric  
445 distribution company except as provided in section 16-245b. Not later  
446 than January 1, 1999, the department shall, by regulations adopted  
447 pursuant to chapter 54, develop licensing procedures. The licensing  
448 process shall begin not later than April 1, 1999.

449 (c) To ensure the safety and reliability of the supply of electricity in  
450 this state, the Department of Public Utility Control shall not issue a  
451 license unless the person, municipality, regional water authority or the  
452 Connecticut Resources Recovery Authority can demonstrate to the  
453 satisfaction of the department that [:(1) The] the person, municipality,  
454 regional water authority or the Connecticut Resources Recovery  
455 Authority has the technical, managerial and financial capability to  
456 provide electric generation services and provides and maintains a  
457 bond or other security in amount and form approved by the  
458 department, to ensure its financial responsibility and its supply of  
459 electricity to end use customers in accordance with contracts,  
460 agreements or arrangements. [:(2) the person or the entity or entities  
461 with whom the person has a contractual relationship to purchase  
462 power is in compliance with all applicable licensing requirements of  
463 the Federal Energy Regulatory Commission; (3) the person is  
464 registered with or certified by the regional independent systems  
465 operator or has a contractual relationship with one or more entities  
466 who are registered with or certified by the regional independent  
467 systems operator and is in compliance with all system rules and  
468 standards established by the regional independent systems operator;  
469 (4) the person owns or purchases such capacity and reserves as may be  
470 required by the regional independent system operator, to provide  
471 adequate electricity to all the person's customers; (5) the person's  
472 generation facilities located in North America are in compliance with  
473 regulations adopted by the Commissioner of Environmental Protection  
474 pursuant to section 22a-174j; and (6) for any generation facility within  
475 this state, the facility is in compliance with chapter 277a and state

476 environmental laws and regulations.] A license shall be subject to  
477 periodic review on a schedule to be established by the department.

478 (d) An application for a license shall be filed with the Department of  
479 Public Utility Control, accompanied by a fee pursuant to subsection (e)  
480 of this section. The application shall contain such information as the  
481 department may deem relevant, including, but not limited to, the  
482 following: (1) The address of the applicant's headquarters and the  
483 articles of incorporation, as filed with the state in which the applicant  
484 is incorporated; (2) the address of the applicant's principal office in the  
485 state, [and] if any, or the address of the applicant's agent for service in  
486 the state; (3) the toll-free telephone number for customer service; (4)  
487 information about the applicant's corporate structure, including names  
488 and financial statements, as appropriate, concerning corporate  
489 affiliates; (5) a disclosure of whether the applicant or any of the  
490 [applicant is] applicant's corporate affiliates or officers have been or  
491 are currently under investigation for violation of any consumer  
492 protection law or regulation to which it is subject, either in this state or  
493 in another state; (6) a copy of its standard service contract; ~~[(7) an~~  
494 ~~attestation that it is subject to chapters 208, 212, 212a and 219, as~~  
495 ~~applicable, and that it shall pay all taxes it is subject to in this state; and~~  
496 ~~(8)] and (7) a scope of service plan which sets forth, among other~~  
497 ~~things, a description of the geographic area the applicant plans to~~  
498 ~~serve.~~

499 (e) The application fee shall include the costs to investigate and  
500 administer the licensing procedure and shall be commensurate with  
501 the level of investigation necessary, as determined by regulations  
502 adopted by the Department of Public Utility Control.

503 (f) Not more than thirty days after receiving an application, the  
504 Department of Public Utility Control shall notify the applicant whether  
505 the application is complete or whether the applicant must submit  
506 additional information. The department shall grant or deny a license  
507 application ~~[, after notice and a hearing,]~~ not more than ninety days

508 after receiving all information required of an applicant. [Any hearing  
509 shall be conducted as a contested case in accordance with chapter 54.]  
510 The department shall hold a public hearing on an application upon the  
511 request of any interested party.

512 (g) [The Department of Public Utility Control shall require, as] As  
513 conditions of [a license,] continued licensure, in addition to the  
514 requirements of subsection (c) of this section, a licensee shall ensure  
515 that: (1) The [supplier] licensee complies with the National Labor  
516 Relations Act and regulations, if applicable; (2) the [supplier] licensee  
517 complies with the Connecticut Unfair Trade Practices Act and  
518 applicable regulations; (3) each generating facility operated by or  
519 under long-term contract to the [supplier] licensee complies with  
520 regulations adopted by the Commissioner of Environmental  
521 Protection, pursuant to section 22a-174j; (4) the [supplier] licensee  
522 complies with the portfolio standards, pursuant to section 16-245a, as  
523 amended by this act; (5) the licensee is a member of the New England  
524 Power Pool or its successor or has a contractual relationship with one  
525 or more entities who are members of the New England Power Pool or  
526 its successor and the [supplier] licensee complies with the [system]  
527 rules of the regional independent system operator and standards and  
528 any other reliability guidelines of the regional independent systems  
529 operator; (6) the [supplier] licensee agrees to cooperate with the  
530 department and other electric suppliers [, as defined in section 16-1,] in  
531 the event of an emergency condition that may jeopardize the safety  
532 and reliability of electric service; (7) the [supplier] licensee complies  
533 with the code of conduct established pursuant to section 16-244h; [and]  
534 (8) for a license to a participating municipal electric utility, the  
535 [supplier] licensee provides open and nondiscriminatory access [of] to  
536 its distribution facilities to other licensed electric suppliers; (9) the  
537 licensee or the entity or entities with whom the licensee has a  
538 contractual relationship to purchase power is in compliance with all  
539 applicable licensing requirements of the Federal Energy Regulatory  
540 Commission; (10) each generating facility operated by or under long-  
541 term contract to the licensee complies with chapter 277a and state

542 environmental laws and regulations; and (11) the licensee  
543 acknowledges that it is subject to chapters 208, 212, 212a and 219, as  
544 applicable, and the licensee pays all taxes it is subject to in this state.  
545 Also as a condition of a license, the department shall prohibit each  
546 [supplier] licensee from declining to provide service to customers for  
547 the reason that the customers are located in economically distressed  
548 areas. The department may establish additional reasonable conditions  
549 to assure that all retail customers will continue to have access to  
550 electric generation services.

551 (h) The department shall maintain regular communications with the  
552 regional independent system operator to effectuate the provisions of  
553 this section and to ensure that an adequate, safe and reliable supply of  
554 electricity is available.

555 (i) Each licensee shall, at such times as the department requires but  
556 not less than annually, submit to the Department of Public Utility  
557 Control, on a form prescribed by the department, an update of  
558 information the department deems relevant. Each licensee shall notify  
559 the department at least ten days before: (1) A change in corporate  
560 structure that affects the licensee; (2) a change in the scope of service,  
561 as provided in the [supplier's] licensee's scope of service plan  
562 submitted to the department as part of the application process; and (3)  
563 any other change the department deems relevant.

564 (j) No license may be transferred without the prior approval of the  
565 department. The department may assess additional licensing fees to  
566 pay the administrative costs of reviewing a request for such transfer.

567 [(k) An electric aggregator shall not be subject to the provisions of  
568 subdivisions (2) to (6), inclusive, of subsection (c) of this section and  
569 subdivisions (4) and (5) of subsection (g) of this section.]

570 [(l)] (k) Any [person] licensee who fails to comply with a license  
571 condition or who violates any provision of this section, except for the  
572 renewable portfolio conditions contained in subsection (g) of this

573 section, shall be subject to [sanctions] civil penalties by the Department  
574 of Public Utility Control in accordance with section 16-41, [which may  
575 include, but are not limited to,] or the suspension or revocation of such  
576 license or a prohibition on accepting new customers by the  
577 Department of Public Utility Control following a hearing that is  
578 conducted as a contested case in accordance with chapter 54. On or  
579 after January 1, 2005, any licensee who fails to comply with the  
580 portfolio standards in accordance with subsection (g) of this section  
581 shall make a payment to the department to be allocated to the  
582 Renewable Energy Investment Fund for the development of Class I  
583 renewable energy sources. The department shall annually set a range  
584 of the amount of such payment on a cent per kilowatt hour basis  
585 following a hearing that is conducted as a contested case, in  
586 accordance with chapter 54, which amount shall be the greater of (1)  
587 \$0.055 per kilowatt hour, or (2) not less than the difference between the  
588 average cost of production of Class I renewable energy sources for the  
589 previous year and the licensee's rate of providing service to the  
590 customer class for which the licensee charges its lowest rate.

591 (1) (1) An electric aggregator shall not be subject to subsections (a) to  
592 (l), inclusive, of this section.

593 (2) No electric aggregator shall negotiate a contract for the purchase  
594 of electric generation services from an electric supplier unless such  
595 aggregator has (A) obtained a certificate of registration from the  
596 Department of Public Utility Control in accordance with this  
597 subsection, or (B) in the case of a municipality, regional water  
598 authority and the Connecticut Resources Recovery Authority,  
599 registered in accordance with section 16-245b. An electric aggregator  
600 that was licensed pursuant to this section prior to the effective date of  
601 this section shall receive a certificate of registration on the effective  
602 date of this section.

603 (3) An application for a certificate of registration shall be filed with  
604 the department, accompanied by a fee as determined by the

605 department. The application shall contain such information as the  
606 department may deem relevant, including, but not limited to, the  
607 following: (A) The address of the applicant's headquarters and the  
608 articles of incorporation, if applicable, as filed with the state in which  
609 the applicant is incorporated; (B) the address of the applicant's  
610 principal office in the state, if any, or the address of the applicant's  
611 agent for service in the state; (C) the toll-free or in-state telephone  
612 number of the applicant; (D) information about the applicant's  
613 corporate structure, if applicable, including financial names and  
614 financial statements, as appropriate, concerning corporate affiliates; (E)  
615 disclosure of whether the applicant or any of the applicant's corporate  
616 affiliates or officers, if applicable, have been or are currently under  
617 investigation for violation of any consumer protection law or  
618 regulation to which it is subject, either in this state or in another state.

619 (4) Not more than thirty days after receiving an application for a  
620 certificate of registration, the department shall notify the applicant  
621 whether the application is complete or whether the applicant must  
622 submit additional information. The department shall grant or deny the  
623 application for a certificate of registration not more than ninety days  
624 after receiving all information required of an applicant. The  
625 department shall hold a public hearing on an application upon the  
626 request of any interested party.

627 (5) As a condition for maintaining a certificate of registration, the  
628 registered electric aggregator shall ensure that, where applicable, it  
629 complies with the National Labor Relations Act and regulations, if  
630 applicable, and it complies with the Connecticut Unfair Trade Practices  
631 Act and applicable regulations.

632 (6) Each registered electric aggregator shall update the information  
633 contained in subdivision (3) of this subsection as necessary.

634 (7) Any registered electric aggregator that fails to comply with a  
635 registration condition or who violates any provision of this section  
636 shall be subject to civil penalties by the Department of Public Utility

637 Control in accordance with the procedures contained in section 16-41,  
638 or the suspension or revocation of such registration, or a prohibition  
639 on accepting new customers by the department following a hearing  
640 that is conducted as a contested case in accordance with chapter 54.

641 Sec. 7. Section 16-245a of the general statutes is repealed and the  
642 following is substituted in lieu thereof (*Effective July 1, 2003*):

643 (a) [To be licensed under section 16-245, an applicant for a license  
644 shall demonstrate to the satisfaction of the Department of Public  
645 Utility Control that not less than one-half of one per cent of its total  
646 electricity output shall be generated from Class I renewable energy  
647 sources and an additional five and one-half per cent of the total output  
648 shall be from Class I or Class II renewable energy sources. On and after  
649 July 1, 2001, not less than three-fourths of one per cent of the total  
650 output of any such supplier shall be generated from Class I renewable  
651 energy sources and an additional five and one-half per cent of the total  
652 output shall be from Class I or Class II renewable energy sources.] On  
653 and after July 1, [2002,] 2003, an electric supplier shall demonstrate to  
654 the satisfaction of the Department of Public Utility Control that not less  
655 than one per cent of [such output] its total electricity output shall be  
656 generated from Class I renewable energy sources and an additional  
657 five and one-half per cent of the total output shall be from Class I or  
658 Class II renewable energy sources. On and after [July 1, 2003,] January  
659 1, 2004, an electric supplier and an electric distribution company  
660 providing, pursuant to section 16-244c, as amended by this act,  
661 transitional standard offer shall demonstrate that not less than one and  
662 one-half per cent of [such output] the total output or services of such  
663 supplier or distribution company shall be generated from Class I  
664 renewable energy sources and an additional five and one-half per cent  
665 of the total output or services shall be from Class I or Class II  
666 renewable energy sources. On and after July 1, 2004, not less than two  
667 per cent of the total output or services of any such supplier or  
668 distribution company shall be generated from Class I renewable  
669 energy sources and an additional six per cent of the total output or

670 services shall be from Class I or Class II renewable energy sources. On  
671 and after July 1, 2005, not less than two and one-half per cent of the  
672 total output or services of any such supplier or distribution company  
673 shall be generated from Class I renewable energy sources and an  
674 additional six per cent of the total output or services shall be from  
675 Class I or Class II renewable energy sources. On and after [July 1,  
676 2006,] January 1, 2006, an electric supplier and an electric distribution  
677 company providing, pursuant to section 16-244c, as amended by this  
678 act, standard service or supplier of last resort service shall demonstrate  
679 that not less than three per cent of the total output or services of any  
680 such supplier or distribution company shall be generated from Class I  
681 renewable energy sources and an additional six per cent of the total  
682 output or services shall be from Class I or Class II renewable energy  
683 sources. On and after July 1, 2007, not less than four per cent of the  
684 total output or services of any such supplier or distribution company  
685 shall be generated from Class I renewable energy sources and an  
686 additional six per cent of the total output or services shall be from  
687 Class I or Class II renewable energy sources. On and after July 1, 2008,  
688 not less than five per cent of the total output or services of any such  
689 supplier or distribution company shall be generated from Class I  
690 renewable energy sources and an additional six per cent of the total  
691 output or services shall be from Class I or Class II renewable energy  
692 sources. On and after July 1, 2009, not less than six per cent of the total  
693 output or services of any such supplier or distribution company shall  
694 be generated from Class I renewable energy sources and an additional  
695 seven per cent of the total output or services shall be from Class I or  
696 Class II renewable energy sources. [An electric supplier may satisfy the  
697 requirements of this subsection by participating in a renewable energy  
698 trading program approved by the state. Any supplier who provides  
699 electric generation services solely from a Class II renewable energy  
700 source shall not be required to comply with the provisions of this  
701 section.] An electric supplier or electric distribution company may  
702 satisfy the requirements of this subsection by purchasing Class I or  
703 Class II renewable energy sources within the jurisdiction of the

704 regional independent system operator, the New York Independent  
705 System Operator, or its successor organization as approved by the  
706 Federal Energy Regulatory Commission, or the PJM Interconnection,  
707 LLC, or its successor organization as approved by the Federal Energy  
708 Regulatory Commission or the Canadian Provinces of Ontario,  
709 Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia  
710 or Prince Edward Island or by participating in a renewable energy  
711 trading program within said jurisdictions as approved by the  
712 Department of Public Utility Control. Any supplier who provides  
713 electric generation services solely from a Class II renewable energy  
714 source shall not be required to comply with the provisions of this  
715 subsection.

716 (b) An [applicant's demonstration] electric supplier or an electric  
717 distribution company shall base its demonstration of generation  
718 sources, as required under subsection (a) of this section [, shall be  
719 based] on historical data, which may consist of data filed with the  
720 regional independent system operator.

721 (c) (1) A supplier or an electric distribution company may make up  
722 any deficiency within its generation service portfolio within the first  
723 three months of a calendar year or as otherwise provided by  
724 generation information system operating rules approved by New  
725 England Power Pool or its successor to meet the generation source  
726 requirements of subsection (a) of this section for the previous year.

727 (2) No such supplier or electric distribution company shall receive  
728 credit for the current calendar year for generation from renewable  
729 energy sources pursuant to this section where such supplier or  
730 distribution company receives credit for the same year pursuant to  
731 subdivision (1) of this subsection.

732 [(c)] (d) The department [may] shall adopt regulations pursuant to  
733 chapter 54 to implement the provisions of this section.

734 Sec. 8. Subsection (a) of section 16-245l of the general statutes, as

735 amended by section 3 of public act 02-64, is repealed and the following  
736 is substituted in lieu thereof (*Effective January 1, 2004*):

737 (a) The Department of Public Utility Control shall establish and each  
738 electric distribution company shall collect a systems benefits charge to  
739 be imposed against all end use customers of each electric distribution  
740 company beginning January 1, 2000. The department shall hold a  
741 hearing that shall be conducted as a contested case in accordance with  
742 chapter 54 to establish the amount of the systems benefits charge. The  
743 department may revise the systems benefits charge or any element of  
744 said charge as the need arises. The systems benefits charge shall be  
745 used to fund (1) the expenses of the public education outreach  
746 program developed under [subsection (a)] subsections (a), (f) and (g)  
747 of section 16-244d, as amended by this act, other than expenses for  
748 department staff, (2) the reasonable and proper expenses of the  
749 education outreach consultant pursuant to subsection (d) of section 16-  
750 244d, (3) the cost of hardship protection measures under sections 16-  
751 262c and 16-262d and other hardship protections, including but not  
752 limited to, electric service bill payment programs, funding and  
753 technical support for energy assistance, fuel bank and weatherization  
754 programs and weatherization services, (4) the payment program to  
755 offset tax losses described in section 12-94d, (5) any sums paid to a  
756 resource recovery authority pursuant to subsection (b) of section 16-  
757 243e, (6) low income conservation programs approved by the  
758 Department of Public Utility Control, (7) displaced worker protection  
759 costs, (8) unfunded storage and disposal costs for spent nuclear fuel  
760 generated before January 1, 2000, approved by the appropriate  
761 regulatory agencies, (9) postretirement safe shutdown and site  
762 protection costs that are incurred in preparation for decommissioning,  
763 (10) decommissioning fund contributions, (11) costs associated with  
764 the independent third-party in procuring service contracts pursuant to  
765 subparagraph (B) of subdivision (4) of subsection (c) of section 16-244c,  
766 as amended by this act, and [(11)] (12) legal, appraisal and purchase  
767 costs of a conservation or land use restriction and other related costs as  
768 the department in its discretion deems appropriate, incurred by a

769 municipality on or before January 1, 2000, to ensure the environmental,  
770 recreational and scenic preservation of any reservoir located within  
771 this state created by a pump storage hydroelectric generating facility.  
772 As used in this subsection, "displaced worker protection costs" means  
773 the reasonable costs incurred, prior to January 1, 2008, by an electric  
774 supplier, exempt wholesale generator, electric company, [or] an  
775 operator of a nuclear power generating facility in this state or a  
776 generation entity or affiliate arising from the dislocation of any  
777 employee other than an officer, provided such dislocation is a result of  
778 restructuring of (A) the electric generation market and such dislocation  
779 occurs on or after July 1, 1998, or (B) the closing of a Title IV source or  
780 an exempt wholesale generator, as defined in 15 USC 79z-5a, on or  
781 after January 1, 2004, as a result of such source's failure to meet  
782 requirements imposed as a result of sections 22a-197 and 22a-198 and  
783 this section or those Regulations of Connecticut State Agencies  
784 adopted by the Department of Environmental Protection, as amended  
785 from time to time, in accordance with Executive Order Number 19,  
786 issued on May 17, 2000; and provided further such costs result from  
787 either the execution of agreements reached through collective  
788 bargaining for union employees or from the company's or entity's or  
789 affiliate's programs and policies for nonunion employees. "Displaced  
790 worker protection costs" includes costs incurred or projected for  
791 severance, retraining, early retirement, outplacement, coverage for  
792 surviving spouse insurance benefits and related expenses. "Displaced  
793 worker protection costs" does not include those costs included in  
794 determining a tax credit pursuant to section 12-217bb.

795 Sec. 9. Subsection (d) of section 16-245m of the general statutes is  
796 repealed and the following is substituted in lieu thereof (*Effective July*  
797 *1, 2003*):

798 (d) (1) The Energy Conservation Management Board shall advise  
799 and assist the electric distribution companies in the development and  
800 implementation of a comprehensive plan, which plan shall be  
801 approved by the Department of Public Utility Control, to implement

802 cost-effective energy conservation programs and market  
803 transformation initiatives. Each program contained in the plan shall be  
804 reviewed by the electric distribution company and either accepted or  
805 rejected by the Energy Conservation Management Board prior to  
806 submission to the department for approval.

807 (2) Programs included in the plan shall be screened through cost-  
808 effectiveness testing which compares the value and payback period of  
809 program benefits to program costs to ensure that programs are  
810 designed to obtain energy savings whose value is greater than the  
811 costs of the programs. Cost-effectiveness testing shall utilize available  
812 information obtained from real-time monitoring systems to ensure  
813 accurate validation and verification of energy use. Program cost-  
814 effectiveness shall be reviewed annually, or otherwise as is practicable.  
815 If a program is determined to fail the cost-effectiveness test as part of  
816 the review process, it shall either be modified to meet the test or shall  
817 be terminated. On or before January 31, 2001, and annually thereafter  
818 until January 31, 2006, the board shall provide a report to the joint  
819 standing committees of the General Assembly having cognizance of  
820 matters relating to energy and the environment which documents  
821 expenditures, fund balances and evaluates the cost-effectiveness of  
822 such programs conducted in the preceding year.

823 (3) [Such programs] Programs included in the plan may include, but  
824 not be limited to: [(1)] (A) Conservation and load management  
825 programs; [(2)] (B) research, development and commercialization of  
826 products or processes which are more energy-efficient than those  
827 generally available; [(3)] (C) development of markets for such products  
828 and processes; [(4)] (D) support for energy use assessment, real-time  
829 monitoring systems, engineering studies and services related to new  
830 construction or major building renovation; [(5)] (E) the design,  
831 manufacture, commercialization and purchase of energy-efficient  
832 appliances and heating, air conditioning and lighting devices; [(6)] (F)  
833 program planning and evaluation; and [(7)] (G) public education  
834 regarding conservation. Such support may be by direct funding,

835 manufacturers' rebates, sale price and loan subsidies, leases and  
836 promotional and educational activities. Any other expenditure by the  
837 collaborative shall be limited to retention of expert consultants and  
838 reasonable administrative costs provided such consultants shall not be  
839 employed by, or have any contractual relationship with, an electric  
840 distribution company. Such costs shall not exceed five per cent of the  
841 total revenue collected from the assessment.

842 Sec. 10. Subsection (a) of section 16-245n of the general statutes is  
843 repealed and the following is substituted in lieu thereof (*Effective July*  
844 *1, 2003*):

845 (a) For purposes of this section, "renewable energy" means solar  
846 energy, wind, ocean thermal energy, wave or tidal energy, fuel cells,  
847 landfill gas, hydrogen production and hydrogen conversion  
848 technologies, and low emission advanced biomass conversion  
849 technologies and other energy resources and emerging technologies  
850 which have significant potential for commercialization and which do  
851 not involve the combustion of coal, petroleum or petroleum products,  
852 municipal solid waste or nuclear fission.

853 Sec. 11. Section 16-245n of the general statutes is amended by  
854 adding subsection (e) as follows (*Effective July 1, 2003*):

855 (NEW) (e) Not later than January 1, 2004, and annually thereafter,  
856 Connecticut Innovations, Incorporated shall submit a report to the  
857 Department of Public Utility Control and the Office of Consumer  
858 Counsel that summarizes its expenditures pursuant to this section.

859 Sec. 12. Subsection (a) of section 16-245o of the general statutes is  
860 repealed and the following is substituted in lieu thereof (*Effective July*  
861 *1, 2003*):

862 (a) To protect a customer's right to privacy from unwanted  
863 solicitation, each electric company or electric distribution company [,  
864 as defined in section 16-1,] as the case may be, shall distribute to each

865 customer a form approved by the Department of Public Utility Control  
866 which the customer shall submit to [his] the customer's electric or  
867 electric distribution company in a timely manner if [he] the customer  
868 does not want [his] the customer's name, address, telephone number  
869 and rate class to be released to electric suppliers. [, as defined in said  
870 section 16-1.] On and after July 1, 1999, each electric or electric  
871 distribution company, as the case may be, shall make available to all  
872 electric suppliers customer names, addresses, telephone numbers, if  
873 known, and rate class, unless the electric company or electric  
874 distribution company has received a form from a customer requesting  
875 that such information not be released. Additional information about a  
876 customer for marketing purposes shall not be released to any electric  
877 supplier unless a customer [signs a release which shall be made  
878 available by the department] consents to a release by one of the  
879 following: (1) An independent third-party telephone verification; (2)  
880 receipt of a written confirmation received in the mail from the  
881 customer after the customer has received an information package  
882 confirming any telephone agreement; (3) the customer signs a  
883 document fully explaining the nature and effect of the release; or (4)  
884 the customer's consent is obtained through electronic means,  
885 including, but not limited to, a computer transaction.

886 Sec. 13. Subsection (e) of section 16-245o of the general statutes is  
887 repealed and the following is substituted in lieu thereof (*Effective July*  
888 *1, 2003*):

889 (e) Each electric supplier shall, prior to the initiation of electric  
890 generation services, provide the potential customer with a written  
891 notice describing the rates, information on air emissions and resource  
892 mix of generation facilities operated by and under long-term contract  
893 to the supplier, terms and conditions of the service, and a notice  
894 describing the customer's right to cancel the service, as provided in this  
895 section. No electric supplier shall provide electric generation services  
896 unless the customer has signed a service contract or consents to such  
897 services [pursuant to section 16-245s] by one of the following: (1) An

898 independent third-party telephone verification; (2) receipt of a written  
899 confirmation received in the mail from the customer after the customer  
900 has received an information package confirming any telephone  
901 agreement; (3) the customer signs a document fully explaining the  
902 nature and effect of the initiation of the service; or (4) the customer's  
903 consent is obtained through electronic means, including, but not  
904 limited to, a computer transaction. A customer shall, until midnight of  
905 the third business day after the day on which the customer enters into  
906 a service agreement, have the right to cancel a contract for electric  
907 generation services entered into with an electric supplier.

908 Sec. 14. Section 16-245p of the general statutes is repealed and the  
909 following is substituted in lieu thereof (*Effective July 1, 2003*):

910 (a) [Upon being issued a license pursuant to section 16-245, an] An  
911 electric supplier and an electric distribution company providing,  
912 pursuant to section 16-244c, as amended by this act, standard service  
913 or back-up electric generation service shall submit information to the  
914 Department of Public Utility Control that the department, after  
915 consultation with the Consumer Education Advisory Council,  
916 established under section 16-244d, determines will assist customers in  
917 making informed decisions when choosing an electric supplier,  
918 including, but not limited to, the information provided in subsection  
919 (b) of this section. Each supplier or electric distribution company  
920 providing, pursuant to section 16-244c, as amended by this act,  
921 standard service or back-up electric generation service shall submit, on  
922 a form prescribed by the department, quarterly reports containing  
923 information on rates and any other information the department deems  
924 relevant, including, but not limited to, any change in the information  
925 as required by the department. After the department has received the  
926 information required pursuant to this subsection, the supplier shall be  
927 eligible to receive customer marketing information from electric or  
928 electric distribution companies, as provided in section 16-245o, as  
929 amended by this act.

930 (b) The Department of Public Utility Control shall maintain and  
931 make available to customers upon request, a list of electric aggregators  
932 and the following information about each electric supplier [ , as defined  
933 in section 16-1] and each electric distribution company providing,  
934 pursuant to section 16-244c, as amended by this act, standard service  
935 or back-up electric generation service: (1) Rates and charges; [provided  
936 by an electric supplier;] (2) applicable terms and conditions of a  
937 contract for electric generation services; [provided by an electric  
938 supplier;] (3) the percentage of [each supplier's] the total electric  
939 output derived from each of the categories of energy sources provided  
940 in subsection (e) of section 16-244d, the total emission rates [at which  
941 each facility operated by or under long-term contract to the electric  
942 supplier emits] of nitrogen oxides, sulfur oxides, carbon dioxide,  
943 carbon monoxide, particulates, heavy metals and other wastes the  
944 disposal of which is regulated under state or federal law at the  
945 facilities operated by or under long-term contract to the electric  
946 supplier or providing electric generation services to an electric  
947 distribution company providing, pursuant to section 16-244c, as  
948 amended by this act, standard service or back-up electric generation  
949 service, and the analysis of the environmental characteristics of each  
950 such category of energy source prepared pursuant to subsection (e) of  
951 said section 16-244d and to the extent such information is unknown,  
952 the estimated percentage of the [electric supplier's] total electric output  
953 for which such information is unknown, along with the word  
954 "unknown" for that percentage; (4) a record of customer complaints  
955 and the disposition of each complaint; and (5) any other information  
956 the department determines will assist customers in making informed  
957 decisions when choosing an electric supplier. The department shall  
958 update the information at least quarterly. The department shall put  
959 such information in a standard format so that a customer can readily  
960 understand and compare the services provided by each electric  
961 supplier.

962 Sec. 15. Section 16-245s of the general statutes is amended by adding  
963 subsection (d) as follows (*Effective July 1, 2003*):

964 (NEW) (d) The Department of Public Utility Control shall adopt  
 965 regulations, in accordance with chapter 54, to address abusive  
 966 switching practices by suppliers.

967 Sec. 16. (*Effective from passage*) Not later than July 1, 2003, the  
 968 Department of Public Utility Control shall open a docket to review and  
 969 adopt generation interconnection protocols. Provided the Institute of  
 970 Electrical and Electronics Engineers, or its successor, has adopted such  
 971 protocols, there shall be a rebuttable presumption that the department  
 972 shall adopt such protocols.

973 Sec. 17. (*Effective July 1, 2003*) Section 16-6c of the general statutes is  
 974 repealed.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003</i>
Sec. 2	<i>July 1, 2003</i>
Sec. 3	<i>July 1, 2003</i>
Sec. 4	<i>July 1, 2003</i>
Sec. 5	<i>July 1, 2003</i>
Sec. 6	<i>July 1, 2003</i>
Sec. 7	<i>July 1, 2003</i>
Sec. 8	<i>January 1, 2004</i>
Sec. 9	<i>July 1, 2003</i>
Sec. 10	<i>July 1, 2003</i>
Sec. 11	<i>July 1, 2003</i>
Sec. 12	<i>July 1, 2003</i>
Sec. 13	<i>July 1, 2003</i>
Sec. 14	<i>July 1, 2003</i>
Sec. 15	<i>July 1, 2003</i>
Sec. 16	<i>from passage</i>
Sec. 17	<i>July 1, 2003</i>

**Statement of Purpose:**

To revise the provisions of the electric restructuring legislation.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. PETERS, 20th Dist.