



General Assembly

January Session, 2007

Bill No. 7081

LCO No. 4121

04121_____

Referred to Committee on Energy and Technology

Introduced by:

REP. CAFERO, 142nd Dist.

SEN. DELUCA, 32nd Dist.

AN ACT CONCERNING CONNECTICUT'S ENERGY VISION.

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

1 Section 1. (NEW) (*Effective July 1, 2007*) (a) There is established a
2 biofuel crops grant program, which shall be administered by the
3 Department of Agriculture. Matching grants shall be made to farmers,
4 agricultural not-for-profit organizations and agricultural cooperatives
5 for the cultivation and production of crops used to generate biofuels.

6 (b) The Commissioner of Agriculture shall adopt regulations, in
7 accordance with the provisions of chapter 54 of the general statutes, for
8 the administration of the program established by this section.

9 Sec. 2. (NEW) (*Effective July 1, 2007*) (a) There is established a biofuel
10 production incentive program, which shall be administered by the
11 Department of Economic and Community Development to provide
12 low interest loans for the construction of processing facilities for local
13 biofuel feedstock crops and production plants.

14 (b) The Commissioner of Economic and Community Development

15 shall adopt regulations, in accordance with the provisions of chapter
16 54 of the general statutes, for the administration of the program
17 established by this section.

18 Sec. 3. (NEW) (*Effective July 1, 2007*) (a) There is established a low
19 interest forgivable loan program for service stations, which shall be
20 administered by the Department of Economic and Community
21 Development to reduce or eliminate the upfront costs of installing new
22 alternative fuel pumps or converting gas or diesel pumps to dispense
23 alternative fuels.

24 (b) The Commissioner of Economic and Community Development
25 shall adopt regulations, in accordance with the provisions of chapter
26 54 of the general statutes, for the administration of the program
27 established by this section.

28 Sec. 4. (NEW) (*Effective July 1, 2007*) (a) For the purposes of this
29 section:

30 (1) "Office" means the "Office of Small Business Affairs", as defined
31 in section 32-9n of the general statutes, as amended by this act;

32 (2) "Small business" means a business that (A) is independently
33 owned and operated, (B) is headquartered in Connecticut, and (C)
34 employs no more than one hundred twenty full-time employees;

35 (3) "Loan fund" means the "Small Business Energy Loan Program"
36 established pursuant to this section; and

37 (4) "Energy efficient products" means any products or alternative
38 energy devices, energy conservation materials and replacement
39 furnaces and boilers that meet federal Energy Star standards and are
40 approved in accordance with regulations adopted by the Secretary of
41 the Office of Policy and Management.

42 (b) The Commissioner of Economic and Community Development,
43 in consultation with the Commissioner of Energy, shall establish a

44 small business energy loan program to provide zero or low interest
45 loans and loan interest rate reductions to small businesses for energy
46 efficiency projects and advanced energy technologies.

47 (c) To be eligible to participate in the loan program established in
48 subsection (b) of this section, small businesses shall have an energy
49 audit provided through an authorized energy audit program.
50 Technologies identified in such audit shall become eligible
51 technologies for the loan program.

52 (d) The commissioner may provide zero or low interest loans from
53 the loan fund for eligible improvements. To be eligible for such loans,
54 a small business shall identify an eligible improvement project and
55 provide necessary documentation.

56 (e) The commissioner may provide loan interest rate reductions
57 from the loan fund for eligible improvements. To be eligible for an
58 interest rate reduction, a small business shall: (1) Identify an eligible
59 improvement project and provide documentation deemed sufficient by
60 the commissioner, and (2) receive a loan commitment from a
61 participating lender, including a bank, credit union, community
62 development financial institution or farm credit association.

63 (f) The commissioner may buy down the participating lender's
64 interest rate by up to four hundred basis points or four per cent
65 through the loan fund. Such interest rate reductions shall be available
66 for ten years or the life of the loan, whichever period is shorter.

67 (g) Any loans provided by the commissioner or issued by a
68 participating lender shall not exceed one hundred thousand dollars.

69 (h) Energy efficiency improvements eligible for zero or low interest
70 loans or loan interest rate reductions through the loan fund shall
71 include, but not be limited to: (1) Prequalified measures that are
72 proven cost effective investments which reduce energy use, as
73 determined by the Commissioner of Energy; (2) custom measures that

74 pay for themselves in ten years through reduced energy use, as
75 determined by the commissioner; (3) process improvement measures
76 that reduce manufacturing energy use on a cost-per-unit basis, as
77 determined by the commissioner; and (4) renewable technologies that
78 use the sun, wind, water or ground to generate heat or power.

79 (i) The commissioner shall review and evaluate applications for
80 assistance pursuant to this section using eligibility requirements and
81 criteria set forth in regulations adopted by the Commissioner of
82 Energy.

83 (j) The commissioner shall submit an annual report on the loan fund
84 as part of the annual report prepared pursuant to section 32-1m of the
85 general statutes. Said report shall identify the number of businesses
86 serviced by the loan fund program, the types of improvements
87 implemented and energy cost savings realized by such small
88 businesses.

89 Sec. 5. (NEW) (*Effective from passage*) On or before January 1, 2008,
90 the Conservation Advisory Board, in consultation with the electric
91 distribution companies, shall develop and establish a program to
92 provide grants of no more than one hundred fifty dollars to residential
93 customers of electric distribution companies who replace an existing
94 central or window air conditioning unit that does not meet the federal
95 Energy Star standard with a unit that does meet said standard. The
96 grant program shall be funded by the Energy Conservation and Load
97 Management Funds established by the electric distribution companies
98 pursuant to section 16-245m of the general statutes.

99 Sec. 6. (NEW) (*Effective July 1, 2007, and applicable to assessment years*
100 *commencing on and after October 1, 2006*) There shall be a state grant to
101 each municipality, as defined in this section, for the revenue loss the
102 municipality sustains as a result of exemptions approved under the
103 provisions of section 12-81 of the general statutes, as amended by this
104 act. On or before September 1, 2007, the tax collector of each
105 municipality shall certify to the secretary of the Office of Policy and

106 Management, on a form furnished by said secretary, the amount of
107 such revenue loss for the assessment list of October 1, 2006. On or
108 before July first, annually, commencing July 1, 2008, the tax collector
109 shall certify to said secretary, the amount of such revenue loss for the
110 assessment list of the preceding October first, and the amount of such
111 revenue loss for the supplemental assessment list for which taxes were
112 due on the preceding January first. The secretary shall prescribe the
113 form of such certification and shall require the tax collector to provide,
114 with such certification, the number of taxpayers with approved claims
115 under said section 12-81 and a copy of the applications such taxpayers
116 filed. The secretary shall review such claims and shall notify each
117 claimant of the modification or denial of the claimant's exemption, in
118 accordance with section 12-120b of the general statutes. The secretary
119 shall complete such review on or before the following July first, unless
120 the secretary receives any such application after July first, in which
121 case, the secretary shall have no more than twelve months to review
122 such application. Any claimant aggrieved by the results of the
123 secretary's review shall have the rights of appeal as set forth in section
124 12-120b of the general statutes. The secretary shall, on or before
125 December fifteenth, annually, certify to the Comptroller the amount
126 due each municipality as a grant under this section, reflecting any
127 modification to a claimant's exemption made before December
128 fifteenth, and the Comptroller shall draw an order on the Treasurer on
129 or before the following December twenty-fourth and the Treasurer
130 shall pay the amount thereof to such municipality on or before the
131 following December thirty-first. If the secretary modifies a claimant's
132 exemption on or after the December fifteenth following the date on
133 which the tax collector certifies the revenue loss for said exemption,
134 the secretary shall reflect such modification in the next payment the
135 Treasurer shall make to such municipality pursuant to this section. The
136 amount of the grant payable to each municipality in any year in
137 accordance with this section shall be reduced proportionately in the
138 event that the total of such grants in such year exceeds the amount
139 appropriated for the purposes of this section with respect to such year.

140 Any tax collector who fails to comply with the requirements of this
141 section shall forfeit one hundred dollars to the state, provided the
142 secretary may waive such forfeiture, upon receiving a written request
143 from the tax collector not later than thirty days after the date any such
144 certification to the secretary is required, if in the secretary's opinion
145 there appears to be reasonable cause for the tax collector's failure to
146 comply with the requirements of this section. As used in this section,
147 "municipality" means each town, city, borough, consolidated town and
148 city and consolidated town and borough, each district, as defined in
149 section 7-324 of the general statutes, and each special services district
150 created concurrent with, or as a result of, the dissolution of a city or
151 borough.

152 Sec. 7. (NEW) (*Effective from passage*) The provisions of this section
153 shall apply to each person, firm or corporation licensed, pursuant to
154 section 14-15 of the general statutes, that executes a written agreement
155 to lease a motor vehicle to a person, if such agreement assigns property
156 tax payment responsibility for such leased motor vehicle to the lessee
157 of such vehicle and the periodic fee the licensee collects from such
158 lessee includes an amount for such property tax payment. No more
159 than thirty days after receiving notice from the lessee of the approval
160 of such lessee's application for the exemption pursuant to section 12-81
161 of the general statutes, as amended by this act, the licensee shall
162 return, or cause to be credited to any periodic fee remaining under
163 such agreement, any amount collected for the payment of the property
164 tax that such exemption eliminates.

165 Sec. 8. (NEW) (*Effective July 1, 2007, and applicable to income years*
166 *commencing on or after January 1, 2007*) (a) Each company, as defined in
167 subdivision (1) of subsection (a) of section 12-213 of the general
168 statutes, producing one hundred per cent pure biodiesel fuel,
169 commonly known as "B100" that is a distributor, as defined in
170 subsection (a) of section 12-455a of the general statutes, shall be
171 entitled to a credit against the tax imposed by chapter 208 of the
172 general statutes in an amount equal to fifty cents per gallon of such

173 biodiesel produced in this state by such company, provided such
174 biodiesel meets American Society for Testing and Materials
175 specifications of ASTM D 6751, "Standard Specification for Biodiesel
176 Fuel Blend Stock (B100) for Middle Distillate Fuels", and the
177 registration requirements for fuels and fuel additives established by
178 the United States Environmental Protection Agency under Section 211
179 of the Clean Air Act, 42 USC 7545.

180 (b) If, after taking into account the provisions of section 12-217zz of
181 the general statutes, the amount of the credit to which a company is
182 entitled under this section for the income year exceeds the allowable
183 credit to the company for that income year, then such excess may be
184 carried forward for the five succeeding income years.

185 (c) A credit under this section may be granted to a taxpayer for not
186 more than four successive income years.

187 (d) A company shall not be entitled to a credit under this section
188 with respect to its production of biodiesel as described in subsection
189 (a) of this section during any income year commencing on or after
190 January 1, 2020.

191 Sec. 9. (NEW) (*Effective October 1, 2007*) An electric supplier or an
192 electric distribution company shall waive a demand charge for an
193 operator of a fuel cell during a loss of power due to problems at an
194 electric generation facility or with the electric transmission or
195 distribution infrastructure or a scheduled or unscheduled shutdown of
196 the fuel cell if said shutdown occurs during off-peak hours.

197 Sec. 10. (NEW) (*Effective October 1, 2007*) On or after October 1, 2008,
198 any electric generating unit in the state that is fueled by either oil or
199 natural gas and has a rating of not less than sixty-five megawatts shall
200 have dual fuel capacity.

201 Sec. 11. (NEW) (*Effective from passage*) On or before September 1,
202 2007, the Department of Energy shall conduct a contested case

203 proceeding, in accordance with the provisions of chapter 54 of the
204 general statutes, to analyze the current compliance status of electric
205 generation facilities with on-site fuel storage requirements, to
206 determine how much fuel storage is necessary to operate an electric
207 generation facility at peak load for a forty-eight-hour period and to
208 analyze what on-site fuel storage resources are currently available in
209 the state. Not later than January 1, 2008, the department shall submit a
210 report with the results of such proceeding to the joint standing
211 committee of the General Assembly having cognizance of matters
212 relating to energy in accordance with the provisions of section 11-4a of
213 the general statutes.

214 Sec. 12. (NEW) (*Effective from passage*) On or before September 1,
215 2007, the Department of Energy shall conduct a contested case
216 proceeding, in accordance with the provisions of chapter 54 of the
217 general statutes, to analyze (1) the appropriate number of linemen
218 necessary for an electric distribution company to maintain, repair and
219 extend its electric distribution lines by region under normal
220 circumstances and under extraordinary circumstances, including, but
221 not limited to, storm conditions, (2) whether the consolidation or
222 centralization of line repair facilities and personnel results in longer
223 response times to affected areas, (3) whether greater use of shield wire
224 or other technologies may reduce power outages, and (4) the most
225 efficacious way to notify the public regarding an electric power outage
226 and the status of an electric distribution company's efforts to restore
227 electricity to a particular area of the state. On or before January 1, 2008,
228 the department shall submit a report with the results of such analysis
229 to the joint standing committee of the General Assembly having
230 cognizance of matters relating to energy in accordance with the
231 provisions of section 11-4a of the general statutes.

232 Sec. 13. (NEW) (*Effective from passage*) On or before July 1, 2007, the
233 Department of Energy shall initiate a contested case proceeding, in
234 accordance with the provisions of chapter 54 of the general statutes, to
235 assess how the state can ensure and enhance the reliability of electric

236 generating facilities in the state during periods of peak electric
237 demand. Said proceeding shall include, but not be limited to, an
238 examination of (1) the current compliance status of electric generation
239 facilities with existing on-site dual fuel storage and operational
240 requirements, (2) the existing inventory of fuel storage and fuel
241 delivery resources available to supply electric generating facilities in
242 the state, (3) the amount of fuel delivery and storage infrastructure that
243 would be necessary to ensure the reliable operation of in-state
244 generating facilities during periods of peak electric demand, and (4)
245 the types of incentives that can be offered to electric and gas market
246 participants to enhance the reliability of electric service during periods
247 of peak electric demand. In conducting the proceeding, the department
248 shall seek the input of interested persons and entities, including, but
249 not limited to, the Office of Consumer Counsel, the Secretary of the
250 Office of Policy and Management, the state's electric and gas
251 distribution companies, the state's electric generators, owners of
252 natural gas pipeline facilities in the state, and the regional independent
253 system operator. On or before January 1, 2008, the department shall
254 submit a report containing its findings and recommendations to the
255 joint standing committee of the General Assembly having cognizance
256 of matters relating to energy in accordance with the provisions of
257 section 11-4a of the general statutes.

258 Sec. 14. (NEW) (*Effective July 1, 2007*) (a) A municipal electric energy
259 cooperative, created pursuant to chapter 101a of the general statutes,
260 shall submit a comprehensive report on the activities of the municipal
261 electric utilities with regard to promotion of renewable energy
262 resources. Such report shall identify the standards and activities of
263 municipal electric utilities to promote, encourage and expand the
264 deployment and use of renewable energy sources within the service
265 areas of the municipal electric utilities for all electric customer classes
266 for the previous calendar year. The cooperative shall submit the report
267 to the Secretary of the Office of Policy and Management and the
268 Commissioner of Energy on or before April first of each calendar year.

269 (b) Such cooperative shall develop standards for the promotion of
270 renewable resources that apply to each municipal electric utility. On or
271 before January 1, 2007, and annually thereafter, such cooperative shall
272 submit such standards to the Secretary of the Office of Policy and
273 Management and the Commissioner of Energy.

274 Sec. 15. (NEW) (*Effective from passage*) (a) On or before January 1,
275 2009, the Commissioner of Consumer Protection shall determine
276 whether the state's diesel fuel supply is comprised of at least ten per
277 cent biodiesel made predominantly from materials grown in
278 Connecticut.

279 (b) On or before January 1, 2009, the Commissioner of
280 Environmental Protection shall determine whether the state's gasoline
281 fuel supply is comprised of at least five per cent ethanol made
282 predominantly from materials grown in Connecticut and whether
283 such percentage jeopardizes continued attainment of the federal Clean
284 Air Act's national ambient air quality standard for ozone pollution.

285 (c) On or before January 1, 2009, the Commissioners of Consumer
286 Protection and Environmental Protection shall report to the joint
287 standing committees of the General Assembly having cognizance of
288 matters relating to energy, consumer protection and the environment
289 with regard to subsections (a) and (b) of this section in accordance with
290 the provisions of section 11-4a of the general statutes.

291 Sec. 16. (NEW) (*Effective July 1, 2007*) (a) On or before August 1,
292 2007, the Department of Energy shall conduct a study on the efficacy,
293 innovativeness and customer focus of electric conservation programs.
294 The department shall hold a public hearing on such matters. In the
295 study, the department shall investigate the options of (1) selecting a
296 state-wide provider of conservation programs through a competitive
297 process open to electric distribution companies, the Connecticut
298 Municipal Electrical Energy Cooperative and other entities; (2)
299 retaining the current delivery system for conservation programs; or (3)
300 having a nonprofit organization provide the conservation programs.

301 (b) On or before August 1, 2007, the Department of Energy shall
302 conduct a study of, and hold a public hearing on, the effectiveness of
303 the Renewable Energy Investment Fund, established pursuant to
304 section 16-245n of the general statutes. Such study shall include, but
305 not be limited to, (1) the selection of clean energy production projects
306 and rates of success, (2) the actual megawatts of renewable power in
307 operation in this state funded by Renewable Energy Investment Fund
308 programs, (3) the efficacy of Renewable Energy Investment Fund
309 technology commercialization plans and strategies, (4) the cost and
310 cost trends of procuring clean energy options, and (5) the program's
311 overall cost-effectiveness.

312 (c) The department shall submit a report containing its findings
313 with regard to subsections (a) and (b) of this section to the joint
314 standing committee of the General Assembly having cognizance of
315 matters relating to energy and technology on or before January 1, 2008.

316 Sec. 17. (NEW) (*Effective October 1, 2007*) On or before January 1,
317 2008, the Department of Public Utility Control shall conduct a
318 contested case proceeding to review the performance of last resort
319 service provided pursuant to subsection (e) of section 16-244c of the
320 general statutes, as amended by this act, including, but not limited to,
321 the service's effect on commercial and industrial customers and the
322 development of a competitive electric supply marketplace with
323 competitive suppliers and products, and the performance of standard
324 service pursuant to subsection (c) of section 16-224c of the general
325 statutes, as amended by this act, including, but not limited to, the
326 service's performance with respect to the standards set forth in section
327 56 of this act.

328 Sec. 18. (*Effective from passage*) On or before September 1, 2007, the
329 Department of Energy shall conduct a contested case proceeding to
330 determine how and whether to bid competitively for the aggregation
331 and procurement of contracts for the customers receiving standard
332 service pursuant to section 16-244c of the general statutes, as amended

333 by this act. The department's decision shall be based on the standards
334 set forth in section 56 of this act.

335 Sec. 19. Section 4a-67c of the general statutes is repealed and the
336 following is substituted in lieu thereof (*Effective October 1, 2007*):

337 The Department of Administrative Services and each other
338 budgeted agency, as defined in section 4-69, exercising procurement
339 authority shall procure equipment and appliances for state use [which]
340 that meet or exceed the federal energy conservation standards set forth
341 in the Energy Policy and Conservation Act, 42 USC 6295, any federal
342 regulations adopted thereunder, [and] any applicable energy
343 performance standards established in accordance with subsection (j) of
344 section 16a-38 and the federal Energy Star standards. Purchases of
345 equipment and appliances for which energy performance standards
346 have been established pursuant to subsection (j) of section 16a-38 shall
347 be (1) made from among those specific models of equipment and
348 appliances which meet such standards, and (2) based, when possible,
349 on competitive bids. Such bids shall be evaluated on the basis of the
350 life-cycle cost standards, if any, established pursuant to subsection (b)
351 of section 16a-38.

352 Sec. 20. Subsection (a) of section 4a-67d of the general statutes is
353 repealed and the following is substituted in lieu thereof (*Effective*
354 *January 1, 2008*):

355 (a) The fleet average for cars or light duty trucks purchased by the
356 state shall: (1) On and after October 1, 2001, have a United States
357 Environmental Protection Agency estimated highway gasoline mileage
358 rating of at least thirty-five miles per gallon and on and after January 1,
359 2003, have a United States Environmental Protection Agency estimated
360 highway gasoline mileage rating of at least forty miles per gallon, (2)
361 comply with the requirements set forth in 10 CFR 490 concerning the
362 percentage of alternative-fueled vehicles required in the state motor
363 vehicle fleet, and (3) obtain the best achievable mileage per pound of
364 carbon dioxide emitted in its class. The alternative-fueled vehicles

365 purchased or leased by the state to comply with said requirements
366 shall be capable of operating on natural gas or electricity or any other
367 system acceptable to the United States Department of Energy that
368 operates on fuel that is available in the state, including, but not limited
369 to, ethanol and biodiesel fuels.

370 Sec. 21. Section 5 of public act 05-2 of the October 25 special session
371 is repealed and the following is substituted in lieu thereof (*Effective*
372 *from passage*):

373 Notwithstanding the provisions of section 16a-40b of the general
374 statutes, as amended by section 5 of public act 05-191, for the fiscal
375 year ending June 30, [2006] 2008, the range of rates of interest payable
376 on all loans pursuant to subsection (b) of said section 16a-40b for
377 purchases set forth in subsection (a) of said section 16a-40b, except for
378 goods or services relating to aluminum or vinyl siding, replacement
379 central air conditioning, replacement roofs, heat pumps or solar
380 systems and passive solar additions, shall be not less than zero per cent
381 for any applicant in the lowest income class and not more than three
382 per cent for any applicant for whom the adjusted gross income of the
383 household member or members who contribute to the support of the
384 household was at least one hundred fifteen per cent of the median area
385 income by household size.

386 Sec. 22. Subsection (b) of section 2 of public act 05-4 of the October
387 25 special session, as amended by section 18 of public act 06-187, is
388 repealed and the following is substituted in lieu thereof (*Effective July*
389 *1, 2007, and applicable to sales made on or after July 1, 2007, and prior to*
390 *July 1, 2010*):

391 (b) Notwithstanding the provisions of the general statutes, from
392 November 25, 2005, to April 1, 2006, and from June 1, 2006, to June 30,
393 [2007] 2010, the provisions of chapter 219 of the general statutes shall
394 not apply to sales of any residential weatherization products.

395 Sec. 23. Section 70 of public act 06-187 is repealed and the following

396 is substituted in lieu thereof (*Effective July 1, 2007*):

397 (a) Notwithstanding any provision of the general statutes, any new
398 construction of a state facility, except salt sheds, parking garages [,] or
399 maintenance facilities, [or school construction,] that is projected to cost
400 five million dollars or more, and is approved and funded on or after
401 [January] July 1, 2007, shall comply with the regulations adopted
402 pursuant to subsection (b) of this section. The Secretary of the Office of
403 Policy and Management, in consultation with the Commissioner of
404 Energy and the Commissioner of Public Works, [and the Institute for
405 Sustainable Energy,] shall exempt any facility from complying with
406 said regulations if said secretary finds, in a written analysis, that the
407 cost of such compliance significantly outweighs the benefits.

408 (b) Not later than January 1, 2007, the Commissioner of Energy, in
409 consultation with the Secretary of the Office of Policy and
410 Management, [in consultation with the Commissioner of Public Works,
411 the Commissioner of Environmental Protection and the Commissioner
412 of Public Safety,] shall adopt regulations, in accordance with the
413 provisions of chapter 54 of the general statutes, to adopt building
414 construction standards that are consistent with or exceed the silver
415 building rating of the Leadership in Energy and Environmental
416 Design's rating system for new commercial construction and major
417 renovation projects, as established by the United States Green Building
418 Council, or an equivalent standard, including, but not limited to, a
419 two-globe rating in the Green Globes USA design program, and
420 thereafter update such regulations as the [secretary] commissioner
421 deems necessary.

422 Sec. 24. Section 10a-180 of the general statutes is amended by adding
423 subsections (w) and (x) as follows (*Effective from passage*):

424 (NEW) (w) To act on behalf of two or more institutions for higher
425 education, health care institutions, nursing homes, child care or child
426 development facilities, or qualified nonprofit organizations as an
427 electric aggregator, within the meaning of subdivision (31) of

428 subsection (a) of section 16-1, as amended by this act, in connection
429 with the negotiation and purchase of electric generation services from
430 an electric supplier, and as an aggregator in connection with the
431 negotiation and purchase of natural gas for heat or power from a
432 person authorized to sell natural gas to end users in the state, provided
433 the authority is not engaged in the purchase or resale of electric
434 generation services or natural gas and provided such customers
435 contract for the purchase of electric generation services or natural gas
436 directly with such authorized seller.

437 (NEW) (x) To make grants or provide other forms of financial
438 assistance to any institution for higher education, to any health care
439 institution, to any nursing home, to any child care or child
440 development facility and to any qualified nonprofit organization, for
441 energy efficient construction or renovation projects in such amounts
442 and subject to such eligibility and other requirements the authority
443 establishes pursuant to written procedures adopted by the board of
444 directors pursuant to subsection (h) of section 10a-179.

445 Sec. 25. Section 12-412 of the general statutes is amended by adding
446 subdivisions (117) to (119), inclusive, as follows (*Effective July 1, 2007,*
447 *and applicable to sales occurring on or after July 1, 2007, and prior to July 1,*
448 *2010*):

449 (NEW) (117) Sales of and the storage, use or other consumption of
450 machinery and equipment used for blending renewable fuels. For
451 purposes of this subdivision, "renewable fuels" means a blended
452 product the components of which individually meet the specifications
453 of the American Society of Testing and Materials (ASTM) designation
454 D 396, D 975 or D 6751 and at least five per cent by volume of such
455 blended product is fuel meeting the ASTM designation D 6751.

456 (NEW) (118) Sales of and the storage, use or other consumption of
457 room air conditioners that meet the federal Energy Star standard.

458 (NEW) (119) Sales or installation, storage, use or other consumption

459 of renewable energy systems, including their parts and components,
460 for residential use, the primary purpose of which is reducing the use of
461 conventional energy sources. The Commissioner of Revenue Services
462 shall, in consultation with the Secretary of the Office of Policy and
463 Management, adopt regulations in accordance with the provisions of
464 chapter 54, prescribing the procedure for qualifying for this exemption
465 and establishing standards and specifications for qualifying systems.
466 For purposes of this subsection, "renewable energy" means energy
467 derived from solar power, water power, wind power, fuel cells, or
468 geothermal systems and "renewable energy system" means a system of
469 related equipment, including structural components of a building
470 specifically designed to retain heat derived from solar energy, which
471 system is designed for the collection, transfer, storage, conversion and
472 use of renewable energy, for the purpose of space heating or cooling,
473 water heating, or generation of electricity, or any other application
474 that, in the absence of such system, would require the use of a
475 conventional energy source. Renewable energy system shall not
476 include wood-burning or wood pellet-burning stoves.

477 Sec. 26. Subdivision (3) of section 12-412 of the general statutes is
478 repealed and the following is substituted in lieu thereof (*Effective from*
479 *passage and applicable to sales occurring on or after July 1, 2007*):

480 (3) (A) The sale, furnishing or service of gas, including bottled gas,
481 and electricity when delivered to consumers through mains, lines,
482 pipes or bottles for use (i) in any residential dwelling, or (ii) directly in
483 agricultural production, fabrication of a finished product to be sold or
484 an industrial manufacturing plant, provided the exemption under this
485 subdivision (ii) shall only be allowed with respect to a metered
486 building, location or premise at which not less than seventy-five per
487 cent of the gas, including bottled gas, or electricity consumed at such
488 metered building, location or premise is used for the purpose of such
489 production, fabrication or manufacturing. Bottled gas as used in this
490 subsection means L.P. (propane) gas.

491 (B) The sale or furnishing of telephone service and community
492 antenna television and cable service, provided the exemption for
493 services described in this subparagraph shall not be applicable to any
494 such service rendered on or after January 1, 1990.

495 (C) The sale, furnishing or service of water, steam and telegraph
496 when delivered to consumers through mains, lines, pipes or bottles.

497 (D) The sale or furnishing of electricity, not subject to the exemption
498 under subparagraph (A) of this subsection, [with respect to that
499 portion of the charges applicable to such electricity for any month of
500 service which is not in excess of one hundred fifty dollars.]

501 (E) The sale, furnishing or service of gas, water, steam or electricity
502 for use directly in the furnishing of gas, water, steam or electricity
503 delivered to consumers through mains, lines or pipes.

504 Sec. 27. Section 12-587 of the general statutes is repealed and the
505 following is substituted in lieu thereof (*Effective July 1, 2007*):

506 (a) As used in this chapter: (1) "Company" includes a corporation,
507 partnership, limited partnership, limited liability company, limited
508 liability partnership, association, individual or any fiduciary thereof;
509 (2) "quarterly period" means a period of three calendar months
510 commencing on the first day of January, April, July or October and
511 ending on the last day of March, June, September or December,
512 respectively; (3) "gross earnings" means all consideration received
513 from the first sale within this state of a petroleum product; (4)
514 "petroleum products" means those products which contain or are
515 made from petroleum or a petroleum derivative; (5) "first sale of
516 petroleum products within this state" means the initial sale of a
517 petroleum product delivered to a location in this state; (6) "export" or
518 "exportation" means the conveyance of petroleum products from
519 within this state to a location outside this state for the purpose of sale
520 or use outside this state; and (7) "sale for exportation" means a sale of
521 petroleum products to a purchaser which itself exports such products.

522 (b) (1) Except as otherwise provided in subdivision (2) of this
523 subsection, any company which is engaged in the refining or
524 distribution, or both, of petroleum products and which distributes
525 such products in this state shall pay a quarterly tax on its gross
526 earnings derived from the first sale of petroleum products within this
527 state. Each company shall on or before the last day of the month next
528 succeeding each quarterly period render to the commissioner a return
529 on forms prescribed or furnished by the commissioner and signed by
530 the person performing the duties of treasurer or an authorized agent or
531 officer, including the amount of gross earnings derived from the first
532 sale of petroleum products within this state for the quarterly period
533 and such other facts as the commissioner may require for the purpose
534 of making any computation required by this chapter. Except as
535 otherwise provided in subdivision (3) of this subsection, the rate of tax
536 shall be (A) five per cent with respect to calendar quarters prior to July
537 1, 2005; (B) five and eight-tenths per cent with respect to calendar
538 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
539 (C) six and three-tenths per cent with respect to calendar quarters
540 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
541 seven per cent with respect to calendar quarters commencing on or
542 after July 1, 2007, and prior to July 1, 2008; (E) seven and one-half per
543 cent with respect to calendar quarters commencing on or after July 1,
544 2008, and prior to July 1, 2013; and (F) eight and one-tenth per cent
545 with respect to calendar quarters commencing on or after July 1, 2013.

546 (2) Gross earnings derived from the first sale of the following
547 petroleum products within this state shall be exempt from tax: (A) Any
548 petroleum products sold for exportation from this state for sale or use
549 outside this state; (B) the product designated by the American Society
550 for Testing and Materials as "Specification for Heating Oil D396-69",
551 commonly known as number 2 heating oil, to be used exclusively for
552 heating purposes or to be used in a commercial fishing vessel, which
553 vessel qualifies for an exemption pursuant to section 12-412; (C)
554 kerosene, commonly known as number 1 oil, to be used exclusively for
555 heating purposes, provided delivery is of both number 1 and number 2

556 oil, and via a truck with a metered delivery ticket to a residential
557 dwelling or to a centrally metered system serving a group of
558 residential dwellings; (D) the product identified as propane gas, to be
559 used exclusively for heating purposes; (E) bunker fuel oil, intermediate
560 fuel, marine diesel oil and marine gas oil to be used in any vessel
561 having a displacement exceeding four thousand dead weight tons; (F)
562 for any first sale occurring prior to July 1, 2008, propane gas to be used
563 as a fuel for a motor vehicle; (G) for any first sale occurring on or after
564 July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted
565 pursuant to section 16a-22c, to be used exclusively by a company
566 which, in accordance with census data contained in the Standard
567 Industrial Classification Manual, United States Office of Management
568 and Budget, 1987 edition, is included in code classifications 2000 to
569 3999, inclusive, or in Sector 31, 32 or 33 in the North American
570 Industrial Classification System United States Manual, United States
571 Office of Management and Budget, 1997 edition; (H) for any first sale
572 occurring on or after July 1, 2002, number 2 heating oil to be used
573 exclusively in a vessel primarily engaged in interstate commerce,
574 which vessel qualifies for an exemption under section 12-412; (I) for
575 any first sale occurring on or after July 1, 2000, paraffin or
576 microcrystalline waxes; (J) for any first sale occurring prior to July 1,
577 2008, petroleum products to be used as a fuel for a fuel cell, as defined
578 in subdivision (113) of section 12-412; or (K) a commercial heating oil
579 blend containing not less than ten per cent of alternative fuels derived
580 from agricultural produce, food waste, waste vegetable oil or
581 municipal solid waste, including, but not limited to, biodiesel or low
582 sulfur dyed diesel fuel.

583 (3) The rate of tax on gross earnings derived from the first sale of
584 grade number 6 fuel oil, as defined in regulations adopted pursuant to
585 section 16a-22c, to be used exclusively by a company which, in
586 accordance with census data contained in the Standard Industrial
587 Classification Manual, United States Office of Management and
588 Budget, 1987 edition, is included in code classifications 2000 to 3999,
589 inclusive, or in Sector 31, 32 or 33 in the North American Industrial

590 Classification System United States Manual, United States Office of
591 Management and Budget, 1997 edition, or number 2 heating oil used
592 exclusively in a vessel primarily engaged in interstate commerce,
593 which vessel qualifies for an exemption under section 12-412 shall be:
594 (A) Four per cent with respect to calendar quarters commencing on or
595 after July 1, 1998, and prior to July 1, 1999; (B) three per cent with
596 respect to calendar quarters commencing on or after July 1, 1999, and
597 prior to July 1, 2000; (C) two per cent with respect to calendar quarters
598 commencing on or after July 1, 2000, and prior to July 1, 2001; and (D)
599 one per cent with respect to calendar quarters commencing on or after
600 July 1, 2001, and prior to July 1, 2002.

601 (4) Any company subject to tax under this subsection that receives
602 in excess of one dollar and seventy-five cents per gallon from the first
603 sale of gasoline, gasohol or diesel fuel within the state shall be deemed
604 to have received one dollar and seventy-five cents per gallon.

605 (c) (1) Any company which imports or causes to be imported into
606 this state petroleum products for sale, use or consumption in this state,
607 other than a company subject to and having paid the tax on such
608 company's gross earnings from first sales of petroleum products
609 within this state, which earnings include gross earnings attributable to
610 such imported or caused to be imported petroleum products, in
611 accordance with subsection (b) of this section, shall pay a quarterly tax
612 on the consideration given or contracted to be given for such
613 petroleum product if the consideration given or contracted to be given
614 for all such deliveries during the quarterly period for which such tax is
615 to be paid exceeds three thousand dollars. Except as otherwise
616 provided in subdivision (3) of this subsection, the rate of tax shall be
617 (A) five per cent with respect to calendar quarters commencing prior to
618 July 1, 2005; (B) five and eight-tenths per cent with respect to calendar
619 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
620 (C) six and three-tenths per cent with respect to calendar quarters
621 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
622 seven per cent with respect to calendar quarters commencing on or

623 after July 1, 2007, and prior to July 1, 2008; (E) seven and one-half per
624 cent with respect to calendar quarters commencing on or after July 1,
625 2008, and prior to July 1, 2013; and (F) eight and one-tenth per cent
626 with respect to calendar quarters commencing on or after July 1, 2013.
627 Fuel in the fuel supply tanks of a motor vehicle, which fuel tanks are
628 directly connected to the engine, shall not be considered a delivery for
629 the purposes of this subsection.

630 (2) Consideration given or contracted to be given for petroleum
631 products, gross earnings from the first sale of which are exempt from
632 tax under subdivision (2) of subsection (b) of this section, shall be
633 exempt from tax.

634 (3) The rate of tax on consideration given or contracted to be given
635 for grade number 6 fuel oil, as defined in regulations adopted
636 pursuant to section 16a-22c, to be used exclusively by a company
637 which, in accordance with census data contained in the Standard
638 Industrial Classification Manual, United States Office of Management
639 and Budget, 1987 edition, is included in code classifications 2000 to
640 3999, inclusive, or in Sector 31, 32 or 33 in the North American
641 Industrial Classification System United States Manual, United States
642 Office of Management and Budget, 1997 edition, or number 2 heating
643 oil used exclusively in a vessel primarily engaged in interstate
644 commerce, which vessel qualifies for an exemption under section 12-
645 412 shall be: (A) Four per cent with respect to calendar quarters
646 commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three
647 per cent with respect to calendar quarters commencing on or after July
648 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to
649 calendar quarters commencing on or after July 1, 2000, and prior to
650 July 1, 2001; and (D) one per cent with respect to calendar quarters
651 commencing on or after July 1, 2001, and prior to July 1, 2002.

652 (4) Any person subject to tax under this subsection who gives
653 consideration or contracts to give consideration in excess of one dollar
654 and seventy-five cents per gallon for such gasoline, gasohol or diesel

655 fuel shall be deemed to have given one dollar and seventy-five cents
656 per gallon. The provisions of this subdivision shall not apply in
657 determining whether the consideration given or contracted to be given
658 by such person for all deliveries of imported petroleum products or
659 caused to be imported petroleum products during the quarterly period
660 for which such tax is to be paid exceeds three thousand dollars.

661 (d) The amount of tax reported to be due on such return shall be
662 due and payable on or before the last day of the month next
663 succeeding the quarterly period. The tax imposed under the provisions
664 of this chapter shall be in addition to any other tax imposed by this
665 state on such company.

666 (e) For the purposes of this chapter, the gross earnings of any
667 producer or refiner of petroleum products operating a service station
668 along the highways or interstate highways within the state pursuant to
669 a contract with the Department of Transportation or operating a
670 service station which is used as a training or test marketing center
671 under the provisions of subsection (b) of section 14-344d, shall be
672 calculated by multiplying the volume of petroleum products delivered
673 by any producer or refiner to any such station by such producer's or
674 refiner's dealer tank wagon price or dealer wholesale price in the area
675 of the service station.

676 Sec. 28. Section 12-81 of the general statutes is amended by adding
677 subdivision (77) as follows (*Effective from passage and applicable to*
678 *assessment years commencing on and after October 1, 2006*):

679 (NEW) (77) (A) Effective for assessment years commencing on and
680 after October 1, 2006, and for a period not to exceed three assessment
681 years following the assessment year in which it is first registered, any
682 hybrid motor vehicle. For purposes of this subdivision, "hybrid motor
683 vehicle" means a car or light duty truck, as defined in subsection (c) of
684 section 4a-67d, that: (i) Draws acceleration energy from two onboard
685 sources of stored energy, which are both an internal combustion or
686 heat engine using combustible fuel and a rechargeable energy storage

687 system; (ii) has a United States Environmental Protection Agency
688 estimated highway gasoline mileage rating of no less than forty miles
689 per gallon; and (iii) for any car or light duty truck with a model year of
690 2004 or later, is certified to meet or exceed the tier II bin 5 low emission
691 vehicle classification.

692 (B) The exemption in this subdivision may be claimed by a person
693 who (i) holds title to or is the registrant of a hybrid motor vehicle, or
694 (ii) leases a hybrid motor vehicle from a licensee, under section 14-15,
695 pursuant to a written lease agreement that assigns property tax
696 payment responsibility for such leased hybrid motor vehicle to the
697 lessee of such vehicle, regardless of the method of such assignment.
698 Any person who desires to claim the exemption in this subdivision
699 shall file a written application for such exemption, with the assessor of
700 the town in which such hybrid motor vehicle is subject to taxation, on
701 a form the Secretary of the Office of Policy and Management
702 prescribes. Such application shall include, but not be limited to, the
703 make, model, year and vehicle identification number of the hybrid
704 motor vehicle for which the person is claiming the exemption in this
705 subdivision, and any other information regarding such vehicle that the
706 secretary may require. If the person is claiming an exemption for a
707 hybrid motor vehicle registered on the first day of October in any
708 assessment year, such person shall file an application not later than the
709 first day of November in such year, except that for a hybrid motor
710 vehicle registered on October 1, 2006, a person may file such
711 application on or before August 1, 2007. With respect to any hybrid
712 motor vehicle registered subsequent to the first day of October in any
713 assessment year but before the first day of August in said assessment
714 year, a person shall file such application on or before the November
715 first of the following assessment year. Failure to file such application in
716 the manner and form and within the time limit prescribed shall
717 constitute a waiver of the right to the exemption under this
718 subdivision for the assessment list for which such exemption would be
719 applicable.

720 (C) For purposes of the exemption in this subdivision, the value of a
721 hybrid motor vehicle registered on the first day of October in any
722 assessment year shall be determined in accordance with section 12-
723 71d, and the value of any such vehicle registered subsequent to the
724 first day of October in any assessment year but before the first day of
725 August in said assessment year, shall be a pro rata portion of the value
726 determined in accordance with section 12-71d, to be determined by a
727 ratio, the numerator of which shall be the number of months from the
728 date of such registration, including the month in which registration
729 occurs, to the first day of October next following and the denominator
730 of which shall be twelve.

731 Sec. 29. Section 14-327c of the general statutes is repealed and the
732 following is substituted in lieu thereof (*Effective from passage*):

733 The commissioner shall adopt regulations in accordance with the
734 provisions of chapter 54 establishing standards for the quality of motor
735 fuels sold or offered for sale in this state, including biodiesel fuel or
736 fuel blended with biodiesel fuel. The regulations shall be consistent
737 with standards established by the American Society for Testing and
738 Materials, unless otherwise required by federal statute or regulation.
739 For biodiesel fuel, the commissioner shall adopt regulations that are
740 also consistent with standards set forth in the National Institute of
741 Standards and Technology Handbook 130, Uniform Laws and
742 Regulations, in the areas of legal metrology and engine fuel quality
743 rules and any supplements, amendments or revisions thereof.

744 Sec. 30. Subdivision (31) of subsection (a) of section 16-1 of the
745 general statutes is repealed and the following is substituted in lieu
746 thereof (*Effective from passage*):

747 (31) "Electric aggregator" means (A) a person, municipality or
748 regional water authority that gathers together electric customers for
749 the purpose of negotiating the purchase of electric generation services
750 from an electric supplier, [or] (B) the Connecticut Resources Recovery
751 Authority, if it gathers together electric customers for the purpose of

752 negotiating the purchase of electric generation services from an electric
753 supplier, or (C) the Connecticut Health and Educational Facilities
754 Authority, if it gathers together electric customers for the purpose of
755 negotiating the purchase of electric generation services from an electric
756 supplier, provided such person, municipality or authority is not
757 engaged in the purchase or resale of electric generation services, and
758 provided further such customers contract for electric generation
759 services directly with an electric supplier, and may include an electric
760 cooperative established pursuant to chapter 597.

761 Sec. 31. Subsection (e) of section 16-2 of the general statutes is
762 repealed and the following is substituted in lieu thereof (*Effective*
763 *October 1, 2007*):

764 (e) To insure the highest standard of public utility regulation, on
765 and after July 1, 1997, at least three of the commissioners of the
766 authority shall have education or training and three or more years of
767 experience in one or more of the following fields: Economics,
768 engineering, law, accounting, finance, utility regulation, public or
769 government administration, consumer advocacy, business
770 management, and environmental management. On and after July 1,
771 1997, at least three of these fields shall be represented on the authority
772 by individual commissioners at all times. On and after October 1, 2007,
773 one of the commissioners shall have experience in utility customer
774 advocacy.

775 Sec. 32. Subsection (a) of section 16a-15 of the general statutes is
776 repealed and the following is substituted in lieu thereof (*Effective from*
777 *passage*):

778 (a) Each person shall publicly display and maintain on each pump
779 or other dispensing device from which any gasoline or other product
780 intended as a fuel for aircraft, motor boats or motor vehicles is sold by
781 such person, such signs as the Commissioner of Consumer Protection,
782 by regulation adopted pursuant to chapter 54, may require to inform
783 the public of the octane rating and price of such gasoline or other

784 product. Each person selling biodiesel or ethanol blends shall inform
785 the public of the percentage of such biodiesel or ethanol blends by
786 displaying on the pump or other dispensing device the percentage of
787 biodiesel or ethanol blends. Each person selling such gasoline or other
788 product on both a full-serve and self-serve basis and displaying the
789 price of such gasoline or other product at a location on the premises
790 other than at a pump or other dispensing device shall include in such
791 display both the full-serve and self-serve prices of such gasoline or
792 other product, in such manner as the commissioner, by regulation,
793 may require. All signs as to price shall be the per-gallon price and shall
794 not be the price of less or more than one gallon.

795 Sec. 33. Subsection (a) of section 16-19e of the general statutes is
796 repealed and the following is substituted in lieu thereof (*Effective*
797 *October 1, 2007*):

798 (a) In the exercise of its powers under the provisions of this title, the
799 Department of Public Utility Control shall examine and regulate the
800 transfer of existing assets and franchises, the expansion of the plant
801 and equipment of existing public service companies, the operations
802 and internal workings of public service companies and the
803 establishment of the level and structure of rates in accordance with the
804 following principles: (1) That there is a clear public need for the service
805 being proposed or provided; (2) that the public service company shall
806 be fully competent to provide efficient and adequate service to the
807 public in that such company is technically, financially and
808 managerially expert and efficient; (3) that the department and all
809 public service companies shall perform all of their respective public
810 responsibilities with economy, efficiency and care for [the] public
811 safety and energy security, and so as to promote economic
812 development within the state with consideration for energy and water
813 conservation, energy efficiency and the development and utilization of
814 renewable sources of energy and for the prudent management of the
815 natural environment; (4) that the level and structure of rates be
816 sufficient, but no more than sufficient, to allow public service

817 companies to cover their operating costs including, but not limited to,
818 appropriate staffing levels, and capital costs, to attract needed capital
819 and to maintain their financial integrity, and yet provide appropriate
820 protection to the relevant public interests, both existing and
821 foreseeable which shall include, but not be limited to, reasonable costs
822 of security of assets, facilities and equipment that are incurred solely
823 for the purpose of responding to security needs associated with the
824 terrorist attacks of September 11, 2001, and the continuing war on
825 terrorism; (5) that the level and structure of rates charged customers
826 shall reflect prudent and efficient management of the franchise
827 operation; and (6) that the rates, charges, conditions of service and
828 categories of service of the companies not discriminate against
829 customers which utilize renewable energy sources or cogeneration
830 technology to meet a portion of their energy requirements.

831 Sec. 34. Section 16a-23 of the general statutes is repealed and the
832 following is substituted in lieu thereof (*Effective July 1, 2007*):

833 (a) No person engaged in the business of refining petroleum into
834 gasoline and furnishing gasoline to retail distributors of gasoline for
835 sale to the public in this state shall fail to furnish gasoline to
836 independent retail distributors of gasoline in this state, whether or not
837 franchised by such person, at wholesale prices in reasonable quantities
838 as long as [he] such person continues to furnish gasoline to retail
839 distributors of gasoline in this state which are wholly owned by [him]
840 such person or operated under a franchise granted by [him] such
841 person.

842 (b) It shall constitute, prima facie, a violation of the provisions of
843 subsection (a) of this section for any such person (1) during any
844 calendar month beginning after July 1, 1973, to deliver to independent
845 retail distributors of gasoline in this state a percentage of the total
846 gallons of gasoline delivered by [him] such person to all retail
847 distributors of gasoline in this state during that month which is lower
848 than the percentage of the total gallons of gasoline delivered by [him]

849 such person to all retail distributors of gasoline in this state during the
850 period from July 1, 1971, to June 30, 1972, which was delivered by
851 [him] such person to independent retail distributors of gasoline in this
852 state during that period, or (2) to sell gasoline to independent retail
853 distributors of gasoline in this state at a price during any such month
854 which is greater than (A) the average price at which [he] such person
855 sold gasoline to such distributors during the period from July 1, 1971,
856 to June 30, 1972, increased by (B) a percentage equal to the percentage
857 by which the average price for gasoline sold during that month to
858 retail distributors of gasoline which are wholly owned by, or operated
859 under a franchise granted by [,] that person exceeds the average price
860 for gasoline sold to such distributors during the period from July 1,
861 1971, to June 30, 1972.

862 (c) No producer or refiner of petroleum products who is subject to
863 the provisions of section 14-344a and furnishes gasoline to a person
864 that sells gasoline at retail in this state shall use a pricing system under
865 which the wholesale price paid for such gasoline by such retail seller is
866 determined based on the geographic location of such retail seller in
867 any geographic zone in this state or any other system that would
868 prevent retail sellers of gasoline from paying lower prices on an equal
869 basis with other retail sellers of gasoline in this state. Such producer or
870 refiner shall sell such gasoline at the posted rack price of such
871 producer or refiner. For purposes of this subsection, "posted rack
872 price" means the price of each brand and grade of gasoline offered for
873 sale by such producer and refiner. The posted rack price shall be
874 promulgated by such producer or refiner at six o'clock p.m. each day.
875 Such posted rack price shall be the controlling price for the twenty-
876 four-hour period commencing the following twelve o'clock midnight.
877 Such producer or refiner shall promulgate the posted rack price by: (1)
878 Posting a sign conspicuously listing such price at the point of sale, and
879 (2) sending notices to all franchisees and, upon request, to other retail
880 sellers, by facsimile, electronic mail or other means. Such producer and
881 refiner shall not discriminate in the price of such gasoline charged to
882 retail sellers of gasoline in this state, except to charge the actual cost of

883 transportation for gasoline delivered in this state or to offer discounts
884 or rebates that may be determined by such producer or refiner from
885 time to time. Such discounts or rebates shall be disclosed by the
886 producer or refiner to the retail sellers and shall be offered by the
887 producer or refiner to all of its retail sellers on equal terms and
888 conditions. When offered, all such discounts or rebates and the time
889 period they are offered shall be listed as a separate line item entry on
890 each invoice.

891 [(c)] (d) A violation of the provisions of subsection (a) or (c) of this
892 section constitutes an unfair trade practice [within the provisions of
893 chapter 735a] under subsection (a) of section 42-110b.

894 (e) The provisions of subsection (c) of this section shall expire two
895 years from the effective date of this section.

896 Sec. 35. Section 16-32g of the general statutes is repealed and the
897 following is substituted in lieu thereof (*Effective October 1, 2007*):

898 Not later than January 1, [1988] 2008, each electric or electric
899 distribution company shall submit to the Department of Public Utility
900 Control a plan for the maintenance of poles, wires, conduits or other
901 fixtures, along public highways or streets for the transmission or
902 distribution of electric current, owned, operated, managed or
903 controlled by such company, in such format as the department shall
904 prescribe. Such plan shall include a summary of appropriate staffing
905 levels necessary for the maintenance of said fixtures and a program for
906 the trimming of tree branches and limbs located in close proximity to
907 overhead electric wires where such branches and limbs may cause
908 damage to such electric wires. The department shall review each plan
909 and may issue such orders as may be necessary to ensure compliance
910 with this section. The department may require each electric or electric
911 distribution company to submit an updated plan at such time and
912 containing such information as the department may prescribe. The
913 department shall adopt regulations, in accordance with the provisions
914 of chapter 54, to carry out the provisions of this section.

915 Sec. 36. Section 16a-41a of the general statutes is repealed and the
916 following is substituted in lieu thereof (*Effective July 1, 2007*):

917 (a) The Commissioner of Social Services shall submit to the joint
918 standing committees of the General Assembly having cognizance of
919 energy planning and activities, appropriations, and human services the
920 following on the implementation of the block grant program
921 authorized under the Low-Income Home Energy Assistance Act of
922 1981, as amended:

923 (1) Not later than August first, annually, a Connecticut energy
924 assistance program annual plan which establishes guidelines for the
925 use of funds authorized under the Low-Income Home Energy
926 Assistance Act of 1981, as amended, and includes the following:

927 (A) Criteria for determining which households are to receive
928 emergency and weatherization assistance;

929 (B) A description of systems used to ensure referrals to other energy
930 assistance programs and the taking of simultaneous applications, as
931 required under section 16a-41;

932 (C) A description of outreach efforts;

933 (D) Estimates of the total number of households eligible for
934 assistance under the program and the number of households in which
935 one or more elderly or physically disabled individuals eligible for
936 assistance reside; and

937 (E) Design of a basic grant for eligible households that does not
938 discriminate against such households based on the type of energy used
939 for heating;

940 (2) Not later than January thirtieth, annually, a report covering the
941 preceding months of the program year, including:

942 (A) In each community action agency geographic area and

943 Department of Social Services region, the number of fuel assistance
944 applications filed, approved and denied, the number of emergency
945 assistance requests made, approved and denied and the number of
946 households provided weatherization assistance;

947 (B) In each such area and district, the total amount of fuel,
948 emergency and weatherization assistance, itemized by such type of
949 assistance, and total expenditures to date; and

950 (C) For each state-wide office of each state agency administering the
951 program, each community action agency and each Department of
952 Social Services region, administrative expenses under the program, by
953 line item, and an estimate of outreach expenditures; and

954 (3) Not later than November first, annually, a report covering the
955 preceding twelve calendar months, including:

956 (A) In each community action agency geographic area and
957 Department of Social Services region, (i) seasonal totals for the
958 categories of data submitted under subdivision (1) of this subsection,
959 (ii) the number of households receiving fuel assistance in which elderly
960 or physically disabled individuals reside, and (iii) the average
961 combined benefit level of fuel, emergency and renter assistance;

962 (B) Types of weatherization assistance provided;

963 (C) Percentage of weatherization assistance provided to tenants;

964 (D) The number of homeowners and tenants whose heat or total
965 energy costs are not included in their rent receiving fuel and
966 emergency assistance under the program by benefit level;

967 (E) The number of homeowners and tenants whose heat is included
968 in their rent and who are receiving assistance, by benefit level; and

969 (F) The number of households receiving assistance, by energy type
970 and total expenditures for each energy type.

971 (b) The Commissioner of Social Services shall implement a program
972 to purchase [number two home heating oil at a reduced rate for low-
973 income households participating in the Connecticut energy assistance
974 program and the state-appropriated fuel assistance program. Each
975 agency administering a fuel assistance program shall submit reports,
976 as requested by the commissioner, concerning pricing information
977 from vendors of number two home heating oil participating in the
978 program. Such information shall include, but not be limited to, a
979 vendor's regular retail price per gallon of number two home heating
980 oil, the reduced price per gallon paid by the state for the heating oil,
981 the number of gallons delivered to the state under the program and the
982 total savings under the program due to the purchase of number two
983 home heating oil at a reduced rate] deliverable fuel for low income
984 households participating in the Connecticut energy assistance
985 program. The commissioner shall ensure that all fuel assistance
986 recipients are treated the same as any other similarly situated customer
987 and that no fuel vendor discriminates against fuel assistance program
988 recipients who are under the vendor's standard payment, delivery,
989 service or other similar plans. The commissioner shall take advantage
990 of programs offered by fuel vendors that reduce the cost of the fuel
991 purchased, including, but not limited to, fixed price, capped price,
992 prepurchase or summer-fill programs that reduce program cost and
993 that make the maximum use of program revenues. The commissioner
994 shall ensure that all agencies administering the fuel assistance program
995 shall make payments to program fuel vendors in advance of the
996 delivery of energy where vendor provided price-management
997 strategies require payments in advance.

998 (c) Each community action agency administering a fuel assistance
999 program shall submit reports, as requested by the Commissioner of
1000 Social Services, concerning pricing information from vendors of
1001 deliverable fuel participating in the program. Such information shall
1002 include, but not be limited to, the state-wide or regional retail price per
1003 unit of deliverable fuel, the reduced price per unit paid by the state for
1004 the deliverable fuel in using price management strategies offered by

1005 program vendors for all consumers, the number of units delivered to
1006 the state under the program and the total savings under the program
1007 due to the purchase of deliverable fuel using price-management
1008 strategies offered by program vendors for all consumers.

1009 (d) Each community action agency administering a fuel assistance
1010 program shall begin accepting applications for the program on or
1011 before September first of each year.

1012 Sec. 37. Subdivision (16) of subsection (a) of section 16a-48 of the
1013 general statutes is repealed and the following is substituted in lieu
1014 thereof (*Effective October 1, 2007*):

1015 (16) "Commercial refrigerators and freezers" means reach-in
1016 cabinets, pass-through cabinets, roll-in cabinets and roll-through
1017 cabinets that have less than eighty-five feet of capacity [. "Commercial
1018 refrigerators and freezers" does not include walk-in models or
1019 consumer products regulated under the federal National Appliance
1020 Energy Conservation Act of 1987] designed for the refrigerated or
1021 frozen storage of food and food products.

1022 Sec. 38. Subsection (a) of section 16a-48 of the general statutes is
1023 amended by adding subdivisions (23) to (41), inclusive, as follows
1024 (*Effective October 1, 2007*):

1025 (NEW) (23) "Electricity ratio" means the ratio of furnace electricity
1026 use to total furnace energy use;

1027 (NEW) (24) "Boiler" means a space heater that is a self-contained
1028 appliance for supplying steam or hot water primarily intended for
1029 space-heating. "Boiler" does not include hot water supply boilers;

1030 (NEW) (25) "Central furnace" means a self-contained space heater
1031 designed to supply heated air through ducts of more than ten inches in
1032 length;

1033 (NEW) (26) "Residential furnace or boiler" means a product that

1034 uses only single-phase electric current, or single-phase electric current
1035 or DC current in conjunction with natural gas, propane or home
1036 heating oil, and which (A) is designed to be the principal heating
1037 source for the living space of a residence; (B) is not contained in the
1038 same cabinet with a central air conditioner with a rated cooling
1039 capacity of not less than sixty-five thousand BTUs per hour; (C) is an
1040 electric central furnace, electric boiler, forced-air central furnace,
1041 gravity central furnace, or low pressure steam or hot water boiler; and
1042 (D) has a heat input rate of less than three hundred thousand BTUs per
1043 hour for electric boilers and low pressure steam or hot water boilers
1044 and less than two hundred twenty-five thousand BTUs per hour for
1045 forced-air central furnaces, gravity central furnaces and electric central
1046 furnaces;

1047 (NEW) (27) "Furnace air handler" means the section of the furnace
1048 that includes the fan, blower and housing, generally upstream of the
1049 burners and heat exchanger. The furnace air handler may include a
1050 filter and a cooling coil;

1051 (NEW) (28) "High-intensity discharge lamp" means a lamp in which
1052 light is produced by the passage of an electric current through a vapor
1053 or gas, and in which the bulb wall temperature stabilizes the light-
1054 producing arc and the arc tube has a bulb wall loading in excess of
1055 three watts per square centimeter;

1056 (NEW) (29) "Medium voltage dry-type distribution transformer"
1057 means a transformer that (A) has an input voltage of not less than six
1058 hundred volts but not more than thirty-four thousand five hundred
1059 volts; (B) is air-cooled; (C) does not use oil as a coolant; and (D) is rated
1060 for operation at a frequency of sixty Hertz. "Medium voltage dry-type
1061 distribution transformer" does not mean devices with multiple voltage
1062 taps, with the highest voltage tap not less than twenty per cent more
1063 than the lowest voltage tap, or devices that are designed to be used in a
1064 special purpose application and are unlikely to be used in general
1065 purpose applications including drive transformers, rectifier

1066 transformers, auto transformers, uninterruptible power system
1067 transformers, impedance transformers, regulating transformers, sealed
1068 and nonventilating transformers, machine tool transformers, welding
1069 transformers, grounding transformers or testing transformers;

1070 (NEW) (30) "Metal halide lamp" means a high intensity discharge
1071 lamp in which the major portion of the light is produced by radiation
1072 of metal halides and their products of dissociation, possibly in
1073 combination with metallic vapors;

1074 (NEW) (31) "Metal halide lamp fixture" means a light fixture
1075 designed to be operated with a metal halide lamp and a ballast for a
1076 metal halide lamp;

1077 (NEW) (32) "Probe start metal halide ballast" means a ballast used to
1078 operate metal halide lamps that does not contain an ignitor and that
1079 instead starts lamps by using a third starting electrode probe in the arc
1080 tube;

1081 (NEW) (33) "Single voltage external AC to DC power supply" means
1082 a device that (A) is designed to convert line voltage AC input into
1083 lower voltage DC output; (B) is able to convert to only one DC output
1084 voltage at a time; (C) is sold with, or intended to be used with, a
1085 separate end-use product that constitutes the primary power load; (D)
1086 is contained within a separate physical enclosure from the end-use
1087 product; (E) is connected to the end-use product in a removable or
1088 hard-wired male and female electrical connection, cable, cord or other
1089 wiring; (F) does not have batteries or battery packs, including those
1090 that are removable or that physically attach directly to the power
1091 supply unit; (G) does not have a battery chemistry or type selector
1092 switch and indicator light, or does not have a battery chemistry or type
1093 selector switch and a state of charge meter; and (H) has a nameplate
1094 output power less than or equal to two hundred fifty watts;

1095 (NEW) (34) "State regulated incandescent reflector lamp" means a
1096 lamp that is not colored or designed for rough or vibration service

1097 applications, that has an inner reflective coating on the outer bulb to
1098 direct the light, has a E26 medium screw base, has a rated voltage or
1099 voltage range that lies at least partially within one hundred fifteen to
1100 one hundred thirty volts, and that falls into one of the following
1101 categories: (A) A bulged reflector or elliptical reflector or a blown
1102 parabolic aluminized reflector bulb shape and that has a diameter that
1103 equals or exceeds two and one-quarter inches, or (B) a reflector,
1104 parabolic aluminized reflector, bulged reflector or similar bulb shape
1105 and that has a diameter of two and one-quarter to two and three-
1106 quarter inches. "State regulated incandescent reflector lamp" does not
1107 include ER30, BR30, BR40 and ER40 lamps of not more than fifty watts,
1108 BR30, BR40 and ER40 lamps of sixty-five watts and R20 lamps of not
1109 more than forty-five watts;

1110 (NEW) (35) "Bottle-type water dispenser" means a water dispenser
1111 that uses a bottle or reservoir as the source of potable water;

1112 (NEW) (36) "Commercial hot food holding cabinet" means a heated,
1113 fully-enclosed compartment with one or more solid or partial glass
1114 doors that is designed to maintain the temperature of hot food that has
1115 been cooked in a separate appliance. "Commercial hot food holding
1116 cabinet" does not include heated glass merchandizing cabinets, drawer
1117 warmers or cook-and-hold appliances;

1118 (NEW) (37) "Pool heater" means an appliance designed for heating
1119 nonpotable water contained at atmospheric pressure for swimming
1120 pools, spas, hot tubs and similar applications, including natural gas,
1121 heat pump, oil and electric resistance pool heaters;

1122 (NEW) (38) "Portable electric spa" means a factory-built electric spa
1123 or hot tub, supplied with equipment for heating and circulating water;

1124 (NEW) (39) "Residential pool pump" means a pump used to
1125 circulate and filter pool water in order to maintain clarity and
1126 sanitation;

1127 (NEW) (40) "Walk-in refrigerator" means a space refrigerated to
1128 temperatures at or above thirty-two degrees Fahrenheit that can be
1129 walked into and is designed for the refrigerated storage of food and
1130 food products;

1131 (NEW) (41) "Walk-in freezer" means a space refrigerated to
1132 temperatures below thirty-two degrees Fahrenheit that can be walked
1133 into and is designed for the frozen storage of food and food products.

1134 Sec. 39. Subsection (b) of section 16a-48 of the general statutes is
1135 repealed and the following is substituted in lieu thereof (*Effective*
1136 *October 1, 2007*):

1137 (b) The provisions of this section apply to the testing, certification
1138 and enforcement of efficiency standards for the following types of new
1139 products sold, offered for sale or installed in the state: (1) Commercial
1140 clothes washers; (2) commercial refrigerators and freezers; (3)
1141 illuminated exit signs; (4) large packaged air-conditioning equipment;
1142 (5) low voltage dry-type distribution transformers; (6) torchiere
1143 lighting fixtures; (7) traffic signal modules; (8) unit heaters; (9)
1144 residential furnaces and boilers; (10) medium voltage dry-type
1145 transformers; (11) metal halide lamp fixtures; (12) single voltage
1146 external AC to DC power supplies; (13) state regulated incandescent
1147 reflector lamps; (14) bottle-type water dispensers; (15) commercial hot
1148 food holding cabinets; (16) portable electric spas; (17) walk-in
1149 refrigerators and walk-in freezers; (18) pool heaters; and [(9)] (19) any
1150 other products as may be designated by the department in accordance
1151 with subdivision (3) of subsection (d) of this section.

1152 Sec. 40. Subsection (g) of section 16a-48 of the general statutes is
1153 repealed and the following is substituted in lieu thereof (*Effective*
1154 *October 1, 2007*):

1155 (g) Manufacturers of new products set forth in subsection (b) of this
1156 section or designated by the department shall certify to the secretary
1157 that such products are in compliance with the provisions of this

1158 section, except that certification is not required for single voltage
1159 external AC to DC power supplies and walk-in refrigerators and walk-
1160 in freezers. All single voltage external AC to DC power supplies shall
1161 be labeled as described in the January 2006 California Code of
1162 Regulations, Title 20, Section 1607(9). The department, in consultation
1163 with the secretary, shall promulgate regulations governing the
1164 certification of such products. The secretary shall publish an annual list
1165 of such products.

1166 Sec. 41. Subsection (a) of section 16-50k of the general statutes is
1167 repealed and the following is substituted in lieu thereof (*Effective*
1168 *October 1, 2007*):

1169 (a) Except as provided in subsection (b) of section 16-50z, no person
1170 shall exercise any right of eminent domain in contemplation of,
1171 commence the preparation of the site for, or commence the
1172 construction or supplying of a facility, or commence any modification
1173 of a facility, that may, as determined by the council, have a substantial
1174 adverse environmental effect in the state without having first obtained
1175 a certificate of environmental compatibility and public need,
1176 hereinafter referred to as a "certificate", issued with respect to such
1177 facility or modification by the council, except fuel cells with a
1178 generating capacity of ten kilowatts or less which shall not require
1179 such certificate. Any facility with respect to which a certificate is
1180 required shall thereafter be built, maintained and operated in
1181 conformity with such certificate and any terms, limitations or
1182 conditions contained therein. Notwithstanding the provisions of this
1183 chapter or title 16a, the council shall, in the exercise of its jurisdiction
1184 over the siting of generating facilities, approve by declaratory ruling
1185 (1) the construction of a facility solely for the purpose of generating
1186 electricity, other than an electric generating facility that uses nuclear
1187 materials or coal as fuel, at a site where an electric generating facility
1188 operated prior to July 1, 2004, (2) the construction or location of any
1189 fuel cell, unless the council finds a substantial adverse environmental
1190 effect, or of any customer-side distributed resources project or facility

1191 or grid-side distributed resources project or facility with a capacity of
1192 not more than sixty-five megawatts, as long as such project meets air
1193 and water quality standards of the Department of Environmental
1194 Protection, and (3) the siting of temporary generation solicited by the
1195 Department of Public Utility Control pursuant to section 16-19ss.

1196 Sec. 42. Subdivision (2) of subsection (a) of section 16-50l of the
1197 general statutes is repealed and the following is substituted in lieu
1198 thereof (*Effective July 1, 2007*):

1199 (2) On or after December 1, 2004, the filing of an application
1200 pursuant to subdivision (1) of this subsection shall initiate the request-
1201 for-proposal process, except for an application for a facility described
1202 in subdivision (5) or (6) of subsection (a) of section 16-50i and subject
1203 to any Connecticut Energy Advisory Board determination pursuant to
1204 subsection (b) of section 16a-7c.

1205 Sec. 43. Section 16-243h of the general statutes is repealed and the
1206 following is substituted in lieu thereof (*Effective October 1, 2007*):

1207 On and after January 1, 2000, each electric supplier or any electric
1208 distribution company providing standard offer, transitional standard
1209 offer, standard service or back-up electric generation service, pursuant
1210 to section 16-244c, as amended by this act, shall give a credit for any
1211 electricity generated by a residential or commercial customer from a
1212 Class I renewable energy source or a hydropower facility that has a
1213 nameplate capacity rating of one megawatt or less. The electric
1214 distribution company providing electric distribution services to such a
1215 customer shall make such interconnections necessary to accomplish
1216 such purpose. An electric distribution company, at the request of any
1217 residential customer served by such company and if necessary to
1218 implement the provisions of this section, shall provide for the
1219 installation of metering equipment that (1) measures electricity
1220 consumed by such customer from the facilities of the electric
1221 distribution company, (2) deducts from the measurement the amount
1222 of electricity produced by the customer and not consumed by the

1223 customer, and (3) registers, for each billing period, the net amount of
1224 electricity either (A) consumed and produced by the customer, or (B)
1225 the net amount of electricity produced by the customer. If the customer
1226 is a net producer over the billing period, the electric distribution
1227 company shall pay such customer in the following billing period for
1228 the excess that was generated in the previous billing period at the
1229 avoided rate for the previous billing period, as determined by the
1230 regional independent system operator. A residential or commercial
1231 customer who generates electricity from a generating unit with a name
1232 plate capacity of more than ten kilowatts of electricity pursuant to the
1233 provisions of this section shall be assessed for the competitive
1234 transition assessment, pursuant to section 16-245g and the systems
1235 benefits charge, pursuant to section 16-245l based on the amount of
1236 electricity consumed by the customer from the facilities of the electric
1237 distribution company without netting any electricity produced by the
1238 customer. [For purposes of this section, "residential customer" means a
1239 customer of a single-family dwelling or multifamily dwelling
1240 consisting of two to four units.]

1241 Sec. 44. Subsection (c) of section 16-244c of the general statutes is
1242 repealed and the following is substituted in lieu thereof (*Effective from*
1243 *passage*):

1244 (c) (1) On and after January 1, 2007, each electric distribution
1245 company shall provide electric generation services through standard
1246 service to any customer who (A) does not arrange for or is not
1247 receiving electric generation services from an electric supplier, and (B)
1248 [does not use a demand meter or] has a maximum demand of less than
1249 five hundred kilowatts.

1250 (2) Not later than [October 1, 2006] December 1, 2007, and
1251 [periodically as required by subdivision (3) of this subsection, but not
1252 more often than every calendar quarter] annually thereafter, the
1253 Department of Public Utility Control shall establish the standard
1254 service price for such customers pursuant to [subdivision (3) of] this

1255 subsection, except the department may adjust the price more
1256 frequently if it determines that such adjustment would be in the best
1257 interest of ratepayers, but not more than once per calendar quarter.
1258 Said price shall reflect the cost of electricity purchased for current and
1259 former customers for which the electric distribution companies
1260 procured contracts for electric generation services provided the
1261 department shall establish rates for electric generation services to
1262 assure that customers who leave standard service continue to pay an
1263 appropriate amount of the costs of electricity commitments for such
1264 service. Each electric distribution company shall recover the actual net
1265 costs of procuring and providing electric generation services pursuant
1266 to this subsection, provided such company mitigates the costs it incurs
1267 for the procurement of electric generation services for customers who
1268 are no longer receiving service pursuant to this subsection.

1269 (3) An electric distribution company providing electric generation
1270 services pursuant to this subsection shall mitigate the variation of the
1271 price of the service offered to its customers by procuring electric
1272 generation services contracts in the manner prescribed in a plan
1273 approved by the department. Such plan shall require the procurement
1274 of a portfolio of service contracts sufficient to meet the projected load
1275 of the electric distribution company. Such plan shall require that the
1276 portfolio of service contracts be procured in an overlapping pattern of
1277 fixed periods at such times and in such manner and duration as the
1278 department determines to be most likely to produce just, reasonable
1279 and reasonably stable retail rates while reflecting underlying
1280 wholesale market prices over time. The portfolio of contracts shall be
1281 assembled in such manner as to invite competition; guard against
1282 favoritism, improvidence, extravagance, fraud and corruption; and
1283 secure a reliable electricity supply while avoiding unusual, anomalous
1284 or excessive pricing. The portfolio of contracts procured under such
1285 plan shall be for terms of not less than six months, provided contracts
1286 for shorter periods may be procured under such conditions as the
1287 department shall prescribe to (A) ensure the lowest rates possible for
1288 end-use customers; (B) ensure reliable service under extraordinary

1289 circumstances; and (C) ensure the prudent management of the contract
1290 portfolio. An electric distribution company may receive a bid for an
1291 electric generation services contract from any of its generation entities
1292 or affiliates, provided such generation entity or affiliate submits its bid
1293 the business day preceding the first day on which an unaffiliated
1294 electric supplier may submit its bid and further provided the electric
1295 distribution company and the generation entity or affiliate are in
1296 compliance with the code of conduct established in section 16-244h.

1297 (4) The department, in consultation with the Office of Consumer
1298 Counsel, shall retain the services of a third-party entity with expertise
1299 in the area of energy procurement to oversee the initial development of
1300 the request for proposals and the procurement of contracts by an
1301 electric distribution company for the provision of electric generation
1302 services offered pursuant to this subsection. Costs associated with the
1303 retention of such third-party entity shall be included in the cost of
1304 electric generation services that is included in such price.

1305 (5) Each bidder for a standard service contract shall submit its bid to
1306 the electric distribution company and the third-party entity who shall
1307 jointly review the bids, conduct a cost-based analysis of such bids and
1308 submit an overview of all bids together with a joint recommendation
1309 to the department as to the preferred bidders. The Department of
1310 Energy shall make available to the Office of Consumer Counsel and
1311 the Attorney General all bids it receives pursuant to this subsection,
1312 provided the Office of Consumer Counsel and the Attorney General
1313 shall not make the bids available to the public until the department
1314 does so pursuant to subdivision (6) of this subsection. The department
1315 may, within ten business days of submission of the overview, reject the
1316 recommendation regarding preferred bidders if the bids are not in the
1317 best interest of the customer. In analyzing the bids, the Department of
1318 Energy shall determine if they are consistent with the approved
1319 integrated resource plan pursuant to section 56 of this act. In the event
1320 that the department rejects the preferred bids, the electric distribution
1321 company and the third-party entity shall rebid the service pursuant to

1322 this subdivision.

1323 (6) Upon approval of the preferred bids by the Department of
1324 Energy, the respective electric distribution company shall enter into
1325 contracts with approved bidders. All bids received by the Department
1326 of Energy during the procurement process shall be available for public
1327 review six months after department approval or rejection.

1328 (7) Not later than October 1, 2009, and biennially thereafter, the
1329 department shall conduct a contested case proceeding in accordance
1330 with chapter 54 to review the efficacy of the process of procuring
1331 contracts pursuant to this subsection including an assessment of the
1332 extent to which the standards set forth in section 56 of this act is met.

1333 Sec. 45. Subsection (d) of section 16-244c of the general statutes is
1334 repealed and the following is substituted in lieu thereof (*Effective from*
1335 *passage*):

1336 (d) (1) [Notwithstanding] On or before January 1, 2008, and on a
1337 continuing basis, notwithstanding the provisions of this section
1338 regarding the electric generation services component of the transitional
1339 standard offer or the procurement of electric generation services under
1340 standard service, section 16-244h or 16-245o, the Department of Public
1341 Utility Control [may, from time to time, direct an electric distribution
1342 company] shall direct the electric distribution companies to offer,
1343 through an electric supplier or electric suppliers, [before January 1,
1344 2007, one or more alternative transitional standard offer options or, on
1345 or after January 1, 2007,] one or more [alternative standard] renewable
1346 service options. Such [alternative] renewable service options shall
1347 include, but not be limited to, an option that consists of the provision
1348 of electric generation services that exceed the renewable portfolio
1349 standards established in section 16-245a and may include an option
1350 that utilizes strategies or technologies that reduce the overall
1351 consumption of electricity of the customer.

1352 (2) (A) The department shall develop such [alternative] renewable

1353 service option or options in [a] contested [case] cases, as necessary,
1354 conducted in accordance with the provisions of chapter 54. The
1355 department shall determine the terms and conditions of such
1356 [alternative] renewable service option or options, including, but not
1357 limited to, (i) the minimum contract terms, including pricing, length
1358 and termination of the contract, and (ii) the minimum percentage of
1359 electricity derived from Class I or Class II renewable energy sources, if
1360 applicable. The electric distribution [company] companies shall, under
1361 the supervision of the department, subsequently conduct a bidding
1362 process in order to solicit electric suppliers to provide such
1363 [alternative] renewable service option or options.

1364 (B) The department may reject some or all of the bids received
1365 pursuant to the bidding process.

1366 (3) The department may require an electric supplier to provide
1367 forms of assurance to satisfy the department that the contracts
1368 resulting from the bidding process will be fulfilled.

1369 (4) An electric supplier who fails to fulfill its contractual obligations
1370 resulting from this subdivision shall be subject to civil penalties, in
1371 accordance with the provisions of section 16-41, or the suspension or
1372 revocation of such supplier's license or a prohibition on the acceptance
1373 of new customers, following a hearing that is conducted as a contested
1374 case, in accordance with the provisions of chapter 54.

1375 Sec. 46. Subsection (e) of section 16-244c of the general statutes is
1376 repealed and the following is substituted in lieu thereof (*Effective from*
1377 *passage*):

1378 (e) (1) On and after January 1, 2007, an electric distribution company
1379 shall serve customers that are not eligible to receive standard service
1380 pursuant to subsection (c) of this section as the supplier of last resort.
1381 This subsection shall not apply to customers purchasing power under
1382 contracts entered into pursuant to section 16-19hh. Any customer
1383 previously receiving electric generation services from an electric

1384 supplier shall not be eligible to receive supplier of last resort service
1385 pursuant to this subsection unless such customer agrees to receive
1386 supplier of last resort service for a period of not less than one year.

1387 (2) An electric distribution company shall procure electricity
1388 semiannually to provide electric generation services to customers
1389 pursuant to this subsection. On or before July 1, 2007, an electric
1390 distribution company shall commence securing contracts to serve said
1391 customers. The Department of Public Utility Control shall determine a
1392 price for such customers that reflects the full cost of providing the
1393 electricity on a monthly basis and that is consistent with the approved
1394 integrated resource plan pursuant to section 56 of this act or, on an
1395 alternative basis as determined pursuant to subsection (3) of this
1396 subsection. All six months of prices shall be published before any
1397 customer receives generation services pursuant to this subsection. Each
1398 electric distribution company shall recover the actual net costs of
1399 procuring and providing electric generation services pursuant to this
1400 subsection, provided such company mitigates the costs it incurs for the
1401 procurement of electric generation services for customers that are no
1402 longer receiving service pursuant to this subsection.

1403 (3) On or after July 1, 2008, the Department of Public Utility Control
1404 may conduct a contested case proceeding, in accordance with the
1405 provisions of chapter 54, to study the frequency with which it should
1406 determine the price for supplier of last resort service.

1407 Sec. 47. Subdivision (2) of subsection (l) of section 16-245 of the
1408 general statutes is repealed and the following is substituted in lieu
1409 thereof (*Effective from passage*):

1410 (2) No electric aggregator shall negotiate a contract for the purchase
1411 of electric generation services from an electric supplier unless such
1412 aggregator has (A) obtained a certificate of registration from the
1413 Department of Public Utility Control in accordance with this
1414 subsection, or (B) in the case of a municipality, regional water
1415 authority, the Connecticut Health and Educational Facilities Authority

1416 and the Connecticut Resources Recovery Authority, registered in
1417 accordance with section 16-245b. An electric aggregator that was
1418 licensed pursuant to this section prior to July 1, 2003, shall receive a
1419 certificate of registration on July 1, 2003.

1420 Sec. 48. Section 16-245b of the general statutes is repealed and the
1421 following is substituted in lieu thereof (*Effective from passage*):

1422 Notwithstanding the provisions of subsection (a) of section 16-245,
1423 the provisions of said section shall not apply to (1) any municipality or
1424 regional water authority that aggregates the sale of electric generation
1425 services, [or to] the Connecticut Resources Recovery Authority if such
1426 authority aggregates the sale of electric generation services, for end use
1427 customers located within the boundaries of such municipality or
1428 regional water authority, or the Connecticut Health and Educational
1429 Facilities Authority if such authority aggregates the sale of electric
1430 generation services for two or more health care institutions,
1431 institutions for higher education, nursing homes, child care or child
1432 care development facility, or qualified nonprofit organizations, or any
1433 combination thereof, each as described in section 10a-178, or the
1434 employees or residents of any institution for higher education, health
1435 care institution, nursing home, child care or child development facility,
1436 or qualified nonprofit organization, in each case as end use customers
1437 in the state, (2) any municipality that joins together with other
1438 municipalities to aggregate the sale of electric generation services for
1439 end use customers located within the boundaries of such
1440 municipalities, or (3) any municipality or regional water authority that
1441 aggregates the purchase of electric generation services for municipal
1442 facilities, street lighting, boards of education and other publicly-owned
1443 facilities within (A) the municipality for which the municipality is
1444 financially responsible, or (B) the municipalities that are within the
1445 authorized service area of the regional water authority. Any
1446 municipality or regional water authority that aggregates in accordance
1447 with this section shall register not less than annually with the
1448 Department of Public Utility Control on a form prescribed by the

1449 department.

1450 Sec. 49. Subsection (a) of section 16-245n of the general statutes is
1451 repealed and the following is substituted in lieu thereof (*Effective*
1452 *October 1, 2007*):

1453 (a) For purposes of this section, "renewable energy" means solar
1454 energy, wind, ocean thermal energy, wave or tidal energy, fuel cells,
1455 landfill gas, hydropower that will meet the low-impact standards of
1456 the Low-Impact Hydropower Institute, hydrogen production and
1457 hydrogen conversion technologies, low emission advanced biomass
1458 conversion technologies, alternative fuel, including ethanol, biodiesel,
1459 or other fuel derived from agricultural produce, food waste, waste
1460 vegetable oil or municipal solid waste, usable electricity from
1461 combined heat and power systems with waste heat recovery systems,
1462 thermal storage systems and other energy resources and emerging
1463 technologies which have significant potential for commercialization
1464 and which do not involve the combustion of coal, petroleum or
1465 petroleum products, municipal solid waste or nuclear fission.

1466 Sec. 50. Section 16-262c of the general statutes is repealed and the
1467 following is substituted in lieu thereof (*Effective October 1, 2007*):

1468 (a) Notwithstanding any other provision of the general statutes no
1469 electric, electric distribution, gas, telephone or water company, no
1470 electric supplier or certified telecommunications provider, and no
1471 municipal utility furnishing electric, gas, telephone or water service
1472 shall cause cessation of any such service by reason of delinquency in
1473 payment for such service (1) on any Friday, Saturday, Sunday, legal
1474 holiday or day before any legal holiday, provided such a company,
1475 electric supplier, certified telecommunications provider or municipal
1476 utility may cause cessation of such service to a nonresidential account
1477 on a Friday which is not a legal holiday or the day before a legal
1478 holiday when the business offices of the company, electric supplier,
1479 certified telecommunications provider or municipal utility are open to
1480 the public the succeeding Saturday, (2) at any time during which the

1481 business offices of said company, electric supplier, certified
1482 telecommunications provider or municipal utility are not open to the
1483 public, or (3) within one hour before the closing of the business offices
1484 of said company, electric supplier or municipal utility.

1485 (b) (1) From November first to [~~April fifteenth~~] May first, inclusive,
1486 no electric or electric distribution company, as defined in section 16-1,
1487 no electric supplier and no municipal utility furnishing electricity shall
1488 terminate or refuse to reinstate residential electric service in hardship
1489 cases where the customer lacks the financial resources to pay his or her
1490 entire account. From November first to [~~April fifteenth~~] May first,
1491 inclusive, no gas company and no municipal utility furnishing gas
1492 shall terminate or refuse to reinstate residential gas service in hardship
1493 cases where the customer uses such gas for heat and lacks the financial
1494 resources to pay his or her entire account, except a gas company that,
1495 between [~~April sixteenth~~] May second and October thirty-first,
1496 terminated gas service to a residential customer who uses gas for heat
1497 and who, during the previous period of November first to [~~April~~
1498 ~~fifteenth~~] May first, had gas service maintained because of hardship
1499 status, may refuse to reinstate the gas service from November first to
1500 [~~April fifteenth~~] May first, inclusive, only if the customer has failed to
1501 pay, since the preceding November first, the lesser of: (A) Twenty per
1502 cent of the outstanding principal balance owed the gas company as of
1503 the date of termination, (B) one hundred dollars, or (C) the minimum
1504 payments due under the customer's amortization agreement.
1505 Notwithstanding any other provision of the general statutes to the
1506 contrary, no electric, electric distribution or gas company, no electric
1507 supplier and no municipal utility furnishing electricity or gas shall
1508 terminate or refuse to reinstate residential electric or gas service where
1509 the customer lacks the financial resources to pay his or her entire
1510 account and for which customer or a member of the customer's
1511 household the termination or failure to reinstate such service would
1512 create a life-threatening situation.

1513 (2) During any period in which a residential customer is subject to

1514 termination, an electric, electric distribution or gas company, an
1515 electric supplier or a municipal utility furnishing electricity or gas shall
1516 provide such residential customer whose account is delinquent an
1517 opportunity to enter into a reasonable amortization agreement with
1518 such company, electric supplier or utility to pay such delinquent
1519 account and to avoid termination of service. Such amortization
1520 agreement shall allow such customer adequate opportunity to apply
1521 for and receive the benefits of any available energy assistance
1522 program. An amortization agreement shall be subject to amendment
1523 on customer request if there is a change in the customer's financial
1524 circumstances.

1525 (3) As used in this section, (A) "household income" means the
1526 combined income over a twelve-month period of the customer and all
1527 adults, except children of the customer, who are and have been
1528 members of the household for six months or more, and (B) "hardship
1529 case" includes, but is not limited to: (i) A customer receiving local, state
1530 or federal public assistance; (ii) a customer whose sole source of
1531 financial support is Social Security, Veterans' Administration or
1532 unemployment compensation benefits; (iii) a customer who is head of
1533 the household and is unemployed, and the household income is less
1534 than three hundred per cent of the poverty level determined by the
1535 federal government; (iv) a customer who is seriously ill or who has a
1536 household member who is seriously ill; (v) a customer whose income
1537 falls below one hundred twenty-five per cent of the poverty level
1538 determined by the federal government; and (vi) a customer whose
1539 circumstances threaten a deprivation of food and the necessities of life
1540 for himself or dependent children if payment of a delinquent bill is
1541 required.

1542 (4) In order for a residential customer of a gas or electric distribution
1543 company using gas or electricity for heat to be eligible to have any
1544 moneys due and owing deducted from the customer's delinquent
1545 account pursuant to this subdivision, the company furnishing gas or
1546 electricity shall require that the customer (A) apply and be eligible for

1547 benefits available under the Connecticut energy assistance program or
1548 state appropriated fuel assistance program; (B) authorize the company
1549 to send a copy of the customer's monthly bill directly to any energy
1550 assistance agency for payment; (C) enter into and comply with an
1551 amortization agreement, which agreement is consistent with decisions
1552 and policies of the Department of Public Utility Control. Such an
1553 amortization agreement shall reduce a customer's payment by the
1554 amount of the benefits reasonably anticipated from the Connecticut
1555 energy assistance program, state appropriated fuel assistance program
1556 or other energy assistance sources. Unless the customer requests
1557 otherwise, the company shall budget a customer's payments over a
1558 twelve-month period with an affordable increment to be applied to
1559 any arrearage, provided such payment plan will not result in loss of
1560 any energy assistance benefits to the customer. If a customer
1561 authorizes the company to send a copy of his monthly bill directly to
1562 any energy assistance agency for payment, the energy assistance
1563 agency shall make payments directly to the company. If, on April
1564 thirtieth, a customer has been in compliance with the requirements of
1565 subparagraphs (A) to (C), inclusive, of this subdivision, during the
1566 period starting on the preceding November first, or from such time as
1567 the customer's account becomes delinquent, the company shall deduct
1568 from such customer's delinquent account an additional amount equal
1569 to the amount of money paid by the customer between the preceding
1570 November first and April thirtieth and paid on behalf of the customer
1571 through the Connecticut energy assistance program and state
1572 appropriated fuel assistance program. Any customer in compliance
1573 with the requirements of subparagraphs (A) to (C), inclusive, of this
1574 subdivision, on April thirtieth who continues to comply with an
1575 amortization agreement through the succeeding October thirty-first,
1576 shall also have an amount equal to the amount paid pursuant to such
1577 agreement and any amount paid on behalf of such customer between
1578 May first and the succeeding October thirty-first deducted from the
1579 customer's delinquent account. In no event shall the deduction of any
1580 amounts pursuant to this subdivision result in a credit balance to the

1581 customer's account. No customer shall be denied the benefits of this
1582 subdivision due to an error by the company. The Department of Public
1583 Utility Control shall allow the amounts deducted from the customer's
1584 account pursuant to the implementation plan, described in subdivision
1585 (5) of this subsection, to be recovered by the company in its rates as an
1586 operating expense, pursuant to said implementation plan. If the
1587 customer fails to comply with the terms of the amortization agreement
1588 or any decision of the department rendered in lieu of such agreement
1589 and the requirements of subparagraphs (A) to (C), inclusive, of this
1590 subdivision, the company may terminate service to the customer,
1591 pursuant to all applicable regulations, provided such termination shall
1592 not occur between November first and April fifteenth.

1593 (5) Each gas and electric distribution company shall submit to the
1594 Department of Public Utility Control annually, on or before July first,
1595 an implementation plan which shall include information concerning
1596 amortization agreements, counseling, reinstatement of eligibility, rate
1597 impacts and any other information deemed relevant by the
1598 department. The Department of Public Utility Control may, in
1599 consultation with the Office of Policy and Management, approve or
1600 modify such plan within ninety days of receipt of the plan. If the
1601 department does not take any action on such plan within ninety days
1602 of its receipt, the plan shall automatically take effect at the end of the
1603 ninety-day period, provided the department may extend such period
1604 for an additional thirty days by notifying the company before the end
1605 of the ninety-day period. Any amount recovered by a company in its
1606 rates pursuant to this subsection shall not include any amount
1607 approved by the Department of Public Utility Control as an
1608 uncollectible expense. The department may deny all or part of the
1609 recovery required by this subsection if it determines that the company
1610 seeking recovery has been imprudent, inefficient or acting in violation
1611 of statutes or regulations regarding amortization agreements.

1612 (6) On or after January 1, 1993, the Department of Public Utility
1613 Control may require gas companies to expand the provisions of

1614 subdivisions (4) and (5) of this subsection to all hardship customers.
1615 Any such requirement shall not be effective until November 1, 1993.

1616 (7) (A) All electric, electric distribution and gas companies, electric
1617 suppliers and municipal utilities furnishing electricity or gas shall
1618 collaborate in developing, subject to approval by the Department of
1619 Public Utility Control, standard provisions for the notice of
1620 delinquency and impending termination under subsection (a) of
1621 section 16-262d. Each such company and utility shall place on the front
1622 of such notice a provision that the company, electric supplier or utility
1623 shall not effect termination of service to a residential dwelling for
1624 nonpayment of disputed bills during the pendency of any complaint.
1625 In addition, the notice shall state that the customer must pay current
1626 and undisputed bill amounts during the pendency of the complaint.
1627 (B) At the beginning of any discussion with a customer concerning a
1628 reasonable amortization agreement, any such company or utility shall
1629 inform the customer (i) of the availability of a process for resolving
1630 disputes over what constitutes a reasonable amortization agreement,
1631 (ii) that the company, electric supplier or utility will refer such a
1632 dispute to one of its review officers as the first step in attempting to
1633 resolve the dispute and (iii) that the company, electric supplier or
1634 utility shall not effect termination of service to a residential dwelling
1635 for nonpayment of a delinquent account during the pendency of any
1636 complaint, investigation, hearing or appeal initiated by the customer,
1637 unless the customer fails to pay undisputed bills, or undisputed
1638 portions of bills, for service received during such period. (C) Each such
1639 company, electric supplier and utility shall inform and counsel all
1640 customers who are hardship cases as to the availability of all public
1641 and private energy conservation programs, including programs
1642 sponsored or subsidized by such companies and utilities, eligibility
1643 criteria, where to apply, and the circumstances under which such
1644 programs are available without cost.

1645 (8) The Department of Public Utility Control shall adopt regulations
1646 in accordance with chapter 54 to carry out the provisions of this

1647 subsection. Such regulations shall include, but not be limited to,
1648 criteria for determining hardship cases and for reasonable
1649 amortization agreements, including appeal of such agreements, for
1650 categories of customers. Such regulations may include the
1651 establishment of a reasonable rate of interest which a company may
1652 charge on the unpaid balance of a customer's delinquent bill and a
1653 description of the relationship and responsibilities of electric suppliers
1654 to customers.

1655 (c) Each electric, electric distribution and gas company, electric
1656 supplier and municipal utility shall, not later than December first,
1657 annually, submit a report to the department and the General Assembly
1658 indicating (1) the number of customers in each of the following
1659 categories and the total delinquent balances for such customers as of
1660 the preceding April fifteenth: (A) Customers who are hardship cases
1661 and (i) who made arrangements for reasonable amortization
1662 agreements, (ii) who did not make such arrangements and (B)
1663 customers who are nonhardship cases and who made arrangements
1664 for reasonable amortization, (2) (A) the number of heating customers
1665 receiving energy assistance during the preceding heating season and
1666 the total amount of such assistance and (B) the total balance of the
1667 accounts of such customers after all energy assistance is applied to the
1668 accounts, (3) the number of hardship cases reinstated between
1669 November first of the preceding year and [April fifteenth] May first of
1670 the same year, the number of hardship cases terminated between
1671 [April fifteenth] May first of the same year and November first and the
1672 number of hardship cases reinstated during each month from [April]
1673 May to November, inclusive, of the same year, (4) the number of
1674 reasonable amortization agreements executed and the number
1675 breached during the same year by (A) hardship cases and (B)
1676 nonhardship cases and (5) the number of accounts of (A) hardship
1677 cases and (B) nonhardship cases for which part or all of the
1678 outstanding balance is written off as uncollectible during the
1679 preceding year and the total amount of such uncollectibles.

1680 (d) Nothing in this section shall (1) prohibit a public service
1681 company, electric supplier or municipal utility from terminating
1682 residential utility service upon request of the customer or in
1683 accordance with section 16-262d upon default by the customer on an
1684 amortization agreement or collecting delinquent accounts through
1685 legal processes, including the processes authorized by section 16-262f,
1686 or (2) relieve such company, electric supplier or municipal utility of its
1687 responsibilities set forth in sections 16-262d and 16-262e to occupants
1688 of residential dwellings or, with respect to a public service company or
1689 electric supplier, the responsibilities set forth in section 19a-109.

1690 (e) No provision of the Freedom of Information Act, as defined in
1691 section 1-200, shall be construed to require or permit a municipal
1692 utility furnishing electric, gas or water service, a municipality
1693 furnishing water or sewer service, a district established by special act
1694 or pursuant to chapter 105 and furnishing water or sewer service or a
1695 regional authority established by special act to furnish water or sewer
1696 service to disclose records under the Freedom of Information Act, as
1697 defined in section 1-200, which identify or could lead to identification
1698 of the utility usage or billing information of individual customers, to
1699 the extent such disclosure would constitute an invasion of privacy.

1700 (f) If an electric supplier suffers a loss of revenue by operation of
1701 this section, the supplier may make a claim for such revenue to the
1702 department. The electric distribution company shall reimburse the
1703 electric supplier for such losses found to be reasonable by the
1704 department at the lower of (1) the price of the contract between the
1705 supplier and the customer, or (2) the electric distribution company's
1706 price to customers for default service, as determined by the
1707 department. The electric distribution company may recover such
1708 reimbursement, along with transaction costs, through the systems
1709 benefits charge.

1710 Sec. 51. Subsection (a) of section 22a-6 of the general statutes is
1711 repealed and the following is substituted in lieu thereof (*Effective*

1712 *October 1, 2007*):

1713 (a) The commissioner may: (1) Adopt, amend or repeal, in
1714 accordance with the provisions of chapter 54, such environmental
1715 standards, criteria and regulations, and such procedural regulations as
1716 are necessary and proper to carry out his functions, powers and duties;
1717 (2) enter into contracts with any person, firm, corporation or
1718 association to do all things necessary or convenient to carry out the
1719 functions, powers and duties of the department; (3) initiate and receive
1720 complaints as to any actual or suspected violation of any statute,
1721 regulation, permit or order administered, adopted or issued by him.
1722 The commissioner shall have the power to hold hearings, administer
1723 oaths, take testimony and subpoena witnesses and evidence, enter
1724 orders and institute legal proceedings including, but not limited to,
1725 suits for injunctions, for the enforcement of any statute, regulation,
1726 order or permit administered, adopted or issued by him; (4) in
1727 accordance with regulations adopted by him, require, issue, renew,
1728 revoke, modify or deny permits, under such conditions as he may
1729 prescribe, governing all sources of pollution in Connecticut within his
1730 jurisdiction; (5) in accordance with constitutional limitations, enter at
1731 all reasonable times, without liability, upon any public or private
1732 property, except a private residence, for the purpose of inspection and
1733 investigation to ascertain possible violations of any statute, regulation,
1734 order or permit administered, adopted or issued by him and the
1735 owner, managing agent or occupant of any such property shall permit
1736 such entry, and no action for trespass shall lie against the
1737 commissioner for such entry, or he may apply to any court having
1738 criminal jurisdiction for a warrant to inspect such premises to
1739 determine compliance with any statute, regulation, order or permit
1740 administered, adopted or enforced by him, provided any information
1741 relating to secret processes or methods of manufacture or production
1742 ascertained by the commissioner during, or as a result of, any
1743 inspection, investigation, hearing or otherwise shall be kept
1744 confidential and shall not be disclosed except that, notwithstanding the
1745 provisions of subdivision (5) of subsection (b) of section 1-210, such

1746 information may be disclosed by the commissioner to the United States
1747 Environmental Protection Agency pursuant to the federal Freedom of
1748 Information Act of 1976, (5 USC 552) and regulations adopted
1749 thereunder or, if such information is submitted after June 4, 1986, to
1750 any person pursuant to the federal Clean Water Act (33 USC 1251 et
1751 seq.); (6) undertake any studies, inquiries, surveys or analyses he may
1752 deem relevant, through the personnel of the department or in
1753 cooperation with any public or private agency, to accomplish the
1754 functions, powers and duties of the commissioner; (7) require the
1755 posting of sufficient performance bond or other security to assure
1756 compliance with any permit or order; (8) provide by notice printed on
1757 any form that any false statement made thereon or pursuant thereto is
1758 punishable as a criminal offense under section 53a-157b; (9) construct
1759 or repair or contract for the construction or repair of any dam or flood
1760 and erosion control system under his control and management, make
1761 or contract for the making of any alteration, repair or addition to any
1762 other real asset under his control and management, including rented
1763 or leased premises, involving an expenditure of five hundred thousand
1764 dollars or less, and, with prior approval of the Commissioner of Public
1765 Works, make or contract for the making of any alteration, repair or
1766 addition to such other real asset under his control and management
1767 involving an expenditure of more than five hundred thousand dollars
1768 but not more than one million dollars; (10) enter into a lease agreement
1769 with a private entity to allow such private entity to generate
1770 hydroelectricity on property under the commissioner's control and
1771 management; (11) by regulations adopted in accordance with the
1772 provisions of chapter 54 require the payment of a fee sufficient to cover
1773 the reasonable cost of the search, duplication and review of records
1774 requested under the Freedom of Information Act, as defined in section
1775 1-200, and the reasonable cost of reviewing and acting upon an
1776 application for and monitoring compliance with the terms and
1777 conditions of any state or federal permit, license, registration, order,
1778 certificate or approval required pursuant to subsection (i) of section
1779 22a-39, subsections (c) and (d) of section 22a-96, subsections (h), (i) and

1780 (k) of section 22a-424, and sections 22a-6d, 22a-32, 22a-134a, 22a-134e,
1781 22a-135, 22a-148, 22a-150, 22a-174, 22a-208, 22a-208a, 22a-209, 22a-342,
1782 22a-345, 22a-354i, 22a-361, 22a-363c, 22a-368, 22a-372, 22a-379, 22a-403,
1783 22a-409, 22a-416, 22a-428 to 22a-432, inclusive, 22a-449 and 22a-454 to
1784 22a-454c, inclusive, and Section 401 of the federal Clean Water Act, (33
1785 USC 1341). Such costs may include, but are not limited to the costs of
1786 (A) public notice, (B) reviews, inspections and testing incidental to the
1787 issuance of and monitoring of compliance with such permits, licenses,
1788 orders, certificates and approvals, and (C) surveying and staking
1789 boundary lines. The applicant shall pay the fee established in
1790 accordance with the provisions of this section prior to the final
1791 decision of the commissioner on the application. The commissioner
1792 may postpone review of an application until receipt of the payment.
1793 Payment of a fee for monitoring compliance with the terms or
1794 conditions of a permit shall be at such time as the commissioner deems
1795 necessary and is required for an approval to remain valid; and [(11)]
1796 (12) by regulations adopted in accordance with the provisions of
1797 chapter 54, require the payment of a fee sufficient to cover the
1798 reasonable cost of responding to requests for information concerning
1799 the status of real estate with regard to compliance with environmental
1800 statutes, regulations, permits or orders. Such fee shall be paid by the
1801 person requesting such information at the time of the request. Funds
1802 not exceeding two hundred thousand dollars received by the
1803 commissioner pursuant to subsection (g) of section 22a-174, during the
1804 fiscal year ending June 30, 1985, shall be deposited in the General Fund
1805 and credited to the appropriations of the Department of
1806 Environmental Protection in accordance with the provisions of section
1807 4-86, and such funds shall not lapse until June 30, 1986. In any action
1808 brought against any employee of the department acting within his
1809 scope of delegated authority in performing any of the above-listed
1810 duties, the employee shall be represented by the Attorney General.

1811 Sec. 52. Subsection (d) of section 22a-200a of the general statutes is
1812 repealed and the following is substituted in lieu thereof (*Effective July*
1813 *1, 2007*):

1814 (d) Not later than [December 1, 2005] October 1, 2008, and
1815 [annually] biennially thereafter, the Commissioner of Environmental
1816 Protection, in collaboration with the commissioners of other state
1817 agencies and the steering committee, shall submit a report to the joint
1818 standing committee of the General Assembly having cognizance of
1819 matters relating to the environment on the progress made in achieving
1820 the goals established in subsection (a) of this section and to evaluate
1821 the appropriateness of the climate change action plans developed
1822 pursuant to subsections (b) and (c) of this section in achieving such
1823 goals, which plans shall be consistent with the comprehensive energy
1824 plan developed pursuant to section 16a-14c.

1825 Sec. 53. Section 32-9n of the general statutes is repealed and the
1826 following is inserted in lieu thereof (*Effective July 1, 2007*):

1827 (a) There is established within the Department of Economic and
1828 Community Development an Office of Small Business Affairs. Such
1829 office shall aid and encourage small business enterprises, particularly
1830 those owned and operated by minorities and other socially or
1831 economically disadvantaged individuals in Connecticut. As used in
1832 this section, minority means: (1) Black Americans, including all
1833 persons having origins in any of the Black African racial groups not of
1834 Hispanic origin; (2) Hispanic Americans, including all persons of
1835 Mexican, Puerto Rican, Cuban, Central or South American, or other
1836 Spanish culture or origin, regardless of race; (3) all persons having
1837 origins in the Iberian Peninsula, including Portugal, regardless of race;
1838 (4) women; (5) Asian Pacific Americans and Pacific islanders; or (6)
1839 American Indians and persons having origins in any of the original
1840 peoples of North America and maintaining identifiable tribal
1841 affiliations through membership and participation or community
1842 identification.

1843 (b) Said Office of Small Business Affairs shall: (1) Administer the
1844 small business development center program run by the Department of
1845 Economic and Community Development; (2) coordinate the flow of

1846 information within the technical and management assistance program
1847 run by the Department of Economic and Community Development; (3)
1848 encourage the Connecticut Development Authority to grant loans to
1849 small businesses, particularly those owned and operated by minorities
1850 and other socially or economically disadvantaged individuals; (4)
1851 coordinate and serve as a liaison between all federal, state, regional
1852 and municipal agencies and programs affecting small business affairs;
1853 [and] (5) administer any business management training program
1854 established under section 32-352 or section 32-355 as the Commissioner
1855 of Economic and Community Development may determine; and (6)
1856 administer an energy efficiency resource center for small businesses.

1857 (c) The Commissioner of Administrative Services, in consultation
1858 with the Commissioner of Economic and Community Development,
1859 shall develop state employee classifications for staff positions for the
1860 Office of Small Business Affairs.

1861 Sec. 54. Section 42-133bb of the general statutes is repealed and the
1862 following is substituted in lieu thereof (*Effective July 1, 2007*):

1863 (a) No manufacturer or distributor shall require that a dealer:

1864 (1) Order or accept delivery of any new motor vehicle, part or
1865 accessory, equipment or any other commodity not required by law in
1866 connection with warranty service or a recall campaign or voluntarily
1867 ordered by the dealer, except that the provisions of this subdivision
1868 shall not affect terms or provisions of a franchise requiring dealers to
1869 market a representative line of motor vehicles which the manufacturer
1870 or distributor is publicly advertising;

1871 (2) Order or accept delivery of any new motor vehicle with special
1872 features, accessories or equipment not included in the list price of such
1873 motor vehicles as publicly advertised by the manufacturer or
1874 distributor;

1875 (3) Pay all or part of the cost of an advertising campaign or contest,

1876 or purchase any promotional materials, training material, showroom
1877 or other display decorations or materials at the expense of the new
1878 motor vehicle dealer without the consent of the new motor vehicle
1879 dealer;

1880 (4) Enter into any agreement with the manufacturer or distributor or
1881 do any other act prejudicial to the dealer under threat of termination or
1882 cancellation of a franchise or agreement between the dealer and the
1883 manufacturer or distributor, except that this subdivision shall not
1884 preclude the manufacturer or distributor from insisting on compliance
1885 with the reasonable terms or provisions of the franchise or agreement,
1886 and notice in good faith to any dealer of the dealer's violation of such
1887 terms or provisions shall not constitute a violation of sections 42-133r
1888 to 42-133ee, inclusive;

1889 (5) Change the capital structure of the dealer or the means by which
1890 the dealer finances the operation of the dealership provided that the
1891 dealer meets reasonable capital standards established by the
1892 manufacturer or distributor in accordance with uniformly applied
1893 criteria, and provided further that no change in the capital structure
1894 shall cause a change in the principal management or have the effect of
1895 a sale of the franchise without the consent of the manufacturer or
1896 distributor and such consent shall not be unreasonably withheld;

1897 (6) Refrain from participation in the management of, investment in,
1898 or acquisition of any other line of new motor vehicles or related
1899 products, provided that this subdivision shall not apply unless the
1900 dealer maintains a reasonable line of credit for each line make of new
1901 motor vehicle, the dealer remains in compliance with any reasonable
1902 facilities requirements of the manufacturer or distributor, and no
1903 change is made in the principal management of the dealer;

1904 (7) Prospectively assent to a release, assignment, novation, waiver
1905 or estoppel which would relieve any person from liability to be
1906 imposed by sections 42-133r to 42-133ee, inclusive, or require any
1907 controversy between a dealer and a manufacturer or distributor, to be

1908 referred to any forum other than the Superior Court or the United
1909 States District Court;

1910 (8) Refrain from purchasing or selling any of the alternative fuels set
1911 forth in subsection (b) of this section from a person or firm other than
1912 the distributor, or limit the quantity of such motor fuel to be purchased
1913 from such other person or firm, or directly or indirectly discourage a
1914 dealer from purchasing or selling such alternative motor fuels from
1915 such other person or firm.

1916 (b) For purposes of this section, the term "alternative fuel" shall
1917 mean any of the following: (1) A blend of eighty-five per cent ethanol
1918 and fifteen per cent gasoline; (2) a blend of at least two per cent
1919 methyl-ester, commonly referred to as "biodiesel", and diesel motor
1920 fuel; (3) motor fuel comprised primarily of methane, stored in either a
1921 gaseous or liquid state and suitable for use and consumption in the
1922 engine of a motor vehicle, commonly referred to as "compressed
1923 natural gas"; or (4) hydrogen.

1924 (c) Any person or firm who is a distributor, or an officer, agent or
1925 employee of a distributor, who threatens, harasses, coerces or attempts
1926 to coerce a dealer for the purpose of compelling such dealer from
1927 purchasing or selling alternative fuel from a person or firm other than
1928 the distributor shall be guilty of a violation and be subject to a fine in
1929 an amount of not more than one thousand dollars for each violation.

1930 Sec. 55. Subdivision (115) of section 12-412 of the general statutes is
1931 repealed and the following is substituted in lieu thereof (*Effective from*
1932 *passage*):

1933 (115) On and after October 1, 2004, and prior to [October 1, 2008]
1934 June 30, 2010, the sale of any hybrid passenger car that has a United
1935 States Environmental Protection Agency estimated highway gasoline
1936 mileage rating of at least forty miles per gallon. For purposes of this
1937 subdivision, "hybrid passenger car" means a passenger car that draws
1938 acceleration energy from two onboard sources of stored energy, which

1939 are both an internal combustion or heat engine using combustible fuel
1940 and a rechargeable energy storage system and, for a passenger car or
1941 light truck with a model year of 2004 or later, is certified to meet or
1942 exceed the tier II bin 5 low emission vehicle classification.

1943 Sec. 56. (NEW) (*Effective from passage*) Not later than January 1, 2008,
1944 and annually thereafter, the electric distribution companies, in
1945 consultation with the regional system operator, the Connecticut
1946 Energy Advisory Board, and entities in the state that own electric
1947 generating facilities, shall develop and submit a revised integrated
1948 resource plan to the Department of Public Utility Control that
1949 analyzes, over the short term and long term, the state's electricity
1950 generation and transmission, and specifies for the subsequent ten
1951 years: (1) the total amount of resources that need to be procured, (2)
1952 the location, fuel source and type of resources, including, but not
1953 limited to, demand side measures, including demand response,
1954 conservation measures, efficiency and load management, peaking,
1955 intermediate and baseload generation, that need to be procured, and
1956 (3) how procurement of said resources will reduce or stabilize rates.
1957 The plan shall consider: (A) Types and locations for generation that
1958 will optimize the generation portfolio within the state; (B) the mix of
1959 baseload, cycling and peaking generation; (C) fuel types, diversity,
1960 availability, firmness of supply, and security and environmental
1961 impacts thereof; (D) reliability, peak load and energy forecasts, system
1962 contingencies, and existing resource availabilities; (E) import
1963 limitations and the appropriate reliance on such imports; (F) if it is in
1964 the best interest of customers, how the new resources would be
1965 integrated into the standard service power supply for customers; and
1966 (G) the impact of the plan on the rates of electric customers, including,
1967 but not limited to, effects on capacity and energy costs, rate stability,
1968 affordability for low-income customers, the potential to displace
1969 reliability-must-run contracts, locational installed capacity, and other
1970 federally mandated congestion charges. The department shall provide
1971 an opportunity for interested parties to submit comments to the
1972 department regarding said plan. Not later than one hundred twenty

1973 days after submission of the plan, the department shall approve or
 1974 modify and approve the plan and shall determine the amount, location
 1975 and type of resources to be procured.

1976 Sec. 57. (*Effective from passage*) (a) The sum of twenty-six million five
 1977 hundred thousand dollars shall be transferred to the Energy
 1978 Conservation and Load Management Fund, established pursuant to
 1979 section 16-245m of the general statutes, from the General Fund for each
 1980 of the fiscal years ending June 30, 2008, June 30, 2009, and June 30,
 1981 2010; and the sum of eleven million three hundred thousand dollars
 1982 shall be transferred to the Energy Conservation and Load Management
 1983 Fund from the General Fund for the fiscal year ending June 30, 2011.
 1984 Such transfers shall be made in quarterly installments.

1985 (b) The sum of eight million eight hundred thousand dollars shall be
 1986 transferred to the Renewable Energy Investment Fund, established
 1987 pursuant to section 16-245n of the general statutes, from the General
 1988 Fund for each of the fiscal years ending June 30, 2008, June 30, 2009,
 1989 and June 30, 2010; and the sum of three million nine hundred thousand
 1990 dollars shall be transferred to the Renewable Energy Investment Fund
 1991 from the General Fund for the fiscal year ending June 30, 2011. Such
 1992 transfers shall be made in quarterly installments.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007</i>	New section
Sec. 4	<i>July 1, 2007</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2007, and applicable to assessment years commencing on and after October 1, 2006</i>	New section
Sec. 7	<i>from passage</i>	New section

Sec. 8	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	New section
Sec. 9	<i>October 1, 2007</i>	New section
Sec. 10	<i>October 1, 2007</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>July 1, 2007</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>July 1, 2007</i>	New section
Sec. 17	<i>October 1, 2007</i>	New section
Sec. 18	<i>from passage</i>	New section
Sec. 19	<i>October 1, 2007</i>	4a-67c
Sec. 20	<i>January 1, 2008</i>	4a-67d(a)
Sec. 21	<i>from passage</i>	PA 05-2 of the October 25 Sp. Sess., Sec. 5
Sec. 22	<i>July 1, 2007, and applicable to sales made on or after July 1, 2007, and prior to July 1, 2010</i>	PA 05-4 of the October 25 Sp. Sess., Sec. 2(b)
Sec. 23	<i>July 1, 2007</i>	PA 06-187, Sec. 70
Sec. 24	<i>from passage</i>	10a-180
Sec. 25	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007, and prior to July 1, 2010</i>	12-412
Sec. 26	<i>from passage and applicable to sales occurring on or after July 1, 2007</i>	12-412(3)
Sec. 27	<i>July 1, 2007</i>	12-587
Sec. 28	<i>from passage and applicable to assessment years commencing on and after October 1, 2006</i>	12-81
Sec. 29	<i>from passage</i>	14-327c
Sec. 30	<i>from passage</i>	16-1(a)(31)
Sec. 31	<i>October 1, 2007</i>	16-2(e)

Sec. 32	<i>from passage</i>	16a-15(a)
Sec. 33	<i>October 1, 2007</i>	16-19e(a)
Sec. 34	<i>July 1, 2007</i>	16a-23
Sec. 35	<i>October 1, 2007</i>	16-32g
Sec. 36	<i>July 1, 2007</i>	16a-41a
Sec. 37	<i>October 1, 2007</i>	16a-48(a)(16)
Sec. 38	<i>October 1, 2007</i>	16a-48(a)
Sec. 39	<i>October 1, 2007</i>	16a-48(b)
Sec. 40	<i>October 1, 2007</i>	16a-48(g)
Sec. 41	<i>October 1, 2007</i>	16-50k(a)
Sec. 42	<i>July 1, 2007</i>	16-50l(a)(2)
Sec. 43	<i>October 1, 2007</i>	16-243h
Sec. 44	<i>from passage</i>	16-244c(c)
Sec. 45	<i>from passage</i>	16-244c(d)
Sec. 46	<i>from passage</i>	16-244c(e)
Sec. 47	<i>from passage</i>	16-245(l)(2)
Sec. 48	<i>from passage</i>	16-245b
Sec. 49	<i>October 1, 2007</i>	16-245n(a)
Sec. 50	<i>October 1, 2007</i>	16-262c
Sec. 51	<i>October 1, 2007</i>	22a-6(a)
Sec. 52	<i>July 1, 2007</i>	22a-200a(d)
Sec. 53	<i>July 1, 2007</i>	32-9n
Sec. 54	<i>July 1, 2007</i>	42-133bb
Sec. 55	<i>from passage</i>	12-412(115)
Sec. 56	<i>from passage</i>	New section
Sec. 57	<i>from passage</i>	New section

Statement of Purpose:

To implement the Governor's budget recommendations.

[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.]