



General Assembly

**Substitute Bill No. 5818**

February Session, 2008

\*        HB05818ET        031108        \*

**AN ACT CONCERNING THE SUMMER SAVER REWARDS PROGRAM  
AND TIME-OF-USE RATES AND ESTABLISHING A FREE NIGHTS  
PROGRAM.**

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

1 Section 1. Section 119 of public act 07-242 is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) For the calendar year [2007] 2008, each electric distribution  
4 company shall offer an electricity conservation incentive program to its  
5 residential customers. Said program shall compare electricity usage  
6 during the period beginning on June 1, [2007] 2008, and ending on  
7 August 31, [2007] 2008, and during the same period in [2006] 2007 and  
8 give residential customers a conservation incentive.

9 (b) Electric distribution companies shall issue credits to residential  
10 customers on the electricity bill that is presented on or after November  
11 1, [2007] 2008, and shall calculate said credits as follows: (1) Any  
12 residential customer who uses at least ten per cent less electricity  
13 during the [2007] 2008 period shall earn a credit equal to ten per cent of  
14 the billed generation charges for usage from June 1, [2007] 2008, to  
15 August 31, [2007] 2008, inclusive; (2) any residential customer who  
16 uses at least fifteen per cent less electricity during the [2007] 2008  
17 period shall earn a credit equal to fifteen per cent of the billed  
18 generation charges for usage from June 1, [2007] 2008, to August 31,

19 [2007] 2008, inclusive; and (3) any residential customer who uses at  
20 least twenty per cent less electricity during the [2007] 2008 period shall  
21 earn a credit equal to twenty per cent of the billed generation charges  
22 for usage from June 1, [2007] 2008, to August 31, [2007] 2008, inclusive.  
23 The calculation of reduction in electric energy usage shall be made  
24 pursuant to this section and the Department of Public Utility Control's  
25 decision in the proceeding required by subsection [(c)] (d) of this  
26 section. [Customers] Residential customers who have overdue  
27 balances with the electric distribution companies shall have any credits  
28 earned applied to such overdue balances.

29 (c) Electric distribution companies shall offer an incentive program  
30 to municipalities within their service area for resident participation in  
31 the program established in subsection (a) of this section. In each  
32 service area, (1) the municipality with the highest per capita reduction  
33 in energy use for the program period shall receive a credit equal to  
34 twenty-five per cent of its generation charges for such period; (2) the  
35 municipality with the second highest per capita reduction in energy  
36 use for the program period shall receive a credit equal to fifteen per  
37 cent of its generation charges for such period; and (3) the municipality  
38 with the third highest per capita reduction in energy use for the  
39 program period shall receive a credit equal to ten per cent of its  
40 generation charges for such period. The department shall require any  
41 municipality that wishes to participate in such program to enroll in  
42 such program not later than June 1, 2008, in such manner as prescribed  
43 by the department.

44 [(c)] (d) Within fifteen days of the effective date of this section, each  
45 electric distribution company shall file with the Department of Public  
46 Utility Control an outline of the [program] programs established in  
47 [subsection] subsections (a) and (c) of this section. Said outline shall  
48 include, but not be limited to, how the company plans to implement  
49 said program and the projected costs of said program. Using the  
50 submitted outlines, the department shall conduct an uncontested  
51 proceeding to design the parameters of the [program] programs  
52 established in [subsection] subsections (a) and (c) of this section and to

53 consider and implement reasonable means of marketing and  
54 promoting the program. The department shall include, but not be  
55 limited to, the following parameters necessary to encourage  
56 conservation, discourage inaccuracy in measurement and assure that  
57 credits are only provided to residential customers who have changed  
58 their usage by taking conservation and load management actions: (1)  
59 The comparison of energy usage shall be based on weather-normalized  
60 usage in [2007] 2008 compared to the comparable period in [2006] 2007  
61 for that particular address; (2) the program shall not be available to  
62 residential customers without usage in comparable months of [2006]  
63 2007; and (3) for residential customers who participate in other  
64 demand response programs, including, but not limited to, those  
65 sponsored by the regional independent system operator, benefits from  
66 the program established in subsection (a) of this section shall be pro-  
67 rated against any benefits from any other programs.

68 [(d)] (e) All costs incurred by an electric distribution company in  
69 connection with the [program] programs established in [subsection]  
70 subsections (a) and (c) of this section, including incentive credits on  
71 customers' bills, shall be recoverable through the systems benefits  
72 charge.

73 [(e)] (f) On or before [February 1, 2008] January 1, 2009, the  
74 department shall report to the joint standing committee of the General  
75 Assembly having cognizance of matters relating to energy regarding  
76 the success of, and any recommendations for improvement of, the  
77 incentive [program] programs established pursuant to [subsection]  
78 subsections (a) and (c) of this section.

79 (g) Any residential customer of an electric distribution company as  
80 of June 1, 2008, shall qualify for the program described in subsections  
81 (a) and (b) of this section. The department shall not require residential  
82 customers who wish to participate in such program to enroll in order  
83 to participate in such program.

84 Sec. 2. (Effective from passage) For the calendar year 2008, the

85 Department of Public Utility Control shall designate a retail  
86 commodity supplier that shall offer a free nights program. The  
87 department shall make such designation on or before June 1, 2008. Said  
88 program shall be available to any residential customer who requests  
89 and receives a time-of-use rate and the applicable meter technology.  
90 Residential customers who participate in said program, which shall be  
91 in effect from June 1, 2008, to August 31, 2008, inclusive, shall not pay  
92 for electricity used between eight o'clock p.m. and six o'clock a.m.

93 (b) The Department of Public Utility Control shall conduct an  
94 uncontested proceeding to design the parameters of the program  
95 established pursuant to subsection (a) of this section and to consider  
96 and implement reasonable means of marketing and promoting the  
97 program.

98 (c) On or before January 1, 2009, the department shall report to the  
99 joint standing committee of the General Assembly having cognizance  
100 of matters relating to energy regarding the success of, and any  
101 recommendations for improvements of, the program established  
102 pursuant to subsection (a) of this section.

103 (d) Any costs associated with the program described in subsection  
104 (a) of this section shall be borne by those customers who elect to  
105 participate in such program. Ratepayers of electric distribution  
106 companies shall not bear any cost incurred by the department  
107 pursuant to subsection (b) of this section.

108 Sec. 3. (*Effective from passage*) On or before October 1, 2008, the  
109 Department of Public Utility Control shall initiate a contested case  
110 proceeding to identify mechanisms to encourage residential customers  
111 of electric distribution companies who receive time-of-use rates to shift  
112 any of their peak consumption to off-peak time periods. The  
113 department shall report any findings and recommendations to the joint  
114 standing committee of the General Assembly having cognizance of  
115 matters relating to energy, not later than January 1, 2009.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	PA 07-242, Sec. 119
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section

**ET**      *Joint Favorable Subst.*