



Senate

General Assembly

File No. 388

February Session, 2010

Substitute Senate Bill No. 203

Senate, April 8, 2010

The Committee on Energy and Technology reported through SEN. FONFARA, J. of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT PERMITTING CONDOMINIUM ASSOCIATIONS TO BENEFIT FROM CLEAN ENERGY FUND PROGRAMS.

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

1 Section 1. (NEW) (*Effective July 1, 2010*) (a) There is established an
2 account to be known as the "condominium renewable energy and
3 efficient energy grant account", which shall be a separate, nonlapsing
4 account within the Renewable Energy Investment Fund, established
5 pursuant to section 16-245n of the general statutes. The account shall
6 contain any moneys required or permitted by law to be deposited in
7 the account and any funds received from any public or private
8 contributions, gifts, grants, donations, bequests or devises to the fund.
9 Connecticut Innovations, Incorporated, may make grants-in-aid from
10 the account in accordance with the provisions of subsection (b) of this
11 section.

12 (b) Connecticut Innovations, Incorporated, in consultation with the
13 Department of Public Utility Control, and the Renewable Energy

14 Investments Board, shall establish a condominium renewable energy
 15 and efficient energy grant program. Connecticut Innovations,
 16 Incorporated, shall make grants under said program to condominium
 17 associations for (1) converting to more efficient heating systems in
 18 common areas or within individual units, or (2) purchasing renewable
 19 energy sources, including solar energy, geothermal energy and fuel
 20 cells or other energy-efficient hydrogen-fueled energy.

21 (c) On or before October 1, 2010, Connecticut Innovations,
 22 Incorporated, shall develop an application for grants-in-aid under this
 23 section and may, on and after said date, receive applications from
 24 condominium associations for such grants-in-aid. Applications shall
 25 include, but not be limited to, a complete description of the proposed
 26 project.

27 (d) On or before January 1, 2012, and annually thereafter,
 28 Connecticut Innovations, Incorporated, shall submit a report on the
 29 effectiveness of said program to the joint standing committee of the
 30 General Assembly having cognizance of matters relating to energy, in
 31 accordance with section 11-4a of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2010	New section

ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
CT Innovations Inc. (quasi-public)	Various - Cost	See Below	See Below

Municipal Impact: None

Explanation

The bill establishes the Condominium Renewable Energy and Efficient Energy Grant Account as a non-lapsing account within the Clean Energy Fund¹ (CEF), which is maintained by the Connecticut Innovations Incorporated² (CII). The bill requires CII to establish a grant program. It is unclear if any of the CEF monies are diverted to the Condominium Renewable Energy Efficient Energy Grant Account, and if so, how much. CII will incur personnel costs³ of \$ 62,775, plus fringe benefits, and indirect overhead of \$18,225 to administer the program, and \$10,000 to develop applications and market the program to condominium associations. It is anticipated that any costs incurred by CII would come from its operating funds, which reduces funding available for current investments and programs.

The Out Years

¹ The CEF is funded through a surcharge on rate payer electric company bills and from federal American Recovery Reinvestment Act (ARRA) funds. The December 31, 2009 CEF balance totaled \$66.11 million, yet commitments of \$77.29 million exceed the current CEF balance, and will be paid from future deposits to the CEF.

² CII is a quasi-public state agency that does not receive resources from the General Fund. It provides assistance for: (a) development of new business; (b) research and development of new businesses; and (c) financing.

³ Personnel costs include 0.5 FTE Project Assistant, 0.25 FTE Project Associate, 0.25 FTE Project Manager.

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 203*****AN ACT PERMITTING CONDOMINIUM ASSOCIATIONS TO
BENEFIT FROM CLEAN ENERGY FUND PROGRAMS.*****SUMMARY:**

This bill establishes the “condominium renewable energy and efficient energy grant account” as a non-lapsing account in the Clean Energy Fund. It requires the account to hold any money required or permitted by law to be deposited in it and any funds received from any public or private contributions, gifts, grants, donations, bequests or devises to the fund.

The bill requires Connecticut Innovations, Incorporated (CII), in consultation with the Department of Public Utility Control and the Clean Energy Fund board, to establish a condominium renewable energy and efficient energy grant program. CII must make grants under the program to condominium associations for (1) converting to more efficient heating systems in common areas or within individual units or (2) purchasing renewable energy sources, including solar energy, geothermal energy, and fuel cells or other energy-efficient hydrogen-fueled energy. CII can use the money in the account for this purpose.

By October 1, 2010, CII must develop an application for these grants and, starting on this date, may receive grant applications from condominium associations. The applications must at least include a complete description of the proposed project.

By January 1, 2012, and annually thereafter, CII must report on the program’s effectiveness to the Energy and Technology Committee.

By law, the Clean Energy Fund is supported from a charge on

electric company bills. CII can spend the money, at the direction of the board, for a variety of renewable energy initiatives.

EFFECTIVE DATE: July 1, 2010

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/24/2010)