



Substitute House Bill No. 5600

Public Act No. 08-98

AN ACT CONCERNING CONNECTICUT GLOBAL WARMING SOLUTIONS.

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

Section 1. Section 22a-200 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

As used in sections 22a-200 to 22a-200b, inclusive, as amended by this act, section 5 of this act and section 4a-67h:

(1) "Direct emissions" means emissions from sources that are owned or operated, in whole or in part, by an entity or facility, including, but not limited to, emissions from factory stacks, manufacturing processes and vents, and company owned or leased motor vehicles;

(2) "Entity" means a person, as defined in section 22a-2, that owns or operates, in whole or in part, a source of greenhouse gas emissions from a generator of electricity or a commercial or industrial site, which source may include, but not be limited to, a transportation fleet;

(3) "Facility" means a building, structure or installation located on any one or more contiguous or adjacent properties of an entity;

(4) "Greenhouse gas" means any chemical or physical substance that

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is emitted into the air and that the Commissioner of Environmental Protection may reasonably anticipate will cause or contribute to climate change, including, but not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride;

(5) "Indirect emissions" means emissions associated with the consumption of purchased electricity, steam and heating or cooling by an entity or facility.

Sec. 2. Section 22a-200a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

[(a) It shall be the goal of the state to reduce emissions of greenhouse gas in order to make an appropriate contribution to achieving the regional goals of reducing emissions of greenhouse gas to those levels emitted in 1990, which reduction to occur not later than January 1, 2010, and to levels ten per cent below the 1990 levels not later than January 1, 2020. The Commissioner of Environmental Protection shall consult with the Conference of New England Governors and Eastern Canadian Premiers to establish a date for the long-term regional goal of reducing the emissions of greenhouse gas by seventy-five to eighty-five per cent below 2001 levels. If the Conference of New England Governors and Eastern Canadian Premiers has not established a date for such long-term regional goal by January 1, 2007, the date for reaching such goal shall be 2050.

(b) Not later than January 1, 2005, the Governor's Steering Committee on Climate Change, established in November 2002, shall develop a multisector, comprehensive climate change action plan, with the opportunity for public comment, which plan shall contain the policies and programs necessary to achieve the state's goals for the reduction of greenhouse gas emissions by 2010 and 2020. The steering committee shall notify each member of the General Assembly of the

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development of such plan and of such opportunity for public comment. Not later than January 1, 2005, the steering committee shall submit, in accordance with section 11-4a, such plan to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy, transportation and commerce. Not later than January 15, 2005, such committees shall convene a joint informational public hearing for the purpose of reviewing such plan. Not later than February 1, 2005, such committees shall meet for the purpose of consideration of endorsement of such plan. Not later than February 15, 2005, the steering committee shall submit a final plan to such committees.

(c) Not later than January 1, 2008, the steering committee shall develop an amended climate change action plan, with the opportunity for public comment, for achieving the state's contribution towards reaching the long-term regional goal established pursuant to subsection (a) of this section. The steering committee shall submit, in accordance with section 11-4a, such plan to the joint standing committee of the General Assembly having cognizance of matters relating to the environment.

(d) Not later than December 1, 2005, and annually thereafter, the Commissioner of Environmental Protection, in collaboration with the commissioners of other state agencies and the steering committee, shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to the environment on the progress made in achieving the goals established in subsection (a) of this section and to evaluate the appropriateness of the climate change action plans developed pursuant to subsections (b) and (c) of this section in achieving such goals.]

(a) The state shall reduce the level of emissions of greenhouse gas:

(1) Not later than January 1, 2020, to a level at least ten per cent

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below the level emitted in 1990; and

(2) Not later than January 1, 2050, to a level at least eighty per cent below the level emitted in 2001.

(3) All of the levels referenced in this subsection shall be determined by the Commissioner of Environmental Protection.

(b) On or before January 1, 2010, and biannually thereafter, the state agencies that are members of the Governor's Steering Committee on Climate Change shall submit a report to the Secretary of the Office of Policy and Management and the Commissioner of Environmental Protection. The report shall identify existing and proposed activities and improvements to the facilities of such agencies that are designed to meet state agency energy savings goals established by the Governor. The report shall also identify policies and regulations that could be adopted in the near future by such agencies to reduce greenhouse gas emissions in accordance with subsection (a) of this section.

(c) Not later than January 1, 2012, and every three years thereafter, the Commissioner of Environmental Protection shall, in consultation with the Secretary of the Office of Policy and Management and the Governor's Steering Committee on Climate Change, report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and transportation on the quantifiable emissions reductions achieved pursuant to subsection (a) of this section. The report shall include a schedule of proposed regulations, policies and strategies designed to achieve the limits of greenhouse gas emissions imposed by said subsection, an assessment of the latest scientific information and relevant data regarding global climate change and the status of greenhouse gas emission reduction efforts in other states and countries.

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(d) At least one year prior to the effective date of any federally mandated greenhouse cap and trade program including greenhouse gas emissions subject to any state cap and trade requirements adopted pursuant to this section, the Commissioner of Environmental Protection and the Secretary of the Office of Policy and Management shall report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and technology and transportation. Such report shall explain the differences between such federal and state requirements and shall identify any further regulatory or legislative actions needed to achieve consistency with such federal program.

Sec. 3. Section 22a-200b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

[(a) The Commissioner of Environmental Protection shall work to establish a regional greenhouse gas registry for greenhouse gas emissions and a regional reporting system in conjunction with other states or a regional consortium.

(b) Not later than April 15, 2006, and annually thereafter, the owner or operator of any facility that is required to report air emissions data to the Department of Environmental Protection pursuant to Title V of the federal Clean Air Act and that has stationary emissions sources that emit greenhouse gases shall report to the regional registry direct stack emissions of greenhouse gases from such sources. The owner or operator shall report all greenhouse gas emissions in a type and format that the regional registry can accommodate.

(c) The commissioner shall consider, on an annual basis, requiring the expansion of reporting to the regional greenhouse gas registry to include, but not be limited to, other facilities or sectors, greenhouse gases, or direct and indirect emissions. A decision for or against an

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expansion of reporting and an explanation of such decision shall be included in the annual report required pursuant to subsection (d) of section 22a-200a.

(d) Not later than July 1, 2006, the commissioner shall provide for the voluntary reporting of emissions of greenhouse gas to the regional greenhouse gas registry by entities and facilities that are not required to submit information pursuant to subsections (b) and (c) of this section but which do so on a voluntary basis. The greenhouse gas emissions reported shall be of a type and format that the regional greenhouse gas registry can accommodate.

(e) If a regional greenhouse gas registry is not developed and implemented by April 15, 2007, the commissioner shall evaluate the feasibility of establishing and administering a state-wide greenhouse gas registry for the collection of emissions data pursuant to subsections (b) and (c) of this section. If a regional greenhouse gas registry is developed after the commissioner establishes a state-wide greenhouse gas registry, the reporting requirements in subsections (b) and (c) of this section shall revert to the regional greenhouse gas registry in accordance with said subsections (b) and (c).

(f) Not later than July 1, 2006, and triennially thereafter, the commissioner shall publish a state greenhouse gas emissions inventory that includes comprehensive estimates of the quantity of greenhouse gas emissions in the state for the last three years in which data is available.]

(a) The Commissioner of Environmental Protection shall, with the advice and assistance of a nonprofit association organized to provide scientific, technical, analytical and policy support to the air quality and climate programs of northeastern states: (1) Not later than December 1, 2009, publish an inventory of greenhouse gas emissions to establish a baseline for such emissions for the state and publish a summary of

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greenhouse gas emission reduction strategies on the Department of Environmental Protection's Internet web site, (2) not later than July 1, 2010, publish results of various modeling scenarios concerning greenhouse gas emissions, including, but not limited to, an evaluation of the potential economic and environmental benefits and opportunities for economic growth based on such scenarios, (3) not later than July 1, 2011, analyze greenhouse gas emission reduction strategies and, after an opportunity for public comment, make recommendations on which such strategies will achieve the greenhouse gas emission levels specified in section 22a-200a, as amended by this act, and (4) not later than July 1, 2012, and every three years thereafter, develop, with an opportunity for public comment, a schedule of recommended regulatory actions by relevant agencies, policies and other actions necessary to show reasonable further progress towards achieving the greenhouse gas emission levels specified in section 22a-200a, as amended by this act.

[(g)] (b) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section. Nothing in section 4a-67h, 22a-200, as amended by this act, 22a-200a, as amended by this act, or this section shall limit a state agency from adopting any regulation within its authority in accordance with the provisions of chapter 54.

Sec. 4. Section 22a-200c of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) The Commissioner of Environmental Protection shall adopt regulations, in accordance with chapter 54, to implement the Regional Greenhouse Gas Initiative.

(b) The Department of Environmental Protection, in consultation with the Department of Public Utility Control, shall auction all

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emissions allowances and invest the proceeds on behalf of electric ratepayers in energy conservation, load management and Class I renewable energy programs. In making such investments, the Commissioner of Environmental Protection shall consider strategies that maximize cost effective reductions in greenhouse gas emission. Allowances shall be auctioned under the oversight of the Department of Public Utility Control and the Department of Environmental Protection by a contractor or trustee on behalf of the electric ratepayers.

(c) The regulations adopted pursuant to subsection (a) of this section may include provisions to cover the reasonable administrative costs associated with the implementation of the Regional Greenhouse Gas Initiative in Connecticut and to fund assessment and planning of measures to reduce emissions, [and] mitigate the impacts of climate change and to cover the reasonable administrative costs of state agencies associated with the adoption of regulations, plans and policies in accordance with section 22a-200a, as amended by this act. Such costs shall not exceed seven and one-half per cent of the total projected allowance value. Such regulations may also set aside a portion of the allowances to support the voluntary renewable energy provisions of the Regional Greenhouse Gas Initiative model rule and combined heat and power.

(d) Any allowances or allowance value allocated to the energy conservation load management program on behalf of electric ratepayers shall be incorporated into the planning and procurement process in sections 16a-3a of the 2008 supplement to the general statutes and 16a-3b of the 2008 supplement to the general statutes.

Sec. 5. (NEW) (*Effective October 1, 2008*) In order to achieve the emission reduction requirements established in section 22a-200a of the general statutes, as amended by this act, the state shall implement the following:

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(1) The Department of Environmental Protection shall monitor the development of low-carbon fuel standards in other states or jurisdictions, evaluate the potential of any such standard to achieve net carbon reductions, and assess whether the analytical framework used to determine the carbon benefit measures the full lifecycle of greenhouse gas emissions, including direct and indirect emissions of greenhouse gas caused by changes in land use or other factors. Such assessment shall include, but not be limited to, the modeling tools developed by the California Air Resources Board and the United States Environmental Protection Agency. The analytical framework used to measure actual lifecycle greenhouse gas emissions for fuel shall include all stages of fuel and feedstock production, delivery and use of the finished fuel to the ultimate consumer, and shall adjust the mass values for all greenhouse gas emissions relative to such emissions' relative global warming potential.

(2) The Department of Transportation shall, within available appropriations, continue to investigate the potential for improvements to the state's transportation system that will reduce greenhouse gas emissions and coordinate with the northeastern states on regional strategies to incorporate greenhouse gas emission reductions into regional transportation planning, including, but not limited to, high speed rail, light-rail passenger service and freight rail service within the northeast region.

(3) The Department of Environmental Protection may work with interested states and Canadian provinces to develop and implement market-based compliance mechanisms to achieve the greenhouse gas levels and limits established by section 22a-200a of the general statutes, as amended by this act, including, but not limited to, cap and trade programs.

Sec. 6. Section 22a-201c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

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(a) On and after January 1, 2007, the Commissioner of Motor Vehicles shall charge a fee of five dollars, in addition to any other fees required for such registration, for each new motor vehicle. Said fee may be identified as the "greenhouse gas reduction fee" on any registration form, or combined with the fee specified by subdivision (3) of subsection (k) of section 14-164c of the 2008 supplement to the general statutes. All receipts from the payment of such fee shall be deposited into the federal Clean Air Act account established pursuant to section 14-49b.

(b) The Commissioner of Environmental Protection may draw upon not more than sixty per cent of the funds deposited into said account pursuant to subsection (a) of this section to implement the requirements of section 22a-174, as amended by this act, sections 22a-200a to 22a-200c, inclusive, as amended by this act, section 5 of this act, and sections 22a-201a and 22a-201b, and the Commissioner of Motor Vehicles may draw upon not more than forty per cent of the funds deposited into said account pursuant to subsection (a) of this section to implement the requirements of sections 22a-201a and 22a-201b.

Sec. 7. (NEW) (*Effective October 1, 2008*) (a) Not later than January 1, 2009, the Governor's Steering Committee on Climate Change shall establish a subcommittee which may be composed of, but not be limited to, members of the Governor's Steering Committee on Climate Change. Such subcommittee shall (1) assess the impacts of climate change on state and local infrastructure, public health and natural resources and habitats in the state; (2) develop recommendations and plans that, if adopted, would enable state and local government to adapt to such impacts; and (3) provide technical assistance to implement such recommendations and plans.

(b) On or before December 31, 2009, the subcommittee shall report to the Governor's Steering Committee on Climate Change on its assessment of current state and private programs and research

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concerning the projected impact of climate change in the state on: (1) Infrastructure, including, but not limited to, buildings, roads, railroads, airports, dams, reservoirs, and sewage treatment and water filtration facilities; (2) natural resources and ecological habitats, including, but not limited to, coastal and inland wetlands, forests and rivers; (3) public health; and (4) agriculture. The subcommittee may conduct one or more public hearings regarding such assessment and regarding the recommendations for further assessments of impacts on the resources specified in subdivisions (1) to (4), inclusive, of this subsection.

(c) On or before July 1, 2010, the subcommittee shall report to the Governor and the General Assembly, in accordance with the provisions of section 11-4a of the general statutes, containing the results of its assessment in accordance with subsection (b) of this section concerning its recommendations for changes to existing state and municipal programs, laws or regulations to enable municipalities and natural habitats to adapt to harmful climate change impacts and to mitigate such impacts.

Sec. 8. Subsection (b) of section 22a-174 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The commissioner shall have the power to [employ] (1) enter into contracts with technical consultants, including, but not limited to, nonprofit corporations created for the purpose of facilitating the state's implementation of multistate air pollution control programs, for special studies, advice and assistance; to consult with and advise and exchange information with other departments or agencies of the state; and (2) serve on the board of directors of a nonprofit corporation, including, but not limited to, a nonprofit corporation created for the purpose of facilitating the state's implementation of multistate air pollution control programs.

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