



General Assembly

Amendment

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Offered by:

SEN. FONFARA, 1st Dist.

REP. NARDELLO, 89th Dist.

SEN. WILLIAMS, 29th Dist.

To: Senate Bill No. 493

File No.

Cal. No.

"AN ACT REDUCING ELECTRICITY COSTS AND PROMOTING RENEWABLE ENERGY."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 16-1b of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2011*):

5 The Connecticut Energy and Technology Authority authorized
6 under section 16-2, as amended by this act, shall be organized into two
7 divisions as follows:

8 (1) There shall be a [Department] Division of Public Utility Control.
9 The [department] division head shall be the [chairperson of the Public
10 Utilities Control Authority] executive director of the division who shall
11 report to the Connecticut Energy and Technology Authority; and

12 (2) There shall be a Division of Research, Energy and Technology,

13 consisting of the bureaus of power procurement, conservation and
14 renewal energy, and research.

15 Sec. 2. Section 16-2 of the general statutes is repealed and the
16 following is substituted in lieu thereof (*Effective July 1, 2011*):

17 (a) There shall [continue to] be a [Public Utilities Control]
18 Connecticut Energy and Technology Authority, which shall constitute
19 a successor authority to the Public Utilities Control Authority and shall
20 consist of five electors of this state, appointed by the Governor with the
21 advice and consent of both houses of the General Assembly. Not more
22 than three members of said authority in office at any one time shall be
23 members of any one political party. On or before July 1, 1983, and
24 quadrennially thereafter, the Governor shall appoint three members to
25 the authority and on or before July 1, 1985, and quadrennially
26 thereafter, the Governor shall appoint two members. All such
27 members shall serve for a term of four years. The procedure prescribed
28 by section 4-7 shall apply to such appointments, except that the
29 Governor shall submit each nomination on or before May first, and
30 both houses shall confirm or reject it before adjournment sine die. The
31 commissioners shall be sworn to the faithful performance of their
32 duties.

33 (b) The authority shall elect a chairperson and vice-chairperson each
34 June for one-year terms starting on July first of the same year. The vice-
35 chairperson shall perform the duties of the chairperson in his absence.

36 (c) Any matter coming before the authority may be assigned by the
37 chairperson to a panel of three commissioners, not more than two of
38 whom shall be members of the same political party. Except as
39 otherwise provided by statute or regulation, the panel shall determine
40 whether a public hearing shall be held on the matter, and may
41 designate one or two of its members to conduct such hearing or
42 appoint an examiner to ascertain the facts and report thereon to the
43 panel. The decision of the panel, if unanimous, shall be the decision of
44 the authority. If the decision of the panel is not unanimous, the matter

45 shall be referred to the entire authority for decision.

46 (d) The commissioners of the authority shall serve full time and
47 shall make full public disclosure of their assets, liabilities and income
48 at the time of their appointment, and thereafter each member of the
49 authority shall make such disclosure on or before July thirtieth of each
50 year of such member's term, and shall file such disclosure with the
51 office of the Secretary of the State. Each commissioner shall receive
52 annually a salary equal to that established for management pay plan
53 salary group seventy-five by the Commissioner of Administrative
54 Services, except that the chairperson shall receive annually a salary
55 equal to that established for management pay plan salary group
56 seventy-seven.

57 (e) To insure the highest standard of public utility regulation, on
58 and after October 1, 2007, any newly appointed commissioner of the
59 authority shall have education or training and three or more years of
60 experience in one or more of the following fields: Economics,
61 engineering, law, accounting, finance, utility regulation, public or
62 government administration, consumer advocacy, business
63 management, and environmental management. On and after July 1,
64 1997, at least three of these fields shall be represented on the authority
65 by individual commissioners at all times. Any time a commissioner is
66 newly appointed, the chairperson shall identify at least one of the
67 commissioners [shall have] as having experience in utility customer
68 advocacy.

69 (f) The chairperson of the authority, with the consent of two or more
70 other members of the authority, shall appoint an executive director,
71 who shall be the chief administrative officer of the [Department]
72 Division of Public Utility Control. The executive director shall be
73 supervised by the chairperson of the authority, serve for a term of four
74 years and annually receive a salary equal to that established for
75 management pay plan salary group seventy-two by the Commissioner
76 of Administrative Services. The executive director (1) shall conduct
77 comprehensive planning with respect to the functions of the

78 department; (2) shall coordinate the activities of the [department]
79 division; (3) shall cause the administrative organization of the
80 [department] division to be examined with a view to promoting
81 economy and efficiency; (4) shall, in concurrence with the chairperson
82 of the authority, organize the department into such divisions, bureaus
83 or other units as he deems necessary for the efficient conduct of the
84 business of the [department] division and may from time to time
85 abolish, transfer or consolidate within the [department] division, any
86 other division, bureau or other units as may be necessary for the
87 efficient conduct of the business of the department, provided such
88 organization shall include any division, bureau or other unit which is
89 specifically required by the general statutes; (5) shall, for any
90 proceeding on a proposed rate amendment in which staff of the
91 [department] division are to be made a party pursuant to section 16-
92 19j, determine which staff shall appear and participate in the
93 proceedings and which shall serve the members of the authority; (6)
94 may enter into such contractual agreements, in accordance with
95 established procedures, as may be necessary for the discharge of his
96 duties; and (7) may, subject to the provisions of section 4-32, and
97 unless otherwise provided by law, receive any money, revenue or
98 services from the federal government, corporations, associations or
99 individuals, including payments from the sale of printed matter or any
100 other material or services. The executive director shall require the staff
101 of the [department] division to have expertise in public utility
102 engineering and accounting, finance, economics, computers and rate
103 design. Subject to the provisions of chapter 67 and within available
104 funds in any fiscal year, the executive director may appoint a secretary,
105 and may employ such accountants, clerical assistants, engineers,
106 inspectors, experts, consultants and agents as the [department]
107 division may require.

108 (g) No member of the authority or employee of the [department]
109 division shall, while serving as such, have any interest, financial or
110 otherwise, direct or indirect, or engage in any business, employment,
111 transaction or professional activity, or incur any obligation of any

112 nature, which is in substantial conflict with the proper discharge of his
113 duties or employment in the public interest and of his responsibilities
114 as prescribed in the laws of this state, as defined in section 1-85;
115 provided, no such substantial conflict shall be deemed to exist solely
116 by virtue of the fact that a member of the authority or employee of the
117 [department] division, or any business in which such a person has an
118 interest, receives utility service from one or more Connecticut utilities
119 under the normal rates and conditions of service.

120 (h) No member of the authority or employee of the [department]
121 division shall accept other employment which will either impair his
122 independence of judgment as to his official duties or employment or
123 require him, or induce him, to disclose confidential information
124 acquired by him in the course of and by reason of his official duties.

125 (i) No member of the authority or employee of the [department]
126 division shall wilfully and knowingly disclose, for pecuniary gain, to
127 any other person, confidential information acquired by him in the
128 course of and by reason of his official duties or employment or use any
129 such information for the purpose of pecuniary gain.

130 (j) No member of the authority or employee of the [department]
131 division shall agree to accept, or be in partnership or association with
132 any person, or a member of a professional corporation or in
133 membership with any union or professional association which
134 partnership, association, professional corporation, union or
135 professional association agrees to accept any employment, fee or other
136 thing of value, or portion thereof, in consideration of his appearing,
137 agreeing to appear, or taking any other action on behalf of another
138 person before the authority, the Connecticut Siting Council, the Office
139 of Policy and Management or the Commissioner of Environmental
140 Protection.

141 (k) No commissioner of the authority shall, for a period of one year
142 following the termination of his or her service as a commissioner,
143 accept employment: (1) By a public service company or by any person,

144 firm or corporation engaged in lobbying activities with regard to
145 governmental regulation of public service companies; (2) by a certified
146 telecommunications provider or by any person, firm or corporation
147 engaged in lobbying activities with regard to governmental regulation
148 of persons, firms or corporations so certified; or (3) by an electric
149 supplier or by any person, firm or corporation engaged in lobbying
150 activities with regard to governmental regulation of electric suppliers.
151 No such commissioner who is also an attorney shall in any capacity,
152 appear or participate in any matter, or accept any compensation
153 regarding a matter, before the authority, for a period of one year
154 following the termination of his or her service as a commissioner.

155 Sec. 3. (NEW) (*Effective July 1, 2011*) (a) The Division of Research,
156 Energy and Technology shall, in accordance with the comprehensive
157 plan approved pursuant to section 16a-3a of the general statutes, as
158 amended by this act, (1) increase the state's energy independence and
159 security by promoting conservation and efficiency and the use of
160 diverse indigenous and regional electric resources; (2) encourage the
161 use of renewable energy resources and new electric technologies,
162 particularly technologies that support economic development in the
163 state and promote environmental sustainability; (3) minimize costs of
164 electric services to state consumers while maintaining reliable service;
165 (4) discourage undue price volatility of electric service; and (5)
166 encourage competition, if in the interests of state consumers.

167 (b) The Connecticut Energy and Technology Authority (1) shall
168 conduct comprehensive planning with respect to the functions of the
169 division; (2) shall coordinate the activities of the division; (3) shall
170 cause the administrative organization of the division to be examined
171 with a view to promoting economy and efficiency; (4) may enter into
172 such contractual agreements, in accordance with established
173 procedures, as may be necessary for the discharge of the division's
174 duties; and (5) may, subject to the provisions of section 4-32 of the
175 general statutes, and unless otherwise provided by law, receive any
176 money, revenue or services from the federal government, corporations,
177 associations or individuals, including payments from the sale of

178 printed matter or any other material or services. Within available
179 funds in any fiscal year, the authority may appoint a secretary and
180 may employ such accountants, clerical assistants, engineers,
181 inspectors, experts, consultants and agents as the division may require.

182 (c) The Connecticut Academy of Science and Engineering shall
183 conduct a study on how best to implement a research office regarding
184 electricity and other energy and technology matters within the division
185 and shall report the findings of such study to the joint standing
186 committee of the General Assembly having cognizance of matters
187 relating to energy on or before November 1, 2011.

188 (d) The bureau of power procurement shall report directly to the
189 authority commissioners and shall (1) be responsible for overseeing the
190 procurement of electricity for the standard offer, (2) be a liaison to the
191 New England Power Pool, the regional independent system operator
192 and the Federal Energy Regulatory Commission, (3) recommend to the
193 authority procurement expectations, and (4) report quarterly to the
194 authority commissioners on how current purchasing is meeting the
195 established expectations and if any adjustments should be made.

196 (e) The bureau of conservation and renewable energy shall report
197 directly to the authority commissioners and shall (1) be responsible for
198 the overall implementation of the authority's conservation and
199 renewable energy goals, (2) provide expertise to the authority on
200 conservation and renewable energy dockets and authority decisions,
201 (3) develop, in consultation with the Energy Conservation
202 Management Board and the electric distribution companies, an electric
203 conservation plan, which shall include a review of electric
204 conservation programs and recommendations for meeting the
205 conservation goals established pursuant to section 16a-3a of the
206 general statutes, as amended by this act, (4) report annually to the
207 authority on (A) the Energy Conservation Management Board's
208 performance and how such board allocated its funds, and (B) an
209 evaluation of other state conservation programs and recommendations
210 for improving their efficiency.

211 Sec. 4. (*Effective from passage*) (a) There is established a working
212 group that shall consist of the following: The Secretary of the Office of
213 Policy and Management, the Consumer Counsel, the chairperson of
214 the Public Utility Control Authority, the Attorney General, the
215 executive director of Connecticut Innovations, Incorporated, or their
216 designees, and the chairpersons and ranking members of the joint
217 standing committee of the General Assembly having cognizance of
218 matters relating to energy.

219 (b) The purpose of the working group established pursuant to
220 subsection (a) of this section shall be to develop plans for the
221 implementation of organizational and structural changes in state
222 government related to the establishment of the Connecticut Energy
223 and Technology Authority and the Division of Public Utility Control
224 and the Division of Research, Energy and Technology pursuant to
225 section 1 of this act, as well as to provide recommendations for the
226 most efficient and effective way to meet the goals of sections 2 and 3 of
227 this act. On or before January 1, 2011, the working group shall issue a
228 report of its findings, including, but not limited to, drafts of legislation
229 necessary for such implementation to the General Assembly.

230 Sec. 5. Section 16a-48 of the general statutes is repealed and the
231 following is substituted in lieu thereof (*Effective July 1, 2010*):

232 (a) As used in this section:

233 (1) "Office" means the Office of Policy and Management;

234 (2) "Fluorescent lamp ballast" or "ballast" means a device designed
235 to operate fluorescent lamps by providing a starting voltage and
236 current and limiting the current during normal operation, but does not
237 include such devices that have a dimming capability or are intended
238 for use in ambient temperatures of zero degrees Fahrenheit or less or
239 have a power factor of less than sixty-one hundredths for a single
240 F40T12 lamp;

241 (3) "F40T12 lamp" means a tubular fluorescent lamp that is a

242 nominal forty-watt lamp, with a forty-eight-inch tube length and one
243 and one-half inches in diameter;

244 (4) "F96T12 lamp" means a tubular fluorescent lamp that is a
245 nominal seventy-five-watt lamp with a ninety-six-inch tube length and
246 one and one-half inches in diameter;

247 (5) "Luminaire" means a complete lighting unit consisting of a
248 fluorescent lamp, or lamps, together with parts designed to distribute
249 the light, to position and protect such lamps, and to connect such
250 lamps to the power supply;

251 (6) "New product" means a product that is sold, offered for sale, or
252 installed for the first time and specifically includes floor models and
253 demonstration units;

254 (7) "Secretary" means the Secretary of the Office of Policy and
255 Management;

256 (8) "State Building Code" means the building code adopted
257 pursuant to section 29-252;

258 (9) "Torchiere lighting fixture" means a portable electric lighting
259 fixture with a reflector bowl giving light directed upward so as to give
260 indirect illumination;

261 (10) "Unit heater" means a self-contained, vented fan-type
262 commercial space heater that uses natural gas or propane that is
263 designed to be installed without ducts within the heated space. "Unit
264 heater" does not include a product regulated by federal standards
265 pursuant to 42 USC 6291, as amended from time to time, a product that
266 is a direct vent, forced flue heater with a sealed combustion burner, or
267 any oil fired heating system;

268 (11) "Transformer" means a device consisting of two or more coils of
269 insulated wire that transfers alternating current by electromagnetic
270 induction from one coil to another in order to change the original
271 voltage or current value;

272 (12) "Low-voltage dry-type transformer" means a transformer that:
273 (A) Has an input voltage of six hundred volts or less; (B) is between
274 fourteen kilovolt-amperes and two thousand five hundred one
275 kilovolt-amperes in size; (C) is air-cooled; and (D) does not use oil as a
276 coolant. "Low-voltage dry-type transformer" does not include such
277 transformers excluded from the low-voltage dry-type distribution
278 transformer definition contained in the California Code of Regulations,
279 Title 20: Division 2, Chapter 4, Article 4: Appliance Efficiency
280 Regulations;

281 (13) "Pass-through cabinet" means a refrigerator or freezer with
282 hinged or sliding doors on both the front and rear of the refrigerator or
283 freezer;

284 (14) "Reach-in cabinet" means a refrigerator, freezer, or combination
285 thereof, with hinged or sliding doors or lids;

286 (15) "Roll-in" or "roll-through cabinet" means a refrigerator or
287 freezer with hinged or sliding doors that allows wheeled racks of
288 product to be rolled into or through the refrigerator or freezer;

289 (16) "Commercial refrigerators and freezers" means reach-in
290 cabinets, pass-through cabinets, roll-in cabinets and roll-through
291 cabinets that have less than eighty-five feet of capacity, which are
292 designed for the refrigerated or frozen storage of food and food
293 products;

294 (17) "Traffic signal module" means a standard eight-inch or twelve-
295 inch round traffic signal indicator consisting of a light source, lens and
296 all parts necessary for operation and communication of movement
297 messages to drivers through red, amber and green colors;

298 (18) "Illuminated exit sign" means an internally illuminated sign that
299 is designed to be permanently fixed in place and used to identify an
300 exit by means of a light source that illuminates the sign or letters from
301 within where the background of the exit sign is not transparent;

302 (19) "Packaged air-conditioning equipment" means air-conditioning
303 equipment that is built as a package and shipped as a whole to end-
304 user sites;

305 (20) "Large packaged air-conditioning equipment" means air-cooled
306 packaged air-conditioning equipment having not less than two
307 hundred forty thousand BTUs per hour of capacity;

308 (21) "Commercial clothes washer" means a soft mount front-loading
309 or soft mount top-loading clothes washer that is designed for use in
310 (A) applications where the occupants of more than one household will
311 be using it, such as in multifamily housing common areas and coin
312 laundries; or (B) other commercial applications, if the clothes container
313 compartment is no greater than three and one-half cubic feet for
314 horizontal-axis clothes washers or no greater than four cubic feet for
315 vertical-axis clothes washers;

316 (22) "Energy efficiency ratio" means a measure of the relative
317 efficiency of a heating or cooling appliance that is equal to the unit's
318 output in BTUs per hour divided by its consumption of energy,
319 measured in watts;

320 (23) "Electricity ratio" means the ratio of furnace electricity use to
321 total furnace energy use;

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

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

327 (26) "Residential furnace or boiler" means a product that utilizes
328 only single-phase electric current or single-phase electric current or DC
329 current in conjunction with natural gas, propane or home heating oil
330 and that (A) is designed to be the principal heating source for the
331 living space of a residence; (B) is not contained within the same cabinet

332 as a central air conditioner with a rated cooling capacity of not less
333 than sixty-five thousand BTUs per hour; (C) is an electric central
334 furnace, electric boiler, forced-air central furnace, gravity central
335 furnace or low pressure steam or hot water boiler; and (D) has a heat
336 input rate of less than three hundred thousand BTUs per hour for an
337 electric boiler and low pressure steam or hot water boiler and less than
338 two hundred twenty-five thousand BTUs per hour for a forced-air
339 central furnace, gravity central furnace and electric central furnace;

340 (27) "Furnace air handler" means the section of the furnace that
341 includes the fan, blower and housing, generally upstream of the
342 burners and heat exchanger. The furnace air handler may include a
343 filter and a cooling coil;

344 (28) "High-intensity discharge lamp" means a lamp in which light is
345 produced by the passage of an electric current through a vapor or gas,
346 the light-producing arc is stabilized by bulb wall temperature and the
347 arc tube has a bulb wall loading in excess of three watts per square
348 centimeter;

349 (29) "Metal halide lamp" means a high intensity discharge lamp in
350 which the major portion of the light is produced by radiation of metal
351 halides and their products of dissociation, possibly in combination
352 with metallic vapors;

353 (30) "Metal halide lamp fixture" means a light fixture designed to be
354 operated with a metal halide lamp and a ballast for a metal halide
355 lamp;

356 (31) "Probe start metal halide ballast" means a ballast used to
357 operate metal halide lamps that does not contain an ignitor and that
358 instead starts lamps by using a third starting electrode probe in the arc
359 tube;

360 (32) "Single voltage external AC to DC power supply" means a
361 device that (A) is designed to convert line voltage AC input into lower
362 voltage DC output; (B) is able to convert to only one DC output voltage

363 at a time; (C) is sold with, or intended to be used with, a separate end-
364 use product that constitutes the primary power load; (D) is contained
365 within a separate physical enclosure from the end-use product; (E) is
366 connected to the end-use product in a removable or hard-wired male
367 and female electrical connection, cable, cord or other wiring; (F) does
368 not have batteries or battery packs, including those that are removable
369 or that physically attach directly to the power supply unit; (G) does not
370 have a battery chemistry or type selector switch and indicator light or a
371 battery chemistry or type selector switch and a state of charge meter;
372 and (H) has a nameplate output power less than or equal to two
373 hundred fifty watts;

374 (33) "State regulated incandescent reflector lamp" means a lamp that
375 is not colored or designed for rough or vibration service applications,
376 has an inner reflective coating on the outer bulb to direct the light, has
377 an E26 medium screw base, a rated voltage or voltage range that lies at
378 least partially within one hundred fifteen to one hundred thirty volts,
379 and that falls into one of the following categories: (A) A bulged
380 reflector or elliptical reflector or a blown PAR bulb shape and that has
381 a diameter that equals or exceeds two and one-quarter inches, or (B) a
382 reflector, parabolic aluminized reflector, bulged reflector or similar
383 bulb shape and that has a diameter of two and one-quarter to two and
384 three-quarters inches. "State regulated incandescent reflector lamp"
385 does not include ER30, BR30, BR40 and ER40 lamps of not more than
386 fifty watts, BR30, BR40 and ER40 lamps of sixty-five watts and R20
387 lamps of not more than forty-five watts;

388 (34) "Bottle-type water dispenser" means a water dispenser that uses
389 a bottle or reservoir as the source of potable water;

390 (35) "Commercial hot food holding cabinet" means a heated, fully-
391 enclosed compartment with one or more solid or partial glass doors
392 that is designed to maintain the temperature of hot food that has been
393 cooked in a separate appliance. "Commercial hot food holding cabinet"
394 does not include heated glass merchandizing cabinets, drawer
395 warmers or cook-and-hold appliances;

396 (36) "Pool heater" means an appliance designed for heating
397 nonpotable water contained at atmospheric pressure for swimming
398 pools, spas, hot tubs and similar applications, including natural gas,
399 heat pump, oil and electric resistance pool heaters;

400 (37) "Portable electric spa" means a factory-built electric spa or hot
401 tub supplied with equipment for heating and circulating water;

402 (38) "Residential pool pump" means a pump used to circulate and
403 filter pool water to maintain clarity and sanitation;

404 (39) "Walk-in refrigerator" means a space refrigerated to
405 temperatures at or above thirty-two degrees Fahrenheit that has a total
406 chilled storage area of less than three thousand square feet, can be
407 walked into and is designed for the refrigerated storage of food and
408 food products. "Walk-in refrigerator" does not include refrigerated
409 warehouses and products designed and marketed exclusively for
410 medical, scientific or research purposes;

411 (40) "Walk-in freezer" means a space refrigerated to temperatures
412 below thirty-two degrees Fahrenheit that has a total chilled storage
413 area of less than three thousand square feet, can be walked into and is
414 designed for the frozen storage of food and food products. "Walk-in
415 freezer" does not include refrigerated warehouses and products
416 designed and marketed exclusively for medical, scientific or research
417 purposes;

418 (41) "Central air conditioner" means a central air conditioning model
419 that consists of one or more factory-made assemblies, which normally
420 include an evaporator or cooling coil, compressor and condenser.
421 Central air conditioning models may provide the function of air
422 cooling, air cleaning, dehumidifying or humidifying; [.]

423 (42) "Combination television" means a system in which a television
424 or television monitor and an additional device or devices, including,
425 but not limited to, a digital versatile disk player or video cassette
426 recorder, are combined into a single unit in which the additional

427 devices are included in the television casing;

428 (43) "Compact audio player" means an integrated audio system
429 encased in a single housing that includes an amplifier and radio tuner
430 with attached or separable speakers and can reproduce audio from one
431 or more of the following media: Magnetic tape, compact disk, digital
432 versatile disk or flash memory. "Compact audio player" does not mean
433 a product that can be independently powered by internal batteries, has
434 a powered external satellite antenna or can provide a video output
435 signal;

436 (44) "Component television" means a television composed of two or
437 more separate components, such as a separate display device and
438 tuner, marketed and sold as a television under one model or system
439 designation, which may have more than one power cord;

440 (45) "Computer monitor" means an analog or digital device
441 designed primarily for the display of computer generated signals and
442 that is not marketed for use as a television;

443 (46) "Digital versatile disc" means a laser-encoded plastic medium
444 capable of storing a large amount of digital audio, video and computer
445 data;

446 (47) "Digital versatile disc player" means a commercially available
447 electronic product encased in a single housing that includes an integral
448 power supply and for which the sole purpose is the decoding of
449 digitized video signals;

450 (48) "Digital versatile disc recorder" means a commercially available
451 electronic product encased in a single housing that includes an integral
452 power supply and for which the sole purpose is the production or
453 recording of digitized audio, video and computer signals on a digital
454 versatile disk. "Digital versatile disk recorder" does not include a
455 model that has an electronic programming guide function;

456 (49) "Television" means an analog or digital device designed

457 primarily for the display and reception of a terrestrial, satellite, cable,
458 internet protocol television or other broadcast or recorded
459 transmission of analog or digital video and audio signals. "Television"
460 includes combination televisions, television monitors, component
461 televisions and any unit that is marketed to consumers as a television
462 but does not include a computer monitor;

463 (50) "Television monitor" means a television that does not have an
464 internal tuner/receiver or playback device.

465 (b) The provisions of this section apply to the testing, certification
466 and enforcement of efficiency standards for the following types of new
467 products sold, offered for sale or installed in the state: (1) Commercial
468 clothes washers; (2) commercial refrigerators and freezers; (3)
469 illuminated exit signs; (4) large packaged air-conditioning equipment;
470 (5) low voltage dry-type distribution transformers; (6) torchiere
471 lighting fixtures; (7) traffic signal modules; (8) unit heaters; (9)
472 residential furnaces and boilers; (10) residential pool pumps; (11) metal
473 halide lamp fixtures; (12) single voltage external AC to DC power
474 supplies; (13) state regulated incandescent reflector lamps; (14) bottle-
475 type water dispensers; (15) commercial hot food holding cabinets; (16)
476 portable electric spas; (17) walk-in refrigerators and walk-in freezers;
477 (18) pool heaters; [and] (19) compact audio players; (20) televisions;
478 (21) digital versatile disc players; (22) digital versatile disc recorders;
479 and (23) any other products as may be designated by the office in
480 accordance with subdivision (3) of subsection (d) of this section.

481 (c) The provisions of this section do not apply to (1) new products
482 manufactured in the state and sold outside the state, (2) new products
483 manufactured outside the state and sold at wholesale inside the state
484 for final retail sale and installation outside the state, (3) products
485 installed in mobile manufactured homes at the time of construction, or
486 (4) products designed expressly for installation and use in recreational
487 vehicles.

488 (d) (1) The office, in consultation with the Department of Public

489 Utility Control, shall adopt regulations, in accordance with the
490 provisions of chapter 54, to implement the provisions of this section
491 and to establish minimum energy efficiency standards for the types of
492 new products set forth in subsection (b) of this section. The regulations
493 shall provide for the following minimum energy efficiency standards:

494 (A) Commercial clothes washers shall meet the requirements shown
495 in Table P-3 of section 1605.3 of the California Code of Regulations,
496 Title 20: Division 2, Chapter 4, Article 4;

497 (B) Commercial refrigerators and freezers shall meet the August 1,
498 2004, requirements shown in Table A-6 of said California regulation;

499 (C) Illuminated exit signs shall meet the version 2.0 product
500 specification of the "Energy Star Program Requirements for Exit Signs"
501 developed by the United States Environmental Protection Agency;

502 (D) Large packaged air-conditioning equipment having not more
503 than seven hundred sixty thousand BTUs per hour of capacity shall
504 meet a minimum energy efficiency ratio of 10.0 for units using both
505 electric heat and air conditioning or units solely using electric air
506 conditioning, and 9.8 for units using both natural gas heat and electric
507 air conditioning;

508 (E) Large packaged air-conditioning equipment having not less than
509 seven hundred sixty-one thousand BTUs per hour of capacity shall
510 meet a minimum energy efficiency ratio of 9.7 for units using both
511 electric heat and air conditioning or units solely using electric air
512 conditioning, and 9.5 for units using both natural gas heat and electric
513 air conditioning;

514 (F) Low voltage dry-type distribution transformers shall meet or
515 exceed the energy efficiency values shown in Table 4-2 of the National
516 Electrical Manufacturers Association Standard TP-1-2002;

517 (G) Torchiere lighting fixtures shall not consume more than one
518 hundred ninety watts and shall not be capable of operating with lamps

519 that total more than one hundred ninety watts;

520 (H) Traffic signal modules shall meet the product specification of
521 the "Energy Star Program Requirements for Traffic Signals" developed
522 by the United States Environmental Protection Agency that took effect
523 in February, 2001, except where the department, in consultation with
524 the Commissioner of Transportation, determines that such
525 specification would compromise safe signal operation;

526 (I) Unit heaters shall not have pilot lights and shall have either
527 power venting or an automatic flue damper;

528 (J) On or after January 1, 2009, residential furnaces and boilers
529 purchased by the state shall meet or exceed the following annual fuel
530 utilization efficiency: (i) For gas and propane furnaces, ninety per cent
531 annual fuel utilization efficiency, (ii) for oil furnaces, eighty-three per
532 cent annual fuel utilization efficiency, (iii) for gas and propane hot
533 water boilers, eighty-four per cent annual fuel utilization efficiency,
534 (iv) for oil-fired hot water boilers, eighty-four per cent annual fuel
535 utilization efficiency, (v) for gas and propane steam boilers, eighty-two
536 per cent annual fuel utilization efficiency, (vi) for oil-fired steam
537 boilers, eighty-two per cent annual fuel utilization efficiency, and (vii)
538 for furnaces with furnace air handlers, an electricity ratio of not more
539 than 2.0, except air handlers for oil furnaces with a capacity of less than
540 ninety-four thousand BTUs per hour shall have an electricity ratio of
541 2.3 or less;

542 (K) On or after January 1, 2010, metal halide lamp fixtures designed
543 to be operated with lamps rated greater than or equal to one hundred
544 fifty watts but less than or equal to five hundred watts shall not
545 contain a probe-start metal halide lamp ballast;

546 (L) Single-voltage external AC to DC power supplies manufactured
547 on or after January 1, 2008, shall meet the energy efficiency standards
548 of table U-1 of section 1605.3 of the January 2006 California Code of
549 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
550 Efficiency Regulations. This standard applies to single voltage AC to

551 DC power supplies that are sold individually and to those that are sold
552 as a component of or in conjunction with another product. This
553 standard shall not apply to single voltage external AC to DC power
554 supplies sold with products subject to certification by the United States
555 Food and Drug Administration. A single-voltage external AC to DC
556 power supply that is made available by a manufacturer directly to a
557 consumer or to a service or repair facility after and separate from the
558 original sale of the product requiring the power supply as a service
559 part or spare part shall not be required to meet the standards in said
560 table U-1 until five years after the effective dates indicated in the table;

561 (M) On or after January 1, 2009, state regulated incandescent
562 reflector lamps shall be manufactured to meet the minimum average
563 lamp efficacy requirements for federally-regulated incandescent
564 reflector lamps contained in 42 USC 6295(i)(1)(A). Each lamp shall
565 indicate the date of manufacture;

566 (N) On or after January 1, 2009, bottle-type water dispensers,
567 commercial hot food holding cabinets, portable electric spas, walk-in
568 refrigerators and walk-in freezers shall meet the efficiency
569 requirements of section 1605.3 of the January 2006 California Code of
570 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
571 Efficiency Regulations. On or after January 1, 2010, residential pool
572 pumps shall meet said efficiency requirements;

573 (O) On or after January 1, 2009, pool heaters shall meet the
574 efficiency requirements of sections 1605.1 and 1605.3 of the January
575 2006 California Code of Regulations, Title 20, Division 2, Chapter 4,
576 Article 4: Appliance Efficiency Regulations; [.]

577 (P) On or after January 1, 2013, compact audio players, digital
578 versatile disc players and digital versatile disc recorders shall meet the
579 requirements shown in Table V-1 of Section 1605.3 of the November
580 2009 amendments to the California Code of Regulations, Title 20,
581 Division 2, Chapter 4, Article 4;

582 (Q) On or after January 1, 2013, televisions manufactured on or after

583 the effective date of this section shall meet the requirements shown in
584 Table V-2 of Section 1605.3 of the November 2009 amendments to the
585 California Code of Regulations, Title 20, Division 2, Chapter 4, Article
586 4;

587 (R) In addition to the requirements of subparagraph (Q) of this
588 subdivision, televisions manufactured on or after January 1, 2013, shall
589 meet the efficiency requirements of Sections 1605.3(v)(3)(A),
590 1605.3(v)(3)(B) and 1605.3(v)(3)(C) of the November 2009 amendments
591 to the California Code of Regulations, Title 20, Division 2, Chapter 4,
592 Article 4.

593 (2) Such efficiency standards, where in conflict with the State
594 Building Code, shall take precedence over the standards contained in
595 the Building Code. Not later than July 1, 2007, and biennially
596 thereafter, the office, in consultation with the Department of Public
597 Utility Control, shall review and increase the level of such efficiency
598 standards by adopting regulations in accordance with the provisions
599 of chapter 54 upon a determination that increased efficiency standards
600 would serve to promote energy conservation in the state and would be
601 cost-effective for consumers who purchase and use such new products,
602 provided no such increased efficiency standards shall become effective
603 within one year following the adoption of any amended regulations
604 providing for such increased efficiency standards.

605 (3) (A) The office, in consultation with the Department of Public
606 Utility Control, shall adopt regulations, in accordance with the
607 provisions of chapter 54, to designate additional products to be subject
608 to the provisions of this section and to establish efficiency standards
609 for such products upon a determination that such efficiency standards
610 [(A)] (i) would serve to promote energy conservation in the state, [(B)]
611 (ii) would be cost-effective for consumers who purchase and use such
612 new products, and [(C)] (iii) that multiple products are available which
613 meet such standards, provided no such efficiency standards shall
614 become effective within one year following their adoption pursuant to
615 this subdivision.

616 (B) The office, in consultation with the Multi-State Appliance
617 Standards Collaborative, shall identify additional appliance and
618 equipment efficiency standards. Not later than six months after
619 adoption of an efficiency standard by a cooperative member state
620 regarding a product for which no equivalent Connecticut or federal
621 standard currently exists, the office shall adopt regulations in
622 accordance with the provisions of chapter 54 adopting such efficiency
623 standard unless the office makes a specific finding that such standard
624 does not meet the criteria in subparagraph (A) of this subdivision.

625 (e) On or after July 1, 2006, except for commercial clothes washers,
626 for which the date shall be July 1, 2007, commercial refrigerators and
627 freezers, for which the date shall be July 1, 2008, and large packaged
628 air-conditioning equipment, for which the date shall be July 1, 2009, no
629 new product of a type set forth in subsection (b) of this section or
630 designated by the office may be sold, offered for sale, or installed in
631 the state unless the energy efficiency of the new product meets or
632 exceeds the efficiency standards set forth in such regulations adopted
633 pursuant to subsection (d) of this section.

634 (f) The office, in consultation with the Department of Public Utility
635 Control, shall adopt procedures for testing the energy efficiency of the
636 new products set forth in subsection (b) of this section or designated
637 by the department if such procedures are not provided for in the State
638 Building Code. The office shall use United States Department of
639 Energy approved test methods, or in the absence of such test methods,
640 other appropriate nationally recognized test methods. The
641 manufacturers of such products shall cause samples of such products
642 to be tested in accordance with the test procedures adopted pursuant
643 to this subsection or those specified in the State Building Code.

644 (g) Manufacturers of new products set forth in subsection (b) of this
645 section or designated by the office shall certify to the secretary that
646 such products are in compliance with the provisions of this section,
647 except that certification is not required for single voltage external AC
648 to DC power supplies and walk-in refrigerators and walk-in freezers.

649 All single voltage external AC to DC power supplies shall be labeled as
650 described in the January 2006 California Code of Regulations, Title 20,
651 Section 1607 (9). The office, in consultation with the Department of
652 Public Utility Control, shall promulgate regulations governing the
653 certification of such products. The secretary shall publish an annual list
654 of such products.

655 (h) The Attorney General may institute proceedings to enforce the
656 provisions of this section. Any person who violates any provision of
657 this section shall be subject to a civil penalty of not more than two
658 hundred fifty dollars. Each violation of this section shall constitute a
659 separate offense, and each day that such violation continues shall
660 constitute a separate offense.

661 Sec. 6. Subdivision (44) of subsection (a) of section 16-1 of the 2010
662 supplement to the general statutes is repealed and the following is
663 substituted in lieu thereof (*Effective July 1, 2010*):

664 (44) "Class III source" means the electricity output from combined
665 heat and power systems with an operating efficiency level of no less
666 than fifty per cent, determined quarterly on a rolling annual average
667 basis, that are part of customer-side distributed resources developed at
668 commercial and industrial facilities in this state on or after January 1,
669 2006, a waste heat recovery system installed on or after April 1, 2007,
670 that produces electrical or thermal energy by capturing preexisting
671 waste heat or pressure from industrial or commercial processes, or the
672 electricity savings created in this state from conservation and load
673 management programs begun on or after January 1, 2006;

674 Sec. 7. Subdivision (3) of subsection (d) of section 16-245m of the
675 general statutes is repealed and the following is substituted in lieu
676 thereof (*Effective July 1, 2010*):

677 (3) Programs included in the plan developed under subdivision (1)
678 of this subsection shall be screened through cost-effectiveness testing
679 which compares the value and payback period of program benefits to
680 program costs to ensure that programs are designed to obtain energy

681 savings and system benefits, including mitigation of federally
682 mandated congestion charges, whose value is greater than the costs of
683 the programs. Cost-effectiveness testing shall utilize available
684 information obtained from real-time monitoring systems to ensure
685 accurate validation and verification of energy use. Such testing shall
686 include an analysis of the effects of investments on increasing the
687 state's load factor. Program cost-effectiveness shall be reviewed
688 annually, or otherwise as is practicable. If a program is determined to
689 fail the cost-effectiveness test as part of the review process, it shall
690 either be modified to meet the test or shall be terminated. On or before
691 March 1, 2005, and on or before March first annually thereafter, the
692 board shall provide a report, in accordance with the provisions of
693 section 11-4a, to the joint standing committees of the General
694 Assembly having cognizance of matters relating to energy and the
695 environment (A) that documents expenditures and fund balances and
696 evaluates the cost-effectiveness of such programs conducted in the
697 preceding year, [and] (B) that documents the extent to and manner in
698 which the programs of such board collaborated and cooperated with
699 programs, established under section 7-233y, of municipal electric
700 energy cooperatives, and (C) that documents the extent to which
701 programs of such board have reduced electric bills for ratepayers. To
702 maximize the reduction of federally mandated congestion charges,
703 programs in the plan may allow for disproportionate allocations
704 between the amount of contributions to the Energy Conservation and
705 Load Management Funds by a certain rate class and the programs that
706 benefit such a rate class. Before conducting such evaluation, the board
707 shall consult with the Renewable Energy Investments Board. The
708 report shall include a description of the activities undertaken during
709 the reporting period jointly or in collaboration with the Renewable
710 Energy Investment Fund established pursuant to subsection (c) of
711 section 16-245n.

712 Sec. 8. Subsection (f) of section 16-245n of the general statutes is
713 repealed and the following is substituted in lieu thereof (*Effective July*
714 *1, 2010*):

715 (f) The board shall issue annually a report to the Department of
716 Public Utility Control reviewing the activities of the Renewable Energy
717 Investment Fund in detail, including the condominium renewable
718 energy grant program established pursuant to section 29 of this act,
719 and shall provide a copy of such report, in accordance with the
720 provisions of section 11-4a, to the joint standing committees of the
721 General Assembly having cognizance of matters relating to energy and
722 commerce and the Office of Consumer Counsel. The report shall
723 include a description of the programs and activities undertaken during
724 the reporting period jointly or in collaboration with the Energy
725 Conservation and Load Management Funds established pursuant to
726 section 16-245m, as amended by this act.

727 Sec. 9. Section 16a-3a of the 2010 supplement to the general statutes
728 is repealed and the following is substituted in lieu thereof (*Effective July*
729 *1, 2010*):

730 (a) The electric distribution companies, in consultation with the
731 Connecticut Energy Advisory Board, established pursuant to section
732 16a-3, shall review the state's energy and capacity resource assessment
733 and develop a comprehensive plan for the procurement of energy
734 resources, including, but not limited to, conventional and renewable
735 generating facilities, energy efficiency, load management, demand
736 response, combined heat and power facilities, distributed generation
737 and other emerging energy technologies to meet the projected
738 requirements of their customers in a manner that minimizes the cost of
739 such resources to customers over time and maximizes consumer
740 benefits consistent with the state's environmental goals and standards.
741 Such plan shall seek to lower the cost of electricity.

742 (b) On or before January 1, 2008, and biennially thereafter, the
743 companies shall submit to the Connecticut Energy Advisory Board an
744 assessment of (1) the energy and capacity requirements of customers
745 for the next three, five and ten years, (2) the manner of how best to
746 eliminate growth in electric demand, (3) how best to level electric
747 demand in the state by reducing peak demand and shifting demand to

748 off-peak periods, (4) the impact of current and projected
749 environmental standards, including, but not limited to, those related to
750 greenhouse gas emissions and the federal Clean Air Act goals and how
751 different resources could help achieve those standards and goals, (5)
752 energy security and economic risks associated with potential energy
753 resources, and (6) the estimated lifetime cost and availability of
754 potential energy resources.

755 (c) Resource needs shall first be met through all available energy
756 efficiency and demand reduction resources that are cost-effective,
757 reliable and feasible. The projected customer cost impact of any
758 demand-side resources considered pursuant to this subsection shall be
759 reviewed on an equitable bases with nondemand-side resources. The
760 procurement plan shall specify (1) the total amount of energy and
761 capacity resources needed to meet the requirements of all customers,
762 (2) the extent to which demand-side measures, including efficiency,
763 conservation, demand response and load management can cost-
764 effectively meet these needs, (3) needs for generating capacity and
765 transmission and distribution improvements, (4) how the development
766 of such resources will reduce and stabilize the costs of electricity to
767 consumers, and (5) the manner in which each of the proposed
768 resources should be procured, including the optimal contract periods
769 for various resources.

770 (d) The procurement plan shall consider: (1) Approaches to
771 maximizing the impact of demand-side measures; (2) the extent to
772 which generation needs can be met by renewable and combined heat
773 and power facilities; (3) the optimization of the use of generation sites
774 and generation portfolio existing within the state; (4) fuel types,
775 diversity, availability, firmness of supply and security and
776 environmental impacts thereof, including impacts on meeting the
777 state's greenhouse gas emission goals; (5) reliability, peak load and
778 energy forecasts, system contingencies and existing resource
779 availabilities; (6) import limitations and the appropriate reliance on
780 such imports; and (7) the impact of the procurement plan on the costs
781 of electric customers. Such plan shall include options for lowering the

782 cost of electricity.

783 (e) The board, in consultation with the regional independent system
784 operator, shall review and approve or review, modify and approve the
785 proposed procurement plan as submitted not later than one hundred
786 twenty days after receipt. For calendar years 2009 and thereafter, the
787 board shall conduct such review not later than sixty days after receipt.
788 For the purpose of reviewing the plan, the Commissioners of
789 Transportation and Agriculture and the chairperson of the Public
790 Utilities Control Authority, or their respective designees, shall not
791 participate as members of the board. The electric distribution
792 companies shall provide any additional information requested by the
793 board that is relevant to the consideration of the procurement plan. In
794 the course of conducting such review, the board shall conduct a public
795 hearing, may retain the services of a third-party entity with experience
796 in the area of energy procurement and may consult with the regional
797 independent system operator. The board shall submit the reviewed
798 procurement plan, together with a statement of any unresolved issues,
799 to the Department of Public Utility Control. The department shall
800 consider the procurement plan in an uncontested proceeding and shall
801 conduct a hearing and provide an opportunity for interested parties to
802 submit comments regarding the procurement plan. Not later than one
803 hundred twenty days after submission of the procurement plan, the
804 department shall approve, or modify and approve, the procurement
805 plan.

806 (f) On or before September 30, 2009, and every two years thereafter,
807 the Department of Public Utility Control shall report to the joint
808 standing committees of the General Assembly having cognizance of
809 matters relating to energy and the environment regarding goals
810 established and progress toward implementation of the procurement
811 plan established pursuant to this section, as well as any
812 recommendations for the process.

813 (g) All electric distribution companies' costs associated with the
814 development of the resource assessment and the development of the

815 procurement plan shall be recoverable through the systems benefits
816 charge.

817 Sec. 10. (NEW) (*Effective from passage*) (a) The plan developed,
818 pursuant to section 16a-3a of the general statutes, as amended by this
819 act, to be adopted in 2010 shall indicate options to reduce the price of
820 electricity by at least fifteen per cent less than the price as of the
821 effective date of this section by July 1, 2012, and maintain at least such
822 decrease for another five years. Such options may include the
823 procurement of new sources of generation. In reviewing new sources
824 of generation, the plan shall determine whether the private wholesale
825 market can supply such additional sources or whether state financial
826 assistance, long-term purchasing of electricity contracts or other
827 interventions are needed to achieve the goal.

828 (b) If on and after July 1, 2010, the 2010 plan contains an option to
829 procure new sources of generation, the Department of Public Utility
830 Control shall pursue the most cost-effective approach. If the
831 department seeks new sources of generation, it shall issue a notice of
832 interest for generation without any financial assistance, including, but
833 not limited to, long- term contract financing or ratepayer guarantees. If
834 the department fails to receive any responsive proposal, it shall issue a
835 request for proposals that may include such financial assistance.

836 Sec. 11. (NEW) (*Effective July 1, 2010*) (a) On or before June 30, 2011,
837 the Department of Public Utility Control shall conduct a proceeding
838 regarding development of low-income discounted rates for service
839 provided by electric distribution companies, as defined in section 16-1
840 of the general statutes, as amended by this act, to low-income
841 customers with an annual income that does not exceed sixty per cent of
842 median income. Such proceeding shall include, but not be limited to, a
843 review, for individuals who receive means-tested assistance
844 administered by the state or federal governments, of the current and
845 future availability of rate discounts through the electricity purchasing
846 pool operated by the Office of Policy and Management pursuant to
847 section 16a-14e of the general statutes, energy assistance benefits

848 available through any plan adopted pursuant to section 16a-41a of the
849 general statutes, state funded or administered programs, conservation
850 assistance available pursuant to section 16-245m of the general
851 statutes, as amended by this act, assistance funded or administered by
852 the Department of Social Services or the Department of Public Utility
853 Control, or matching payment program benefits available pursuant to
854 subsection (b) of section 16-262c of the general statutes. Such
855 proceeding shall also include an analysis of the cost of imposing a
856 utility termination moratorium in households with a child age two or
857 younger. The Division of Public Utility Control shall (1) coordinate
858 resources and programs, to the extent practicable; (2) develop rates
859 that take into account the indigency of persons of poverty status and
860 allow such persons' households to meet the costs of essential energy
861 needs; (3) encourage the households to agree to have a home energy
862 audit as a prerequisite to qualification; and (4) prepare an analysis of
863 the benefits and anticipated costs of such low-income discounted rates.

864 (b) The department shall determine which, if any, of its programs
865 shall be modified, terminated or have their funding reduced because
866 such program beneficiaries would benefit more by the establishment of
867 a low-income or discount rate. The department shall establish a rate
868 reduction that is equal to the anticipated funds transferred from the
869 programs modified, terminated or reduced by the department
870 pursuant to this section and the reduced cost of providing service to
871 those eligible for such discounted or low-income rates, any available
872 energy assistance and other sources of coverage for such rates,
873 including, but not limited to, generation available through the
874 electricity purchasing pool operated by the department. The
875 department may issue recommendations regarding programs
876 administered by the Department of Social Services.

877 (c) The department shall order (1) filing by each electric company of
878 proposed rates consistent with the department's decision pursuant to
879 subsection (a) of this section not later than sixty days after its issuance;
880 and (2) appropriate modification of existing low-income programs.
881 Each company shall conduct outreach to make its low-income or

882 discounted rates available to eligible customers and report to the
883 Department of Public Utility Control at least annually regarding its
884 outreach activities and the results of such activities.

885 (d) The cost of low-income and discounted rates and related
886 outreach activities pursuant to this section shall be paid (1) through the
887 normal rate-making procedures of the Department of Public Utility
888 Control, (2) on a semiannual basis through the systems benefits charge
889 for an electric distribution company, and (3) solely from the funds of
890 the programs modified, terminated or reduced by the department
891 pursuant to this section and the reduced cost of providing service to
892 those eligible for such discounted or low-income rates, any available
893 energy assistance and other sources of coverage for such rates,
894 including, but not limited to, generation available through the
895 electricity purchasing pool operated by the department.

896 (e) On or before July 1, 2012, the department shall report, in
897 accordance with section 11-4a of the general statutes, to the joint
898 standing committee of the General Assembly having cognizance of
899 matters relating to energy regarding the benefits and costs of the low-
900 income or discounted rates established pursuant to subsection (a) of
901 this section and any recommended modifications. If the low-income
902 rate is not less than ninety per cent of the standard service rate, the
903 department shall include in its report steps to achieve that goal.

904 (f) The department shall adopt regulations, in accordance with the
905 provisions of chapter 54 of the general statutes, to implement the
906 provisions of this section.

907 Sec. 12. (NEW) (*Effective July 1, 2010*) (a) As used in this section:

908 (1) "Energy improvements" means any renovation or retrofitting of
909 qualifying real property to reduce energy consumption or installation
910 of a renewable energy system to service qualifying real property,
911 provided such renovation, retrofit or installation is permanently fixed
912 to such qualifying real property;

913 (2) "Qualifying real property" means a single-family or multifamily
914 residential dwelling or a nonresidential commercial or industrial
915 building, regardless of ownership, that a municipality has determined
916 can benefit from energy improvements;

917 (3) "Property owner" means an owner of qualifying real property
918 who desires to install energy improvements and provides free and
919 willing consent to the contractual assessment; and

920 (4) "Sustainable energy program" means a municipal program that
921 authorizes a municipality to enter into contractual assessments on
922 qualifying real property with property owners to finance the purchase
923 and installation of energy improvements to qualifying real property
924 within its municipal boundaries.

925 (b) Any municipality, that determines it is in the public interest,
926 may establish a sustainable energy program to facilitate the increase of
927 energy efficiency and renewable energy. A municipality shall make
928 such a determination after issuing public notice and providing an
929 opportunity for public comment regarding the establishment of a
930 sustainable energy program.

931 (c) Notwithstanding the provisions of section 7-374 of the general
932 statutes or any other public or special act that limits or imposes
933 conditions on municipal bond issues, any municipality that establishes
934 a sustainable energy program under this section may issue bonds, as
935 necessary, for the purpose of (1) financing energy improvements; (2)
936 related energy audits; and (3) renewable energy system feasibility
937 studies and the verification of the installation of such improvements.
938 Such financing shall be secured by special contractual assessments on
939 the qualifying real property.

940 (d) (1) Any municipality that establishes a sustainable energy
941 program pursuant to this section may partner with another
942 municipality or state agency to (A) maximize the opportunities for
943 accessing public funds and private capital markets for long-term
944 sustainable financing, and (B) secure state or federal funds available

945 for this purpose.

946 (2) Any municipality that establishes a sustainable energy program
947 and issues bonds pursuant to this section may supplement the security
948 of such bonds with any other legally available funds solely at the
949 municipality's discretion.

950 (3) Any municipality that establishes a sustainable energy program
951 pursuant to this section may use the services of one or more private,
952 public or quasi-public third-party administrators to provide support
953 for the program.

954 (e) Before establishing a program under this section, the
955 municipality shall provide notice to the electric distribution company,
956 as defined in section 16-1 of the general statutes, as amended by this
957 act, that services the municipality.

958 (f) If the owner of record of qualifying real property requests
959 financing for energy improvements under this section, the
960 municipality implementing the sustainable energy program shall:

961 (1) Require performance of an energy audit or renewable energy
962 system feasibility analysis on the qualifying real property before
963 approving such financing;

964 (2) Enter into a contractual assessment on the qualifying real
965 property with the property owner in a principal amount sufficient to
966 pay the costs of energy improvements and any associated costs the
967 municipality determines will benefit the qualifying real property and
968 may cover any associated costs;

969 (3) Impose requirements and criteria to ensure that the proposed
970 energy improvements are consistent with the purpose of the program;
971 and

972 (4) Impose requirements and conditions on the financing to ensure
973 timely repayment.

974 (g) Any assessment levied pursuant to this section shall have a term
975 not to exceed the calculated payback period for the installed energy
976 improvements, as determined by the municipality, and shall have no
977 prepayment penalty. The municipality shall set a fixed rate of interest
978 for the repayment of the principal assessed amount at the time the
979 assessment is made. Such interest rate, as may be supplemented with
980 state or federal funding as may become available, shall be sufficient to
981 pay the financing costs of the program, including delinquencies.

982 (h) Assessments levied pursuant to this section and the interest and
983 any penalties thereon shall constitute a lien against the qualifying real
984 property on which they are made until they are paid. Such lien shall be
985 levied and collected in the same manner as the general taxes of the
986 municipality on real property, including, in the event of default or
987 delinquency, with respect to any penalties and remedies and lien
988 priorities.

989 (i) The area encompassing the sustainable energy program in a
990 municipality may be the entire municipal jurisdiction of the
991 municipality or a subset of such.

992 Sec. 13. Section 16-244c of the general statutes is repealed and the
993 following is substituted in lieu thereof (*Effective July 1, 2010*):

994 (a) (1) On and after January 1, 2000, each electric distribution
995 company shall make available to all customers in its service area, the
996 provision of electric generation and distribution services through a
997 standard offer. Under the standard offer, a customer shall receive
998 electric services at a rate established by the Department of Public
999 Utility Control pursuant to subdivision (2) of this subsection. Each
1000 electric distribution company shall provide electric generation services
1001 in accordance with such option to any customer who affirmatively
1002 chooses to receive electric generation services pursuant to the standard
1003 offer or does not or is unable to arrange for or maintain electric
1004 generation services with an electric supplier. The standard offer shall
1005 automatically terminate on January 1, 2004. While providing electric

1006 generation services under the standard offer, an electric distribution
1007 company may provide electric generation services through any of its
1008 generation entities or affiliates, provided such entities or affiliates are
1009 licensed pursuant to section 16-245, as amended by this act.

1010 (2) Not later than October 1, 1999, the Department of Public Utility
1011 Control shall establish the standard offer for each electric distribution
1012 company, effective January 1, 2000, which shall allocate the costs of
1013 such company among electric transmission and distribution services,
1014 electric generation services, the competitive transition assessment and
1015 the systems benefits charge. The department shall hold a hearing that
1016 shall be conducted as a contested case in accordance with chapter 54 to
1017 establish the standard offer. The standard offer shall provide that the
1018 total rate charged under the standard offer, including electric
1019 transmission and distribution services, the conservation and load
1020 management program charge described in section 16-245m, the
1021 renewable energy investment charge described in section 16-245n,
1022 electric generation services, the competitive transition assessment and
1023 the systems benefits charge shall be at least ten per cent less than the
1024 base rates, as defined in section 16-244a, in effect on December 31,
1025 1996. The standard offer shall be adjusted to the extent of any increase
1026 or decrease in state taxes attributable to sections 12-264 and 12-265 and
1027 any other increase or decrease in state or federal taxes resulting from a
1028 change in state or federal law and shall continue to be adjusted during
1029 such period pursuant to section 16-19b. Notwithstanding the
1030 provisions of section 16-19b, the provisions of said section 16-19b shall
1031 apply to electric distribution companies. The standard offer may be
1032 adjusted, by an increase or decrease, to the extent approved by the
1033 department, in the event that (A) the revenue requirements of the
1034 company are affected as the result of changes in (i) legislative
1035 enactments other than public act 98-28, (ii) administrative
1036 requirements, or (iii) accounting standards occurring after July 1, 1998,
1037 provided such accounting standards are adopted by entities
1038 independent of the company that have authority to issue such
1039 standards, or (B) an electric distribution company incurs extraordinary

1040 and unanticipated expenses required for the provision of safe and
1041 reliable electric service to the extent necessary to provide such service.
1042 Savings attributable to a reduction in taxes shall not be shifted between
1043 customer classes.

1044 (3) The price reduction provided in subdivision (2) of this
1045 subsection shall not apply to customers who, on or after July 1, 1998,
1046 are purchasing electric services from an electric company or electric
1047 distribution company, as the case may be, under a special contract or
1048 flexible rate tariff, and the company's filed standard offer tariffs shall
1049 reflect that such customers shall not receive the standard offer price
1050 reduction.

1051 (b) (1) (A) On and after January 1, 2004, each electric distribution
1052 company shall make available to all customers in its service area, the
1053 provision of electric generation and distribution services through a
1054 transitional standard offer. Under the transitional standard offer, a
1055 customer shall receive electric services at a rate established by the
1056 Department of Public Utility Control pursuant to subdivision (2) of
1057 this subsection. Each electric distribution company shall provide
1058 electric generation services in accordance with such option to any
1059 customer who affirmatively chooses to receive electric generation
1060 services pursuant to the transitional standard offer or does not or is
1061 unable to arrange for or maintain electric generation services with an
1062 electric supplier. The transitional standard offer shall terminate on
1063 December 31, 2006. While providing electric generation services under
1064 the transitional standard offer, an electric distribution company may
1065 provide electric generation services through any of its generation
1066 entities or affiliates, provided such entities or affiliates are licensed
1067 pursuant to section 16-245, as amended by this act.

1068 (B) The department shall conduct a proceeding to determine
1069 whether a practical, effective, and cost-effective process exists under
1070 which an electric customer, when initiating electric service, may
1071 receive information regarding selecting electric generating services
1072 from a qualified entity. The department shall complete such

1073 proceeding on or before December 1, 2005, and shall implement the
1074 resulting decision on or before March 1, 2006, or on such later date that
1075 the department considers appropriate. An electric distribution
1076 company's costs of participating in the proceeding and implementing
1077 the results of the department's decision shall be recoverable by the
1078 company as generation services costs through an adjustment
1079 mechanism as approved by the department.

1080 (2) (A) Not later than December 15, 2003, the Department of Public
1081 Utility Control shall establish the transitional standard offer for each
1082 electric distribution company, effective January 1, 2004.

1083 (B) The department shall hold a hearing that shall be conducted as a
1084 contested case in accordance with chapter 54 to establish the
1085 transitional standard offer. The transitional standard offer shall
1086 provide that the total rate charged under the transitional standard
1087 offer, including electric transmission and distribution services, the
1088 conservation and load management program charge described in
1089 section 16-245m, as amended by this act, the renewable energy
1090 investment charge described in section 16-245n, as amended by this
1091 act, electric generation services, the competitive transition assessment
1092 and the systems benefits charge, and excluding federally mandated
1093 congestion costs, shall not exceed the base rates, as defined in section
1094 16-244a, in effect on December 31, 1996, excluding any rate reduction
1095 ordered by the department on September 26, 2002.

1096 (C) (i) Each electric distribution company shall, on or before January
1097 1, 2004, file with the department an application for an amendment of
1098 rates pursuant to section 16-19, which application shall include a four-
1099 year plan for the provision of electric transmission and distribution
1100 services. The department shall conduct a contested case proceeding
1101 pursuant to sections 16-19 and 16-19e to approve, reject or modify the
1102 application and plan. Upon the approval of such plan, as filed or as
1103 modified by the department, the department shall order that such plan
1104 shall establish the electric transmission and distribution services
1105 component of the transitional standard offer.

1106 (ii) Notwithstanding the provisions of this subparagraph, an electric
1107 distribution company that, on or after September 1, 2002, completed a
1108 proceeding pursuant to sections 16-19 and 16-19e, shall not be required
1109 to file an application for an amendment of rates as required by this
1110 subparagraph. The department shall establish the electric transmission
1111 and distribution services component of the transitional standard offer
1112 for any such company equal to the electric transmission and
1113 distribution services component of the standard offer established
1114 pursuant to subsection (a) of this section in effect on July 1, 2003, for
1115 such company. If such electric distribution company applies to the
1116 department, pursuant to section 16-19, for an amendment of its rates
1117 on or before December 31, 2006, the application of the electric
1118 distribution company shall include a four-year plan.

1119 (D) The transitional standard offer (i) shall be adjusted to the extent
1120 of any increase or decrease in state taxes attributable to sections 12-264
1121 and 12-265 and any other increase or decrease in state or federal taxes
1122 resulting from a change in state or federal law, (ii) shall be adjusted to
1123 provide for the cost of contracts under subdivision (2) of subsection (j)
1124 of this section and the administrative costs for the procurement of such
1125 contracts, and (iii) shall continue to be adjusted during such period
1126 pursuant to section 16-19b. Savings attributable to a reduction in taxes
1127 shall not be shifted between customer classes. Notwithstanding the
1128 provisions of section 16-19b, the provisions of section 16-19b shall
1129 apply to electric distribution companies.

1130 (E) The transitional standard offer may be adjusted, by an increase
1131 or decrease, to the extent approved by the department, in the event
1132 that (i) the revenue requirements of the company are affected as the
1133 result of changes in (I) legislative enactments other than public act 03-
1134 135 or public act 98-28, (II) administrative requirements, or (III)
1135 accounting standards adopted after July 1, 2003, provided such
1136 accounting standards are adopted by entities that are independent of
1137 the company and have authority to issue such standards, or (ii) an
1138 electric distribution company incurs extraordinary and unanticipated
1139 expenses required for the provision of safe and reliable electric service

1140 to the extent necessary to provide such service.

1141 (3) The price provided in subdivision (2) of this subsection shall not
1142 apply to customers who, on or after July 1, 2003, purchase electric
1143 services from an electric company or electric distribution company, as
1144 the case may be, under a special contract or flexible rate tariff,
1145 provided the company's filed transitional standard offer tariffs shall
1146 reflect that such customers shall not receive the transitional standard
1147 offer price during the term of said contract or tariff.

1148 (4) (A) In addition to its costs received pursuant to subsection (h) of
1149 this section, as compensation for providing transitional standard offer
1150 service, each electric distribution company shall receive an amount
1151 equal to five-tenths of one mill per kilowatt hour. Revenues from such
1152 compensation shall not be included in calculating the electric
1153 distribution company's earnings for purposes of, or in determining
1154 whether its rates are just and reasonable under, sections 16-19, 16-19a
1155 and 16-19e, including an earnings sharing mechanism. In addition,
1156 each electric distribution company may earn compensation for
1157 mitigating the prices of the contracts for the provision of electric
1158 generation services, as provided in subdivision (2) of this subsection.

1159 (B) The department shall conduct a contested case proceeding
1160 pursuant to the provisions of chapter 54 to establish an incentive plan
1161 for the procurement of long-term contracts for transitional standard
1162 offer service by an electric distribution company. The incentive plan
1163 shall be based upon a comparison of the actual average firm full
1164 requirements service contract price for electricity obtained by the
1165 electric distribution company compared to the regional average firm
1166 full requirements service contract price for electricity, adjusted for such
1167 variables as the department deems appropriate, including, but not
1168 limited to, differences in locational marginal pricing. If the actual
1169 average firm full requirements service contract price obtained by the
1170 electric distribution company is less than the actual regional average
1171 firm full requirements service contract price for the previous year, the
1172 department shall split five-tenths of one mill per kilowatt hour equally

1173 between ratepayers and the company. Revenues from such incentive
1174 plan shall not be included in calculating the electric distribution
1175 company's earnings for purposes of, or in determining whether its
1176 rates are just and reasonable under sections 16-19, 16-19a and 16-19e.
1177 The department may, as it deems necessary, retain a third party entity
1178 with expertise in energy procurement to assist with the development
1179 of such incentive plan.

1180 (c) (1) On and after January 1, 2007, each electric distribution
1181 company shall provide electric generation services through standard
1182 service to any customer who (A) does not arrange for or is not
1183 receiving electric generation services from an electric supplier, and (B)
1184 does not use a demand meter or has a maximum demand of less than
1185 five hundred kilowatts.

1186 (2) Not later than October 1, 2006, and periodically as required by
1187 subdivision (3) of this subsection, but not more often than every
1188 calendar quarter, the Department of Public Utility Control shall
1189 establish the standard service price for such customers pursuant to
1190 subdivision (3) of this subsection. Each electric distribution company
1191 shall recover the actual net costs of procuring and providing electric
1192 generation services pursuant to this subsection, provided such
1193 company mitigates the costs it incurs for the procurement of electric
1194 generation services for customers who are no longer receiving service
1195 pursuant to this subsection. On or before July 1, 2012, and biennially
1196 thereafter, the Department of Public Utility Control shall conduct an
1197 uncontested proceeding, which shall include a public hearing to which
1198 the Consumer Counsel and Attorney General shall be participants, to
1199 review the performance of the electric distribution companies or such
1200 other entity selected by the department pursuant to this subsection.
1201 The department shall issue a written decision regarding the review. If
1202 the department determines that it is in the best interest of standard
1203 service customers to seek an alternative to the electric distribution
1204 companies' or such entity's procurement of electricity, the department
1205 shall conduct a request for proposals for such procurement services.
1206 Any contract entered into pursuant to this section shall be for not more

1207 than two years.

1208 (3) An electric distribution company or such other entity selected by
1209 the department providing electric generation services pursuant to this
1210 subsection shall [mitigate the variation of the price of the service
1211 offered to its customers by procuring] procure electric generation
1212 services contracts in the manner prescribed in [a plan approved by the
1213 department. Such plan shall require the procurement of a portfolio of
1214 service contracts sufficient to meet the projected load of the electric
1215 distribution company. Such plan shall require that the portfolio of
1216 service contracts be procured in an overlapping pattern of fixed
1217 periods at such times and in such manner and duration as the
1218 department determines to be most likely to produce just, reasonable
1219 and reasonably stable retail rates while reflecting underlying
1220 wholesale market prices over time. The portfolio of contracts shall be
1221 assembled in such manner as to invite competition; guard against
1222 favoritism, improvidence, extravagance, fraud and corruption; and
1223 secure a reliable electricity supply while avoiding unusual, anomalous
1224 or excessive pricing. The portfolio of contracts procured under such
1225 plan shall be for terms of not less than six months, provided contracts
1226 for shorter periods may be procured under such conditions as the
1227 department shall prescribe to (A) ensure the lowest rates possible for
1228 end-use customers; (B) ensure reliable service under extraordinary
1229 circumstances; and (C) ensure the prudent management of the contract
1230 portfolio] section 30 of this act. An electric distribution company may
1231 receive a bid for an electric generation services contract from any of its
1232 generation entities or affiliates, provided such generation entity or
1233 affiliate submits its bid the business day preceding the first day on
1234 which an unaffiliated electric supplier may submit its bid and further
1235 provided the electric distribution company and the generation entity
1236 or affiliate are in compliance with the code of conduct established in
1237 section 16-244h.

1238 (4) [The] For standard service contracts procured prior to
1239 department approval of the plan developed pursuant to section 30 of
1240 this act, the department, in consultation with the Office of Consumer

1241 Counsel, [shall] may retain the services of a third-party entity with
1242 expertise in the area of energy procurement to oversee [the initial
1243 development of the] any request for proposals and the procurement of
1244 contracts by an electric distribution company or such entity selected by
1245 the department pursuant to subdivision (2) of this subsection, for the
1246 provision of electric generation services offered pursuant to this
1247 subsection. Costs associated with the retention of such third-party
1248 entity shall be included in the cost of electric generation services that is
1249 included in such price.

1250 (5) [Each] For standard service contracts procured prior to
1251 department approval of the plan developed pursuant to section 30 of
1252 this act, each bidder for a standard service contract shall submit its bid
1253 to the electric distribution company or such entity selected by the
1254 department, pursuant to subdivision (2) of this subsection, and the
1255 third-party entity who shall jointly review the bids and submit an
1256 overview of all bids together with a joint recommendation to the
1257 department as to the preferred bidders. The department may, within
1258 ten business days of submission of the overview, reject the
1259 recommendation regarding preferred bidders. In the event that the
1260 department rejects the preferred bids, the electric distribution
1261 company or such entity selected by the department, pursuant to
1262 subdivision (2) of this subsection, and the third-party entity shall rebid
1263 the service pursuant to this subdivision. The department shall review
1264 each bid in an uncontested proceeding that shall include a public
1265 hearing and in which the Consumer Counsel and Attorney General
1266 may participate.

1267 (6) After department approval of the plan developed pursuant to
1268 section 30 of this act, if an electric distribution company or such entity
1269 selected by the department pursuant to subdivision (2) of this
1270 subsection seeks to enter into a purchase of energy or other market
1271 products for standard service of greater than one year and up to three
1272 years in duration, such company or entity shall propose the details of
1273 such proposed purchase to the department. The department shall
1274 review each proposed purchase in an uncontested proceeding that

1275 shall include a public hearing and in which the Consumer Counsel and
1276 Attorney General may participate. The department, in consultation
1277 with the Office of Consumer Counsel, may retain the services of a
1278 third-party entity with expertise in the area of energy procurement to
1279 assist in the development or review of the proposed purchase. The
1280 department may approve, with or without modification, or reject the
1281 proposed purchase as it deems appropriate. Any approval of the
1282 proposed purchase shall include a maximum price that the electric
1283 distribution company or such entity selected by the department
1284 pursuant to subdivision (2) of this subsection may agree to pay for the
1285 proposed purchase. After such approval, the electric distribution
1286 company or such entity selected by the department pursuant to
1287 subdivision (2) of this subsection shall procure the energy or market
1288 products at the lowest price available to it from sellers qualified to
1289 transact with the procuring entity, subject to the maximum price set
1290 forth in the department's approval.

1291 (7) After department approval of the plan developed pursuant to
1292 section 30 of this act, if an electric distribution company or such entity
1293 selected by the department pursuant to subdivision (2) of this
1294 subsection seeks to enter into a purchase of energy or other market
1295 products for standard service of one year or less in duration, such
1296 company or entity shall propose the details of such proposed purchase
1297 to the department. The department may retain the services of a third-
1298 party entity with expertise in the area of energy procurement to assist
1299 in the review of the proposed purchase. The department may approve,
1300 with or without modification, or reject the proposed purchase as the
1301 department deems appropriate. Any approval of the proposed
1302 purchase shall include a maximum price that the electric distribution
1303 company or such entity selected by the department pursuant to
1304 subdivision (2) of this subsection may agree to pay for the proposed
1305 purchase. After such approval, the electric distribution company or
1306 such entity selected by the department pursuant to subdivision (2) of
1307 this subsection shall procure the energy or market products at the
1308 lowest price available to it from sellers qualified to transact with the

1309 procuring entity, subject to the maximum price set forth in the
1310 department's approval.

1311 (8) Any contract for standard service of greater than three years in
1312 duration, or any contract for standard service that would directly
1313 result in the construction of a generating facility is subject to the
1314 review and approval of the department. The electric distribution
1315 company or such entity selected by the department pursuant to
1316 subdivision (2) of this subsection shall execute such contract subject to
1317 approval of the department and shall present such contract to the
1318 department for approval. The department shall review each contract in
1319 an uncontested proceeding that shall include a public hearing and in
1320 which the Consumer Counsel and Attorney General may participate.
1321 The department, in consultation with the Office of Consumer Counsel,
1322 may retain the services of a third-party entity with expertise in the area
1323 of energy procurement to assist in the development or review of the
1324 contract. The department shall issue a decision on the contract within
1325 ninety days of submission by the electric distribution company or such
1326 entity selected by the department pursuant to subdivision (2) of this
1327 subsection.

1328 (d) (1) Notwithstanding the provisions of this section regarding the
1329 electric generation services component of the transitional standard
1330 offer or the procurement of electric generation services under standard
1331 service, section 16-244h or 16-245o, as amended by this act, the
1332 Department of Public Utility Control may, from time to time, direct an
1333 electric distribution company to offer, through an electric supplier or
1334 electric suppliers, before January 1, 2007, one or more alternative
1335 transitional standard offer options or, on or after January 1, 2007, one
1336 or more alternative standard service options. Such alternative options
1337 shall include, but not be limited to, an option that consists of the
1338 provision of electric generation services that exceed the renewable
1339 portfolio standards established in section 16-245a and may include an
1340 option that utilizes strategies or technologies that reduce the overall
1341 consumption of electricity of the customer.

1342 (2) (A) The department shall develop such alternative option or
1343 options in a contested case conducted in accordance with the
1344 provisions of chapter 54. The department shall determine the terms
1345 and conditions of such alternative option or options, including, but not
1346 limited to, (i) the minimum contract terms, including pricing, length
1347 and termination of the contract, and (ii) the minimum percentage of
1348 electricity derived from Class I or Class II renewable energy sources, if
1349 applicable. The electric distribution company shall, under the
1350 supervision of the department, subsequently conduct a bidding
1351 process in order to solicit electric suppliers to provide such alternative
1352 option or options.

1353 (B) The department may reject some or all of the bids received
1354 pursuant to the bidding process.

1355 (3) The department may require an electric supplier to provide
1356 forms of assurance to satisfy the department that the contracts
1357 resulting from the bidding process will be fulfilled.

1358 (4) An electric supplier who fails to fulfill its contractual obligations
1359 resulting from this subdivision shall be subject to civil penalties, in
1360 accordance with the provisions of section 16-41, or the suspension or
1361 revocation of such supplier's license or a prohibition on the acceptance
1362 of new customers, following a hearing that is conducted as a contested
1363 case, in accordance with the provisions of chapter 54.

1364 (e) (1) On and after January 1, 2007, an electric distribution company
1365 shall serve customers that are not eligible to receive standard service
1366 pursuant to subsection (c) of this section as the supplier of last resort.
1367 This subsection shall not apply to customers purchasing power under
1368 contracts entered into pursuant to section 16-19hh.

1369 (2) An electric distribution company shall procure electricity at least
1370 every calendar quarter to provide electric generation services to
1371 customers pursuant to this subsection. The Department of Public
1372 Utility Control shall determine a price for such customers that reflects
1373 the full cost of providing the electricity on a monthly basis. Each

1374 electric distribution company shall recover the actual net costs of
1375 procuring and providing electric generation services pursuant to this
1376 subsection, provided such company mitigates the costs it incurs for the
1377 procurement of electric generation services for customers that are no
1378 longer receiving service pursuant to this subsection.

1379 (f) On and after January 1, 2000, and until such time the regional
1380 independent system operator implements procedures for the provision
1381 of back-up power to the satisfaction of the Department of Public Utility
1382 Control, each electric distribution company shall provide electric
1383 generation services to any customer who has entered into a service
1384 contract with an electric supplier that fails to provide electric
1385 generation services for reasons other than the customer's failure to pay
1386 for such services. Between January 1, 2000, and December 31, 2006, an
1387 electric distribution company may procure electric generation services
1388 through a competitive bidding process or through any of its generation
1389 entities or affiliates. On and after January 1, 2007, such company shall
1390 procure electric generation services through a competitive bidding
1391 process pursuant to a plan submitted by the electric distribution
1392 company and approved by the department. Such company may
1393 procure electric generation services through any of its generation
1394 entities or affiliates, provided such entity or affiliate is the lowest
1395 qualified bidder and provided further any such entity or affiliate is
1396 licensed pursuant to section 16-245, as amended by this act.

1397 (g) An electric distribution company is not required to be licensed
1398 pursuant to section 16-245, as amended by this act, to provide standard
1399 offer electric generation services in accordance with subsection (a) of
1400 this section, transitional standard offer service pursuant to subsection
1401 (b) of this section, standard service pursuant to subsection (c) of this
1402 section, supplier of last resort service pursuant to subsection (e) of this
1403 section or back-up electric generation service pursuant to subsection (f)
1404 of this section.

1405 (h) The electric distribution company shall be entitled to recover
1406 reasonable costs incurred as a result of providing standard offer

1407 electric generation services pursuant to the provisions of subsection (a)
1408 of this section, transitional standard offer service pursuant to
1409 subsection (b) of this section, standard service pursuant to subsection
1410 (c) of this section or back-up electric generation service pursuant to
1411 subsection (f) of this section. The provisions of this section and section
1412 16-244a shall satisfy the requirements of section 16-19a until January 1,
1413 2007.

1414 (i) The Department of Public Utility Control shall establish, by
1415 regulations adopted pursuant to chapter 54, procedures for when and
1416 how a customer is notified that his electric supplier has defaulted and
1417 of the need for the customer to choose a new electric supplier within a
1418 reasonable period of time.

1419 (j) (1) Notwithstanding the provisions of subsection (d) of this
1420 section regarding an alternative transitional standard offer option or
1421 an alternative standard service option, an electric distribution
1422 company providing transitional standard offer service, standard
1423 service, supplier of last resort service or back-up electric generation
1424 service in accordance with this section shall contract with its wholesale
1425 suppliers to comply with the renewable portfolio standards. The
1426 Department of Public Utility Control shall annually conduct a
1427 contested case, in accordance with the provisions of chapter 54, in
1428 order to determine whether the electric distribution company's
1429 wholesale suppliers met the renewable portfolio standards during the
1430 preceding year. An electric distribution company shall include a
1431 provision in its contract with each wholesale supplier that requires the
1432 wholesale supplier to pay the electric distribution company an amount
1433 of five and one-half cents per kilowatt hour if the wholesale supplier
1434 fails to comply with the renewable portfolio standards during the
1435 subject annual period. The electric distribution company shall
1436 promptly transfer any payment received from the wholesale supplier
1437 for the failure to meet the renewable portfolio standards to the
1438 Renewable Energy Investment Fund for the development of Class I
1439 renewable energy sources. Any payment made pursuant to this section
1440 shall not be considered revenue or income to the electric distribution

1441 company.

1442 (2) Notwithstanding the provisions of subsection (d) of this section
1443 regarding an alternative transitional standard offer option or an
1444 alternative standard service option, an electric distribution company
1445 providing transitional standard offer service, standard service,
1446 supplier of last resort service or back-up electric generation service in
1447 accordance with this section shall, not later than July 1, [2008] 2011, file
1448 with the Department of Public Utility Control for its approval one or
1449 more long-term power purchase contracts from Class I renewable
1450 energy source projects comprised of twenty-five megawatts of wind
1451 generation, fifteen megawatts of low head hydro-electricity, and five
1452 megawatts of other Class I renewable energy sources located in
1453 Connecticut that receive funding from the Renewable Energy
1454 Investment Fund, [and that are not less than one megawatt in size,] at
1455 a price that is either, at the determination of the project owner, (A) not
1456 more than the total of the comparable wholesale market price for
1457 generation plus five and one-half cents per kilowatt hour, or (B) [fifty
1458 per cent of the wholesale market electricity cost at the point at which
1459 transmission lines intersect with each other or interface with the
1460 distribution system, plus the project cost of fuel indexed to natural gas
1461 futures contracts on the New York Mercantile Exchange at the natural
1462 gas pipeline interchange located in Vermillion Parish, Louisiana that
1463 serves as the delivery point for such futures contracts, plus the fuel
1464 delivery charge for transporting fuel to the project, plus five] twelve
1465 and one-half cents per kilowatt hour adjusted for inflation.
1466 Department of Public Utility Control, in consultation with the
1467 Renewable Energy Investments Board, shall solicit offers from such
1468 projects not later than October 1, 2010. In its approval of such
1469 contracts, the department shall give preference to purchase contracts
1470 from those projects that would provide a financial benefit to ratepayers
1471 or would enhance the reliability of the electric transmission system of
1472 the state. Such projects shall be located in this state. The one-hundred-
1473 fifty-megawatt limit for such projects may be exceeded only if the
1474 contracts for wind generation, Class I renewable energy sources and

1475 alternative renewable energy sources pursuant to this section and
1476 contracts committed as of the effective date of this section exceed such
1477 limit. The owner of a fuel cell project principally manufactured in this
1478 state shall be allocated all available air emissions credits and tax credits
1479 attributable to the project and no less than fifty per cent of the energy
1480 credits in the Class I renewable energy credits program established in
1481 section 16-245a attributable to the project. On and after October 1, 2007,
1482 and until September 30, 2008, such contracts shall be comprised of not
1483 less than a total, apportioned among each electric distribution
1484 company, of one hundred twenty-five megawatts; and on and after
1485 October 1, 2008, such contracts shall be comprised of not less than a
1486 total, apportioned among each electrical distribution company, of one
1487 hundred fifty megawatts. The cost of such contracts and the
1488 administrative costs for the procurement of such contracts directly
1489 incurred shall be eligible for inclusion in the adjustment to the
1490 transitional standard offer as provided in this section and any
1491 subsequent rates for standard service, provided such contracts are for a
1492 period of time sufficient to provide financing for such projects, but not
1493 less than ten years, and are for projects which began operation on or
1494 after July 1, 2003. Except as provided in this subdivision, the amount
1495 from Class I renewable energy sources contracted under such contracts
1496 shall be applied to reduce the applicable Class I renewable energy
1497 source portfolio standards. For purposes of this subdivision, the
1498 department's determination of the comparable wholesale market price
1499 for generation shall be based upon a reasonable estimate. On or before
1500 September 1, 2007, the department, in consultation with the Office of
1501 Consumer Counsel and the Renewable Energy Investments [Advisory
1502 Council] Board, shall study the operation of such renewable energy
1503 contracts and report its findings and recommendations to the joint
1504 standing committee of the General Assembly having cognizance of
1505 matters relating to energy.

1506 (k) (1) As used in this section:

1507 (A) "Participating electric supplier" means an electric supplier that is
1508 licensed by the department to provide electric service, pursuant to this

1509 subsection, to residential or small commercial customers.

1510 (B) "Residential customer" means a customer who is eligible for
1511 standard service and who takes electric distribution-related service
1512 from an electric distribution company pursuant to a residential tariff.

1513 (C) "Small commercial customer" means a customer who is eligible
1514 for standard service and who takes electric distribution-related service
1515 from an electric distribution company pursuant to a small commercial
1516 tariff.

1517 (D) "Qualifying electric offer" means an offer to provide full
1518 requirements commodity electric service and all other generation-
1519 related service to a residential or small commercial customer at a fixed
1520 price per kilowatt hour for a term of no less than one year.

1521 (2) In the manner determined by the department, residential or
1522 small commercial service customers (A) initiating new utility service,
1523 (B) reinitiating service following a change of residence or business
1524 location, (C) making an inquiry regarding their utility rates, or (D)
1525 seeking information regarding energy efficiency shall be offered the
1526 option to learn about their ability to enroll with a participating electric
1527 supplier. Customers expressing an interest to learn about their electric
1528 supply options shall be informed of the qualifying electric offers then
1529 available from participating electric suppliers. The electric distribution
1530 companies shall describe then available qualifying electric offers
1531 through a method reviewed and approved by the department. The
1532 information conveyed to customers expressing an interest to learn
1533 about their electric supply options shall include, at a minimum, the
1534 price and term of the available electric supply option. Customers
1535 expressing an interest in a particular qualifying electric offer shall be
1536 immediately transferred to a call center operated by that participating
1537 electric supplier.

1538 (3) Not later than September 1, 2007, the department shall establish
1539 terms and conditions under which a participating electric supplier can
1540 be included in the referral program described in subdivision (2) of this

1541 subsection. Such terms shall include, but not be limited to, requiring
1542 participating electrical suppliers to offer time-of-use and real-time use
1543 rates to residential customers.

1544 (4) Each calendar quarter, participating electric suppliers shall be
1545 allowed to list qualifying offers to provide electric generation service
1546 to residential and small commercial customers with each customer's
1547 utility bill. The department shall determine the manner such
1548 information is presented in customers' utility bills.

1549 (5) Any customer that receives electric generation service from a
1550 participating electric supplier may return to standard service or may
1551 choose another participating electric supplier at any time, including
1552 during the qualifying electric offer, without the imposition of any
1553 additional charges. Any customer that is receiving electric generation
1554 service from an electric distribution company pursuant to standard
1555 service can switch to another participating electric supplier at any time
1556 without the imposition of additional charges.

1557 (l) Each electric distribution company shall offer to bill customers on
1558 behalf of participating electric suppliers and to pay such suppliers in a
1559 timely manner the amounts due such suppliers from customers for
1560 generation services, less a percentage of such amounts that reflects
1561 uncollectible bills and overdue payments as approved by the
1562 Department of Public Utility Control.

1563 (m) On or before July 1, 2007, the Department of Public Utility
1564 Control shall initiate a proceeding to examine whether electric supplier
1565 bills rendered pursuant to section 16-245d, as amended by this act, and
1566 any regulations adopted thereunder sufficiently enable customers to
1567 compare pricing policies and charges among electric suppliers.

1568 (n) The department shall conduct a proceeding to determine the cost
1569 of billing, collection and other services provided by the electric
1570 distribution companies or the department solely for the benefit of
1571 participating electric suppliers and aggregators. The department shall
1572 order an equitable allocation of such costs among electric suppliers

1573 and aggregators. As part of this same proceeding, the department shall
1574 also determine the costs that the electric distribution companies incur
1575 solely for the benefit of standard service and last resort service
1576 customers. The department shall allocate and provide for the equitable
1577 recovery of such costs from standard service or last resort service
1578 customers.

1579 [(n)] (o) Nothing in the provisions of this section shall preclude an
1580 electric distribution company from entering into standard service
1581 supply contracts or standard service supply components with electric
1582 generating facilities.

1583 Sec. 14. Subdivision (30) of subsection (a) of section 16-1 of the
1584 general statutes is repealed and the following is substituted in lieu
1585 thereof (*Effective July 1, 2010*):

1586 (30) "Electric supplier" means any person [, including an electric
1587 aggregator] or participating municipal electric utility that is licensed
1588 by the Department of Public Utility Control in accordance with section
1589 16-245, [that] as amended by this act, and provides electric generation
1590 services to end use customers in the state using the transmission or
1591 distribution facilities of an electric distribution company, regardless of
1592 whether or not such person takes title to such generation services, but
1593 does not include: (A) A municipal electric utility established under
1594 chapter 101, other than a participating municipal electric utility; (B) a
1595 municipal electric energy cooperative established under chapter 101a;
1596 (C) an electric cooperative established under chapter 597; (D) any other
1597 electric utility owned, leased, maintained, operated, managed or
1598 controlled by any unit of local government under any general statute
1599 or special act; or (E) an electric distribution company in its provision of
1600 electric generation services in accordance with subsection (a) or, prior
1601 to January 1, 2004, subsection (c) of section 16-244c, as amended by this
1602 act.

1603 Sec. 15. Subdivision (31) of subsection (a) of section 16-1 of the
1604 general statutes is repealed and the following is substituted in lieu

1605 thereof (*Effective July 1, 2010*):

1606 (31) "Electric aggregator" means [(A) a person, municipality or
1607 regional water authority that] any person, municipality or regional
1608 water authority or the Connecticut Resource Recovery Authority, if
1609 such entity gathers together electric customers for the purpose of
1610 negotiating the purchase of electric generation services from an electric
1611 supplier, [or (B) the Connecticut Resources Recovery Authority, if it
1612 gathers together electric customers for the purpose of negotiating the
1613 purchase of electric generation services from an electric supplier,]
1614 provided such [person, municipality or authority] entity is not
1615 engaged in the purchase or resale of electric generation services, and
1616 provided further such customers contract for electric generation
1617 services directly with an electric supplier, and may include an electric
1618 cooperative established pursuant to chapter 597.

1619 Sec. 16. Section 16-245d of the general statutes is repealed and the
1620 following is substituted in lieu thereof (*Effective July 1, 2010*):

1621 (a) The Department of Public Utility Control shall, by regulations
1622 adopted pursuant to chapter 54, develop a standard billing format that
1623 enables customers to compare pricing policies and charges among
1624 electric suppliers. [Not later than January 1, 2006, the] The department
1625 shall adopt regulations, in accordance with the provisions of chapter
1626 54, to provide that an electric supplier, until October 1, 2010, may
1627 provide direct billing and collection services for electric generation
1628 services and related federally mandated congestion charges that such
1629 supplier provides to its customers [that have] with a maximum
1630 demand of not less than one hundred kilowatts [and] that choose to
1631 receive a bill directly from such supplier and, on and after October 1,
1632 2010, shall provide direct billing and collection services for electric
1633 generation services and related federally mandated congestion charges
1634 that such suppliers provide to their customers or may choose to obtain
1635 such billing and collection service through an electric distribution
1636 company and pay its pro rata share in accordance with the provisions
1637 of subsection (h) of section 16-244c, as amended by this act. Any

1638 customer of an electric supplier, which is choosing to provide direct
1639 billing, who paid for the cost of billing and other services to an electric
1640 distribution company shall receive a credit on their monthly bill.

1641 (1) An electric supplier that chooses to provide billing and collection
1642 services shall, in accordance with the billing format developed by the
1643 department, include the following information in each customer's bill:
1644 (A) The total amount owed by the customer, which shall be itemized to
1645 show (i) the electric generation services component and any additional
1646 charges imposed by the electric supplier, and (ii) federally mandated
1647 congestion charges applicable to the generation services; (B) any
1648 unpaid amounts from previous bills, which shall be listed separately
1649 from current charges; (C) the rate and usage for the current month and
1650 each of the previous twelve months in bar graph form or other visual
1651 format; (D) the payment due date; (E) the interest rate applicable to
1652 any unpaid amount; (F) the toll-free telephone number of the
1653 Department of Public Utility Control for questions or complaints; and
1654 (G) the toll-free telephone number and address of the electric supplier.

1655 (2) An [electric company,] electric distribution company [or electric
1656 supplier that provides direct billing of the electric generation service
1657 component and related federally mandated congestion charges, as the
1658 case may be,] shall, in accordance with the billing format developed by
1659 the department, include the following information in each customer's
1660 bill; [, as appropriate: (1)] (A) The total amount owed by the customer,
1661 which shall be itemized to show, [(A)] (i) the electric generation
1662 services component [and any additional charges imposed by the
1663 electric supplier, if applicable, (B)] if the customer obtains standard
1664 service or last resort service from the electric distribution company, (ii)
1665 the distribution charge, including all applicable taxes and the systems
1666 benefits charge, as provided in section 16-245l, [(C)] (iii) the
1667 transmission rate as adjusted pursuant to subsection (d) of section 16-
1668 19b, [(D)] (iv) the competitive transition assessment, as provided in
1669 section 16-245g, [(E)] (v) federally mandated congestion charges, and
1670 [(F)] (vi) the conservation and renewable energy charge, consisting of
1671 the conservation and load management program charge, as provided

1672 in section 16-245m, as amended by this act, and the renewable energy
1673 investment charge, as provided in section 16-245n, as amended by this
1674 act; [(2)] (B) any unpaid amounts from previous bills which shall be
1675 listed separately from current charges; [(3)] (C) except for customers
1676 subject to a demand charge, the rate and usage for the current month
1677 and each of the previous twelve months in the form of a bar graph or
1678 other visual form; [(4)] (D) the payment due date; [(5)] (E) the interest
1679 rate applicable to any unpaid amount; [(6)] (F) the toll-free telephone
1680 number of the electric distribution company to report power losses;
1681 [(7)] (G) the toll-free telephone number of the Department of Public
1682 Utility Control for questions or complaints; [(8) the toll-free telephone
1683 number and address of the electric supplier; and (9)] and (H) if a
1684 customer has a demand of five hundred kilowatts or less during the
1685 preceding twelve months, a statement about the availability of
1686 information concerning electric suppliers pursuant to section 16-245p.

1687 (b) The regulations shall provide guidelines for determining until
1688 October 1, 2010, the billing relationship between the electric
1689 distribution company and electric suppliers, including, but not limited
1690 to, the allocation of partial bill payments and late payments between
1691 the electric distribution company and the electric supplier. An electric
1692 distribution company that provides billing services for an electric
1693 supplier shall be entitled to recover from the electric supplier all
1694 reasonable transaction costs to provide such billing services as well as
1695 a reasonable rate of return, in accordance with the principles in
1696 subsection (a) of section 16-19e.

1697 Sec. 17. Section 16-245o of the general statutes is repealed and the
1698 following is substituted in lieu thereof (*Effective July 1, 2010*):

1699 (a) To protect a customer's right to privacy from unwanted
1700 solicitation, each electric company or electric distribution company, as
1701 the case may be, shall distribute to each customer a form approved by
1702 the Department of Public Utility Control which the customer shall
1703 submit to the customer's electric or electric distribution company in a
1704 timely manner if the customer does not want the customer's name,

1705 address, telephone number and rate class to be released to electric
1706 suppliers. On and after July 1, 1999, each electric or electric distribution
1707 company, as the case may be, shall make available to all electric
1708 suppliers customer names, addresses, telephone numbers, if known,
1709 and rate class, unless the electric company or electric distribution
1710 company has received a form from a customer requesting that such
1711 information not be released. Additional information about a customer
1712 for marketing purposes shall not be released to any electric supplier
1713 unless a customer consents to a release by one of the following: (1) An
1714 independent third-party telephone verification; (2) receipt of a written
1715 confirmation received in the mail from the customer after the customer
1716 has received an information package confirming any telephone
1717 agreement; (3) the customer signs a document fully explaining the
1718 nature and effect of the release; or (4) the customer's consent is
1719 obtained through electronic means, including, but not limited to, a
1720 computer transaction.

1721 (b) All electric suppliers shall have equal access to customer
1722 information required to be disclosed under subsection (a) of this
1723 section. No electric supplier shall have preferential access to historical
1724 distribution company customer usage data.

1725 (c) No electric or electric distribution company shall include in any
1726 bill or bill insert anything that directly or indirectly promotes a
1727 generation entity or affiliate of the electric distribution company. No
1728 electric supplier shall include a bill insert in an electric bill of an
1729 electric distribution company.

1730 (d) All marketing information provided pursuant to the provisions
1731 of this section shall be formatted electronically by the electric company
1732 or electric distribution company, as the case may be, in a form that is
1733 readily usable by standard commercial software packages. Updated
1734 lists shall be made available within a reasonable time, as determined
1735 by the department, following a request by an electric supplier. Each
1736 electric supplier seeking the information shall pay a fee to the electric
1737 company or electric distribution company, as the case may be, which

1738 reflects the incremental costs of formatting, sorting and distributing
1739 this information, together with related software changes. Customers
1740 shall be entitled to any available individual information about their
1741 loads or usage at no cost.

1742 (e) Each electric supplier shall, prior to the initiation of electric
1743 generation services, provide the potential customer with a written
1744 notice describing the rates, information on air emissions and resource
1745 mix of generation facilities operated by and under long-term contract
1746 to the supplier, terms and conditions of the service, and a notice
1747 describing the customer's right to cancel the service, as provided in this
1748 section. No electric supplier shall provide electric generation services
1749 unless the customer has signed a service contract or consents to such
1750 services by one of the following: (1) An independent third-party
1751 telephone verification; (2) receipt of a written confirmation received in
1752 the mail from the customer after the customer has received an
1753 information package confirming any telephone agreement; (3) the
1754 customer signs a [document fully explaining the nature and effect of
1755 the initiation of the service] contract that conforms with the provisions
1756 of this section; or (4) the customer's consent is obtained through
1757 electronic means, including, but not limited to, a computer transaction.
1758 Each electric supplier shall provide each customer with a demand of
1759 less than one hundred kilowatts, a written contract that conforms with
1760 the provisions of this section and maintain records of such signed
1761 service contract or consent to service for a period of not less than two
1762 years from the date of expiration of such contract, which records shall
1763 be provided to the division or the customer upon request. Each
1764 contract for electric generation services shall contain all material terms
1765 of the agreement, a clear and conspicuous statement explaining the
1766 rates that such customer will be paying, including the circumstances
1767 under which the rates may change, a statement that provides specific
1768 directions to the customer as to how to compare the price term in the
1769 contract to the customer's existing electric generation service charge on
1770 the electric bill and how long those rates are guaranteed. Such contract
1771 shall also include a clear and conspicuous statement providing the

1772 customer's right to cancel such contract within three days of signature
1773 or receipt in accordance with the provisions of this subsection,
1774 describing under what circumstances, if any, the supplier may
1775 terminate the contract and describing any penalty for early termination
1776 of such contract. Each contract shall be signed by the customer, or
1777 otherwise agreed to in accordance with the provisions of this
1778 subsection. A customer who has a maximum demand of five hundred
1779 kilowatts or less shall, until midnight of the third business day after
1780 the latter of the day on which the customer enters into a service
1781 agreement or the day on which the customer receives the written
1782 contract from the electric supplier as provided in this section, have the
1783 right to cancel a contract for electric generation services entered into
1784 with an electric supplier.

1785 [(f) An electric supplier shall not advertise or disclose the price of
1786 electricity in such a manner as to mislead a reasonable person into
1787 believing that the electric generation services portion of the bill will be
1788 the total bill amount for the delivery of electricity to the customer's
1789 location. When advertising or disclosing the price for electricity, the
1790 electric supplier shall also disclose the electric distribution company's
1791 average current charges, including the competitive transition
1792 assessment and the systems benefits charge, for that customer class.]

1793 (f) (1) Any third-party agent who contracts with or is otherwise
1794 compensated by an electric supplier to sell electric generation services
1795 shall be a legal agent of the electric supplier. No third-party agent may
1796 sell electric generation services on behalf of an electric supplier unless
1797 (i) the third-party agent is an employee or independent contractor of
1798 such electric supplier, and (ii) the third-party agent has received
1799 appropriate training directly from such electric supplier.

1800 (2) On or after July 1, 2010, all sales and solicitations of electric
1801 generation services by an electric supplier, aggregator or agent of an
1802 electric supplier or aggregator to a customer with a maximum demand
1803 of one hundred kilowatts or less conducted and consummated entirely
1804 by mail, door-to-door sale, telephone or other electronic means, during

1805 a scheduled appointment at the premises of a customer or at a fair,
1806 trade or business show, convention or exposition in addition to
1807 complying with the provisions of subsection (e) of this section shall:

1808 (A) For any sale or solicitation, including from any person
1809 representing such electric supplier, aggregator or agent of an electric
1810 supplier or aggregator (i) identify the person and the electric
1811 generation services company or companies the person represents; (ii)
1812 provide a statement that the person does not represent an electric
1813 distribution company; (iii) explain the purpose of the solicitation; and
1814 (iv) explain all rates, fees, variable charges and terms and conditions
1815 for the services provided; and

1816 (B) For door-to-door sales to customers with a maximum demand of
1817 one hundred kilowatts, which shall include the sale of electric
1818 generation services in which the electric supplier, aggregator or agent
1819 of an electric supplier or aggregator solicits the sale and receives the
1820 customer's agreement or offer to purchase at a place other than the
1821 seller's place of business, be conducted (i) in accordance with any
1822 municipal and local ordinances regarding door-to-door solicitations,
1823 (ii) between the hours of ten o'clock a.m. and six o'clock p.m., and (iii)
1824 with both Spanish and English written materials available. Any
1825 representative of an electric supplier, aggregator or agent of an electric
1826 supplier or aggregator shall prominently display or wear a photo
1827 identification badge stating the name of such person's employer or the
1828 electric supplier the person represents. Each such supplier, aggregator
1829 or agent shall conduct a criminal background check on each person
1830 such entity employs to conduct such door-to-door sales and no one
1831 who has been convicted of a felony or a misdemeanor involving
1832 robbery, theft, misrepresentation or any other similar crime shall be
1833 employed to conduct such sales.

1834 (3) No electric supplier, aggregator or agent of an electric supplier
1835 or aggregator shall advertise or disclose the price of electricity to
1836 mislead a reasonable person into believing that the electric generation
1837 services portion of the bill will be the total bill amount for the delivery

1838 of electricity to the customer's location. When advertising or disclosing
1839 the price for electricity, the electric supplier, aggregator or agent of an
1840 electric supplier or aggregator shall also disclose the electric
1841 distribution company's current charges, including the competitive
1842 transition assessment and the systems benefits charge, for that
1843 customer class.

1844 (4) No entity, including an aggregator or agent of an electric
1845 supplier or aggregator, who sells or offers for sale any electric
1846 generation services for or on behalf of an electric supplier, shall engage
1847 in any deceptive acts or practices in the marketing, sale or solicitation
1848 of electric generation services.

1849 (5) Each electric supplier shall disclose to the Department of Public
1850 Utility Control in a standardized format (A) the amount of additional
1851 renewable energy credits such supplier will purchase beyond required
1852 credits, (B) where such additional credits are being sourced from, and
1853 (C) the types of renewable energy sources that will be purchased. Each
1854 electric supplier shall only advertise renewable energy credits
1855 purchased beyond those required pursuant to section 16-245a and shall
1856 report to the department the renewable energy sources of such credits
1857 and whenever the mix of such sources changes.

1858 (6) No contract for electric generation services by an electric supplier
1859 shall require a residential customer to pay any fee for termination or
1860 early cancellation of a contract in excess of (A) one hundred dollars; or
1861 (B) twice the estimated bill for energy services for an average month,
1862 whichever is less, provided when an electric supplier offers a contract,
1863 it provides the residential customer an estimate of such customer's
1864 average monthly bill.

1865 (7) An electric supplier shall not make a material change in the
1866 terms or duration of any contract for the provision of electric
1867 generation services by an electric supplier without the express consent
1868 of the customer. Nothing in this subdivision shall restrict an electric
1869 supplier from renewing a contract by clearly informing the customer in

1870 writing, not less than thirty days nor more than sixty days before the
1871 renewal date, of the renewal terms and of the option not to accept the
1872 renewal offer, provided no fee pursuant to subdivision (6) of this
1873 section shall be charged to a customer who terminates or cancels such
1874 renewal not later than seven business days after receiving the first
1875 billing statement for the renewed contract.

1876 (g) Each electric supplier, aggregator or agent of an electric supplier
1877 or aggregator shall comply with the provisions of the telemarketing
1878 regulations adopted pursuant to 15 USC 6102.

1879 (h) Any violation of this section shall be deemed an unfair or
1880 deceptive trade practice under subsection (a) of section 42-110b. Any
1881 contract for electric generation services that the division finds to be the
1882 product of unfair or deceptive marketing practices or in material
1883 violation of the provisions of this section shall be void and
1884 unenforceable. Any waiver of the provisions of this section by a
1885 customer of electric generation services shall be deemed void and
1886 unenforceable by the electric supplier.

1887 (i) Any violation or failure to comply with any provision of this
1888 section shall be subject to (1) civil penalties by the department in
1889 accordance with section 16-41, (2) the suspension or revocation of an
1890 electric supplier or aggregator's license, or (3) a prohibition on
1891 accepting new customers following a hearing that is conducted as a
1892 contested case in accordance with chapter 54.

1893 (j) The department may adopt regulations, in accordance with the
1894 provisions of chapter 54, to include, but not be limited to, abusive
1895 switching practices, solicitations and renewals by electric suppliers.

1896 Sec. 18. Subsection (g) of section 16-245 of the general statutes is
1897 repealed and the following is substituted in lieu thereof (*Effective July*
1898 *1, 2010*):

1899 (g) As conditions of continued licensure, in addition to the
1900 requirements of subsection (c) of this section: (1) The licensee shall

1901 comply with the National Labor Relations Act and regulations, if
1902 applicable; (2) the licensee shall comply with the Connecticut Unfair
1903 Trade Practices Act and applicable regulations; (3) each generating
1904 facility operated by or under long-term contract to the licensee shall
1905 comply with regulations adopted by the Commissioner of
1906 Environmental Protection, pursuant to section 22a-174j; (4) the licensee
1907 shall comply with the portfolio standards, pursuant to section 16-245a;
1908 (5) the licensee shall be a member of the New England Power Pool or
1909 its successor or have a contractual relationship with one or more
1910 entities who are members of the New England Power Pool or its
1911 successor and the licensee shall comply with the rules of the regional
1912 independent system operator and standards and any other reliability
1913 guidelines of the regional independent systems operator; (6) the
1914 licensee shall agree to cooperate with the department and other electric
1915 suppliers in the event of an emergency condition that may jeopardize
1916 the safety and reliability of electric service; (7) the licensee shall comply
1917 with the code of conduct established pursuant to section 16-244h; (8)
1918 for a license to a participating municipal electric utility, the licensee
1919 shall provide open and nondiscriminatory access to its distribution
1920 facilities to other licensed electric suppliers; (9) the licensee or the
1921 entity or entities with whom the licensee has a contractual relationship
1922 to purchase power shall be in compliance with all applicable licensing
1923 requirements of the Federal Energy Regulatory Commission; (10) each
1924 generating facility operated by or under long-term contract to the
1925 licensee shall be in compliance with chapter 277a and state
1926 environmental laws and regulations; (11) the licensee shall comply
1927 with the renewable portfolio standards established in section 16-245a;
1928 (12) the licensee shall offer a time-of-use rate option to customers that
1929 provides for a peak period use rate of at least a five hundred per cent
1930 increase in the standard nonpeak use rate. Such peak period shall be
1931 not more than four hours in any twenty-four-hour period. The
1932 standard nonpeak use rate under this option shall be less than the
1933 standard use rate offer by such supplier to the customer. Nothing in
1934 this subdivision shall preclude such supplier from offering other time
1935 of use options; and [(12)] (13) the licensee shall acknowledge that it is

1936 subject to chapters 208, 212, 212a and 219, as applicable, and the
1937 licensee shall pay all taxes it is subject to in this state. Also as a
1938 condition of licensure, the department shall prohibit each licensee from
1939 declining to provide service to customers for the reason that the
1940 customers are located in economically distressed areas. The
1941 department may establish additional reasonable conditions to assure
1942 that all retail customers will continue to have access to electric
1943 generation services.

1944 Sec. 19. (NEW) (*Effective July 1, 2010*) (a) The Renewable Energy
1945 Investments Board, shall structure and implement a residential solar
1946 investment program pursuant to this section and shall result in a
1947 minimum of thirty megawatts of new residential solar photovoltaic
1948 installations located in this state on or before December 31, 2021. For
1949 the purposes of this section and sections 28 and 29 of this act,
1950 "residential" means dwellings with one to four units.

1951 (b) The Renewable Energy Investments Board shall offer direct
1952 financial incentives, in the form of performance-based incentives or
1953 expected performance-based buydowns, for the purchase or lease of
1954 qualifying residential solar photovoltaic systems. For the purposes of
1955 this section, "performance-based incentives" means incentives paid out
1956 on a per kilowatt-hour basis, and "expected performance-based
1957 buydowns" means incentives paid out as a one-time upfront incentive
1958 based on expected system performance. The board shall consider
1959 willingness to pay studies and verified solar photovoltaic system
1960 characteristics, such as operational efficiency, size, location, shading
1961 and orientation, when determining the type and amount of incentive.

1962 (c) Beginning with the comprehensive plan covering the period
1963 from July 1, 2010, to June 30, 2012, the Renewable Energy Investments
1964 Board shall develop and publish in each such plan a proposed
1965 schedule for the offering of performance-based incentives or expected
1966 performance-based buydowns over the duration of any such solar
1967 incentive program. Such schedule shall: (1) Provide for a series of solar
1968 capacity blocks the combined total of which shall be a minimum of

1969 thirty megawatts and projected incentive levels for each such block; (2)
1970 provide incentives that are sufficient to meet reasonable payback
1971 expectations of the residential consumer, taking into consideration the
1972 estimated cost of residential solar installations, the value of the energy
1973 offset by the system and the availability and estimated value of other
1974 incentives, including, but not limited to, federal and state tax
1975 incentives and revenues from the sale of solar renewable energy
1976 credits; (3) provide incentives that decline over time and will foster the
1977 sustained, orderly development of a state-based solar industry; (4)
1978 automatically adjust to the next block once the board has issued
1979 reservations for financial incentives provided pursuant to this section
1980 from the board fully committing the target solar capacity and available
1981 incentives in that block; and (5) provide comparable economic
1982 incentives for the purchase or lease of qualifying residential solar
1983 photovoltaic systems. The board may retain the services of a third-
1984 party entity with expertise in the area of solar energy program design
1985 to assist in the development of the incentive schedule or schedules.
1986 The department shall review and approve such schedule. Nothing in
1987 this subsection shall restrict the board from modifying the approved
1988 incentive schedule before the issuance of its next comprehensive plan
1989 to account for changes in federal or state law or regulation or
1990 developments in the solar market when such changes would affect the
1991 expected return on investment for a typical residential solar
1992 photovoltaic system by twenty per cent or more.

1993 (d) The Renewable Energy Investments Board shall establish and
1994 periodically update program guidelines, including, but not limited to,
1995 requirements for systems and program participants related to: (1)
1996 Eligibility criteria; (2) standards for deployment of energy efficient
1997 equipment or building practices as a condition for receiving incentive
1998 funding; (3) procedures to provide reasonable assurance that such
1999 reservations are made and incentives are paid out only to qualifying
2000 residential solar photovoltaic systems demonstrating a high likelihood
2001 of being installed and operated as indicated in application materials;
2002 and (4) reasonable protocols for the measurement and verification of

2003 energy production.

2004 (e) The Renewable Energy Investments Board shall maintain on its
2005 web site the schedule of incentives, solar capacity remaining in the
2006 current block and available funding and incentive estimators.

2007 (f) Funding for the residential performance-based incentive
2008 program and expected performance-based buydowns shall be
2009 apportioned from the moneys collected under the surcharge specified
2010 in section 16-245n of the general statutes, as amended by this act,
2011 provided such apportionment shall not exceed one-third of the total
2012 surcharge collected annually, and supplemented by federal funding as
2013 may become available.

2014 (g) The Renewable Energy Investments Board shall identify barriers
2015 to the development of a permanent Connecticut-based solar workforce
2016 and shall make provision for comprehensive training, accreditation
2017 and certification programs through institutions and individuals
2018 accredited and certified to national standards.

2019 (h) On or before January 1, 2013, and every two years thereafter for
2020 the duration of the program, the Renewable Energy Investments Board
2021 shall report to the joint standing committee of the General Assembly
2022 having cognizance of matters relating to energy on progress toward
2023 the goals identified in subsection (a) of this section.

2024 Sec. 20. (NEW) (*Effective July 1, 2010*) (a) Commencing on January 1,
2025 2011, and within the period established in subsection (a) of section 21
2026 of this act, each electric distribution company shall solicit and file with
2027 the Department of Public Utility Control for its approval, one or more
2028 long-term power purchase contracts with owners or developers of
2029 customer-sited solar photovoltaic generation projects that are less than
2030 two thousand kilowatts in size, located on the customer side of the
2031 revenue meter and serve the distribution system of the electric
2032 distribution company.

2033 (b) Solicitations conducted by the electric distribution company

2034 shall be for the purchase of solar renewable energy credits produced
2035 by eligible customer-sited solar photovoltaic generating projects over
2036 the duration of the long-term contract. For purposes of this section, a
2037 long-term contract is a contract for a minimum of fifteen years. The
2038 electric distribution company may solicit proposals for a combination
2039 of renewable energy and associated solar renewable energy credits.

2040 (c) The aggregate procurement of solar renewable energy credits by
2041 electric distribution companies pursuant to this section shall be no less
2042 than four million three hundred fifty thousand. The production of a
2043 megawatt hour of electricity from a Class I solar renewable energy
2044 source first placed in service on or after the effective date of this
2045 section shall create one solar renewable energy credit. A solar
2046 renewable energy credit shall have an effective life covering the year in
2047 which the credit was created and the following calendar year. The
2048 obligation to purchase solar renewable energy credits shall be
2049 apportioned to electric distribution companies based on their
2050 respective distribution system loads at the commencement of the
2051 procurement period, as determined by the department. An electric
2052 distribution company shall not be required to enter into a contract that
2053 provides a payment of more than six hundred fifty dollars per
2054 megawatt hour in the initial year of the contract.

2055 (d) Notwithstanding subdivision (1) of subsection (j) of section 16-
2056 244c of the general statutes, as amended by this act, an electric
2057 distribution company may retire the solar renewable energy credits it
2058 procures through long-term contracting to satisfy its obligation
2059 pursuant to section 16-245a of the general statutes.

2060 (e) Nothing in this section shall preclude the resale or other
2061 disposition of energy or associated solar renewable energy credits
2062 purchased by the electric distribution company, provided the
2063 distribution company shall net the cost of payments made to projects
2064 under the long-term contracts against the proceeds of the sale of
2065 energy or solar renewable energy credits and the difference shall be
2066 credited or charged to distribution customers through a reconciling

2067 component of electric rates as determined by the department.

2068 Sec. 21. (NEW) (*Effective July 1, 2010*) (a) Each electric distribution
2069 company shall, not later than one hundred eighty days after the
2070 effective date of this section, propose a ten-year solar solicitation plan
2071 that shall include a timetable and methodology for soliciting proposals
2072 for long-term solar renewable energy credits or energy contracts from
2073 in-state generators and that shall end in calendar year 2021. The
2074 electric distribution company's solar solicitation plan shall be subject to
2075 the review and approval of the department, provided contracts
2076 comprising no less than twenty-five per cent of the electric distribution
2077 company's obligation shall be submitted for department approval on
2078 or before January 1, 2012, no less than fifty per cent of such obligation
2079 shall be submitted for such approval on or before July 1, 2014, and no
2080 less than seventy-five per cent of such obligation shall be submitted for
2081 such approval on or before July 1, 2016.

2082 (b) The electric distribution company's approved solar solicitation
2083 plan shall be designed to foster a diversity of solar project sizes and
2084 participation among all eligible customer classes subject to cost-
2085 effectiveness considerations. Separate procurement processes shall be
2086 conducted for (1) systems up to fifty kilowatts; (2) systems greater than
2087 fifty kilowatts but less than two hundred kilowatts; and (3) systems
2088 between two hundred and two thousand kilowatts. The Department of
2089 Public Utility Control shall give preference to competitive bidding for
2090 resources of more than fifty kilowatts, unless the department
2091 determines that an alternative methodology is in the best interests of
2092 the electric distribution company's customers and the development of
2093 a competitive and self-sustaining solar market. Systems up to fifty
2094 kilowatts in size shall be eligible to receive, on an ongoing and
2095 continuous basis, a solar renewable energy credit offer price equivalent
2096 to the weighted average accepted bid price in the most recent
2097 solicitation for systems greater than fifty kilowatts but less than two
2098 hundred kilowatts, plus an additional incentive of ten per cent.
2099 Participation in the direct incentive program under section 26 of this
2100 act shall not disqualify an owner or operator of a qualified residential

2101 solar energy system to be eligible for this offer price. The offer price
2102 shall remain open at least until the electric distribution company has
2103 satisfied its procurement requirement for solar renewable energy
2104 credits, as specified in section 20 of this act. Once the offer price is
2105 closed, the owner or holder of a residential solar renewable energy
2106 credit may bid any outstanding or future credits in a competitive
2107 solicitation conducted by the electric distribution company pursuant to
2108 this subsection.

2109 (c) Each electric distribution company shall execute its approved
2110 ten-year solicitation plan and submit for review by the Department of
2111 Public Utility Control and approval of its preferred solar procurement
2112 plan comprised of any proposed contract or contracts with
2113 independent solar developers.

2114 (d) The Department of Public Utility Control shall hold a hearing
2115 that shall be conducted as an uncontested case, in accordance with the
2116 provisions of chapter 54 of the general statutes, to approve, reject or
2117 modify an application for approval of the electric distribution
2118 company's solar procurement plan. The department shall only approve
2119 such proposed plan if the department finds that (1) the solicitation and
2120 evaluation conducted by the electric distribution company was the
2121 result of a fair, open, competitive and transparent process; (2) approval
2122 of the solar procurement plan would result in the greatest expected
2123 ratepayer value from solar energy or solar renewable energy credits at
2124 the lowest reasonable cost; and (3) such procurement plan satisfies
2125 other criteria established in the approved solicitation plan. The
2126 department shall not approve any proposal made under such plan
2127 unless it determines that the plan and proposals encompass all
2128 foreseeable sources of revenue or benefits and that such proposals,
2129 together with such revenue or benefits, would result in the greatest
2130 expected ratepayer value from solar energy or solar renewable energy
2131 credits. The department may, in its discretion, retain the services of an
2132 independent consultant with expertise in the area of energy
2133 procurement. The independent consultant shall be unaffiliated with
2134 the electric distribution company or its affiliates and shall not, directly

2135 or indirectly, have benefited from employment or contracts with the
2136 electric distribution company or its affiliates in the preceding five
2137 years, except as an independent consultant. For purposes of such
2138 audit, the electric distribution company shall provide the independent
2139 consultant immediate and continuing access to all documents and data
2140 reviewed, used or produced by the electric distribution company in its
2141 bid solicitation and evaluation process. The electric distribution
2142 company shall make all its personnel, agents and contractors used in
2143 the bid solicitation and evaluation available for interview by the
2144 consultant. The electric distribution company shall conduct any
2145 additional modeling requested by the independent auditor to test the
2146 assumptions and results of the bid evaluation process. The
2147 independent consultant shall not participate in or advise the electric
2148 distribution company with respect to any decisions in the bid
2149 solicitation or bid evaluation process. The department's administrative
2150 costs in reviewing the electric distribution company's solar
2151 procurement plan and the costs of the consultant shall be recovered
2152 through a reconciling component of electric rates as determined by the
2153 department.

2154 (e) The electric distribution company shall be entitled to recover its
2155 reasonable costs of complying with its approved solar procurement
2156 plan through a reconciling component of electric rates as determined
2157 by the department.

2158 (f) If, by January 1, 2012, the department has not received proposed
2159 long-term solar renewable energy credit contracts consisting of at least
2160 twenty-five per cent of each electric distribution company's
2161 procurement obligation or by July 1, 2014, has not received proposed
2162 long-term solar renewable energy contracts consisting of at least fifty
2163 per cent of each electric distribution company's procurement
2164 obligation, or by July 1, 2016, has not received proposed long-term
2165 solar renewable energy contracts consisting of at least seventy-five per
2166 cent of each electric distribution company's procurement obligation,
2167 respectively, the department shall notify the electric distribution
2168 company of the shortfall. Unless, upon petition by the electric

2169 distribution company, the department grants the distribution company
2170 an extension not to exceed ninety days to correct this deficiency, the
2171 electric distribution company shall be assessed a noncompliance fee of
2172 five hundred dollars for each solar renewable energy credit shortfall in
2173 the initial year of the procurement, with the per credit fee declining by
2174 seven per cent annually over the duration of the ten-year solicitation
2175 plan. The noncompliance fees associated with the procurement
2176 shortfall shall be collected by the distribution company, maintained in
2177 a separate interest-bearing account and disbursed to the department
2178 on a quarterly basis. Funds collected by the department pursuant to
2179 this section shall be used to support the deployment of solar
2180 photovoltaic generating systems installed in the state with priority
2181 given to otherwise underserved market segments, including, but not
2182 limited to, low-income housing, schools and other public buildings
2183 and nonprofits.

2184 (g) No project that receives funding pursuant to this section shall be
2185 eligible for funding pursuant to section 23 of this act.

2186 (h) Not later than sixty days after its approval of the distribution
2187 company procurement plans submitted on or before January 1, 2012,
2188 the Department of Public Utility Control shall submit a report to the
2189 joint standing committee of the General Assembly having cognizance
2190 of matters relating to energy. The report shall document for each
2191 distribution company procurement plan: (1) The total number of solar
2192 renewable energy credits bid relative to the number of solar renewable
2193 energy credits requested by the distribution company; (2) the total
2194 number of bidders in each market segment; (3) the number of contracts
2195 awarded; and (4) the total weighted average price of the solar
2196 renewable energy credits or energy so purchased. The department
2197 shall not report individual bid information or other proprietary
2198 information.

2199 Sec. 22. (NEW) (*Effective July 1, 2010*) (a) On or before July 1, 2011,
2200 the Department of Public Utility Control, in consultation with the
2201 Office of Policy and Management and the Department of Public

2202 Works, shall, within available funding, complete, or cause to be
2203 completed by private vendors, a comprehensive solar feasibility
2204 survey of facilities owned or operated by the state with a load of fifty
2205 kilowatts or more. The survey shall rank state-owned or operated
2206 facilities based on their technical feasibility to accommodate solar
2207 photovoltaic generating systems by considering such factors as: (1) On-
2208 site energy consumption; (2) building orientation; (3) roof age and
2209 condition; (4) shading and the potential for obstruction to sunlight
2210 over the life of the solar system; (5) structural load capacity; (6)
2211 availability of ancillary facilities, such as parking lots, walkways or
2212 maintenance areas; (7) nonenergy related amenities; and (8) other
2213 factors that the Department of Public Utility Control deems may bear
2214 on the technical feasibility of such solar deployment.

2215 (b) The Department of Public Utility Control, shall, within available
2216 funding, issue one or more requests for proposals for the deployment
2217 of solar photovoltaic generating systems at state-owned or operated
2218 facilities. Any such request for proposals shall be structured to
2219 maximize the state's ability to secure incentives available from the
2220 federal government or other sources. The department may seek in any
2221 request for proposals the services of an entity to finance, design,
2222 construct, own or maintain such solar photovoltaic system under a
2223 long-term solar services agreement. Any such entity chosen to provide
2224 such services shall not be considered a public service company under
2225 section 16-1 of the general statutes, as amended by this act.

2226 Sec. 23. (NEW) (*Effective July 1, 2010*) (a) Each electric distribution
2227 company shall, not later than July 1, 2011, file with the Department of
2228 Public Utility Control for its approval a tariff for production-based
2229 payments to owners or operators of Class I solar renewable energy
2230 source projects located in this state that are not less than one megawatt
2231 and connected directly to the distribution system of an electric
2232 distribution company.

2233 (b) Such tariffs shall provide production-based payments for a
2234 period not less than fifteen years from the in-service date of the Class I

2235 solar renewable energy source project at a price that is, at the
2236 determination of the Department of Public Utility Control, a cost-based
2237 payment consisting of the fully allocated cost of constructing and
2238 operating a Class I solar renewable energy source of from one
2239 megawatt to seven and one-half megawatts were such construction
2240 and operation to be undertaken or procured by the electric distribution
2241 company itself. In calculating the cost-based tariff, the department
2242 shall consider actual cost data for Class I solar energy sources
2243 constructed and operated by the electric distribution company
2244 pursuant to subsection (e) of this section taking into consideration all
2245 available state and federal incentives.

2246 (c) Such tariffs shall include a per project eligibility cap of seven and
2247 one-half megawatts and an aggregate eligibility cap of fifty megawatts,
2248 apportioned among each electric distribution company in proportion
2249 to distribution load.

2250 (d) The cost of such tariff payments shall be eligible for inclusion in
2251 any subsequent rates, provided such payments are for projects
2252 operational on or after the effective date of this section, and recovered
2253 through a reconciling component of electric rates as determined by the
2254 Department of Public Utility Control.

2255 (e) On and after July 1, 2011, electric distribution companies may
2256 construct, own and operate solar electric generating facilities up to
2257 one-third of their proportional share of the total cap amounts specified
2258 under subsection (c) of this section, provided any such development
2259 shall be phased in over a period of no less than three years. Such
2260 projects shall be located on brownfields or other locations in a targeted
2261 investment community. The Department of Public Utility Control in a
2262 contested case, shall (1) authorize the electric distribution company to
2263 recover in rates its costs to construct, own and operate solar electric
2264 generating facilities, including a reasonable return on its investment
2265 not to exceed eight per cent, if such approval would result in a
2266 reasonable cost of meeting the solar energy requirements pursuant to
2267 said subsection (c) of this section and that such investment will not

2268 restrict competition or restrict growth in the state's solar energy
2269 industry or unfairly employ in a manner which would restrict
2270 competition in the market for solar energy systems any financial,
2271 marketing, distributing or generating advantage that the electric
2272 distribution company may exercise as a result of its authority to
2273 operate as a public service company, and (2) establish a mechanism for
2274 the electric distribution company to use a portion of such revenues to
2275 offset the development of an economic development rate to benefit
2276 residents of such targeted investment community.

2277 (f) Notwithstanding subdivision (1) of subsection (j) of section 16-
2278 244c of the general statutes, as amended by this act, the amount of
2279 renewable energy produced from Class I renewable energy sources
2280 receiving tariff payments or included in utility rates under this section
2281 shall be applied to reduce the electric distribution company's Class I
2282 renewable energy source portfolio standard.

2283 (g) No project that receives funding pursuant to this section shall be
2284 eligible for funding pursuant to section 21 of this act.

2285 (h) On or before September 1, 2012, the department, in consultation
2286 with the Office of Consumer Counsel and the Renewable Energy
2287 Investments Board, shall study the operation of solar renewable
2288 energy tariffs and shall report, in accordance with the provisions of
2289 section 11-4a of the general statutes, its findings and recommendations
2290 to the joint standing committee of the General Assembly having
2291 cognizance of matters relating to energy.

2292 (i) The department shall suspend the tariff established pursuant to
2293 this section upon the earlier of (1) an electric distribution company
2294 reaching its aggregate cap pursuant to subsection (c) of this section, or
2295 (2) three years from the effective date of the tariff.

2296 Sec. 24. (NEW) (*Effective July 1, 2010*) The Department of Public
2297 Utility Control in consultation with the Renewable Energy Investment
2298 Fund and the Conservation and Load Management Fund, shall
2299 develop coordinated programs to create a self-sustaining market for

2300 solar thermal systems for electricity, natural gas and fuel oil customers.

2301 Sec. 25. (NEW) (*Effective July 1, 2010*) The Department of Public
2302 Utility Control shall provide an additional incentive of up to five per
2303 cent of the then-applicable incentive provided pursuant to sections 19
2304 and 24 of this act for the use of major system components
2305 manufactured or assembled in Connecticut, and another additional
2306 incentive of up to five per cent of the then applicable incentive
2307 provided pursuant to sections 19 and 24 of this act for the use of major
2308 system components manufactured or assembled in a distressed
2309 municipality, as defined in section 32-9p of the general statutes, or a
2310 targeted investment community, as defined in section 32-222 of the
2311 general statutes.

2312 Sec. 26. (NEW) (*Effective July 1, 2010*) (a) For the two-year period
2313 starting January 1, 2011, and ending June 30, 2013, the aggregate net
2314 annual cost recovered from electric ratepayers pursuant to sections 19
2315 to 25, inclusive, of this act and subsection (i) of section 16-245n of the
2316 general statutes shall not exceed one-half of one per cent of total retail
2317 electricity sales revenues of each electric distribution company. For the
2318 two-year period starting July 1, 2013, and ending June 30, 2015, the
2319 aggregate net annual cost recovered for electric ratepayers pursuant to
2320 sections 19 to 25, inclusive, of this act and subsection (i) of section 16-
2321 245n of the general statutes shall not exceed three-fourths of one per
2322 cent of total retail electricity sales revenues of each electric distribution
2323 company. For each twelve-month period starting July 1, 2015, and
2324 every July first thereafter for the duration of the solar programs
2325 established pursuant to sections 19 to 25, inclusive, of this act and
2326 subsection (i) of section 16-245n of the general statutes the aggregate
2327 net cost of such programs recovered for electric ratepayers shall not
2328 exceed one per cent of total retail electricity sales revenues of each
2329 electric distribution company.

2330 (b) The Department of Public Utility Control shall net out the
2331 incentives paid by the Renewable Energy Investment Fund pursuant to
2332 section 16-245n of the general statutes, as amended by this act, for solar

2333 deployment programs against the aggregate annual costs identified in
2334 this section.

2335 (c) The Department of Public Utility Control shall report to the joint
2336 standing committee of the General Assembly having cognizance of
2337 matters relating to energy when the annual cost cap is within twenty
2338 per cent of being exceeded. If the department projects that the annual
2339 cost cap will be exceeded, the department shall take measures to
2340 ensure such cap will not be exceeded. Such measures may include: (1)
2341 Delay or modify the development of solar electric generating facilities
2342 by electric distribution companies pursuant to subsection (e) of section
2343 23 of this act; (2) temporarily suspend the availability of production-
2344 based incentives to customers not already eligible to receive such
2345 incentives under section 23 of this act; and (3) extend the scheduled
2346 electric distribution company solar renewable energy credit
2347 procurement plans under subsection (i) of section 16-245n of the
2348 general statutes. If the department determines that cost mitigation
2349 measures are required, it shall reduce proportionally the annual
2350 funding for the programs identified in subdivisions (1) to (3), inclusive,
2351 of this subsection and only to the extent required to bring projected
2352 annual costs below the cost cap.

2353 (d) On or before January 1, 2014, the Department of Public Utility
2354 Control shall report to the joint standing committee of the General
2355 Assembly having cognizance of matters relating to energy on the cost
2356 and charges involved in the implementation of this program, including
2357 a cost-benefit analysis.

2358 Sec. 27. (NEW) (*Effective July 1, 2010*) (a) The Renewable Energy
2359 Investments Board shall establish and administer a fuel cell pilot
2360 program to install fuel cells in state buildings using five million dollars
2361 of the funds collected pursuant to section 16-245n of the general
2362 statutes, as amended by this act. As part of the pilot program
2363 established pursuant to this subsection, the board shall identify state
2364 buildings in which installing fuel cells would provide the greatest
2365 public benefit and cause the greatest reduction in total energy

2366 consumption, consider the reliability and environmental characteristics
2367 of a fuel cell and require state buildings to undergo energy efficiency
2368 upgrades before receiving fuel cells pursuant to this subsection.

2369 (b) On or before December 31, 2012, the board and the Connecticut
2370 Center for Advanced Technology shall jointly report, in accordance
2371 with section 11-4a of the general statutes, to the joint standing
2372 committee of the General Assembly having cognizance of matters
2373 relating to energy regarding the extent to which the pilot program
2374 established pursuant to subsection (a) of this section reduced the cost
2375 of producing fuel cells by twenty-five per cent and the total cost of
2376 energy from fuel cells compared to other Class I renewable energy
2377 sources and whether projects reduced the state's cost of power and
2378 providing recommendations regarding whether providing an
2379 additional five million dollars in funding would make fuel cells
2380 competitive with other Class I renewable energy sources.

2381 Sec. 28. (NEW) (*Effective July 1, 2010*) The Department of Public
2382 Utility Control shall require each electric distribution company to
2383 notify its customers on an ongoing basis regarding the availability of
2384 time-of-use meters, if applicable.

2385 Sec. 29. (NEW) (*Effective October 1, 2010*) The Renewable Energy
2386 Investments Board created pursuant to section 16-245n, as amended by
2387 this act, of the general statutes, in consultation with the Department of
2388 Public Utility Control, may establish a program to be known as the
2389 "condominium renewable energy grant program". Under such
2390 program, the board may provide grants to residential condominium
2391 associations and residential condominium owners, within available
2392 funds, for purchasing renewable energy sources, including solar
2393 energy, geothermal energy and fuel cells or other energy-efficient
2394 hydrogen-fueled energy.

2395 Sec. 30. (NEW) (*Effective July 1, 2010*) (a) On or before January 1,
2396 2011, and annually thereafter, the procurement officer of the
2397 Department of Public Utility Control in consultation with each electric

2398 distribution company or other such entity selected pursuant to
2399 subdivision (2) of subsection (c) of section 16-244c of the general
2400 statutes, as amended by this act, shall develop a plan for the
2401 procurement of electric generation services and related wholesale
2402 electricity market products that will enable the company to manage a
2403 portfolio of contracts to reduce the average cost of standard service,
2404 over time, compared to the average cost of standard service obtained
2405 through contracts procured through the procurement plan and process
2406 approved pursuant to section 16-244c of the general statutes, as
2407 amended by this act, prior to the effective date of this section while
2408 seeking to limit standard service cost volatility. Each procurement plan
2409 shall provide for the competitive solicitation for load-following electric
2410 service and may include a provision for the company to use other
2411 contracts, including, but not limited to, contracts for generation or
2412 other electricity market products and financial contracts, and may
2413 provide for the use of varying lengths of contracts. If such plan
2414 includes the purchase of full requirements contracts, it shall include an
2415 explanation of why such purchases are in the best interests of standard
2416 service customers. The plan, developed in 2011, shall ensure that the
2417 percentage of full requirements contracts will be changed
2418 incrementally over time as to ensure stability of market while reducing
2419 standard service prices. The department may increase its purchase of
2420 contracts that are not full requirements if it determines such purchases
2421 will reduce standard service rates for the plan, developed in 2012, and
2422 subsequent plans. The department shall review each proposed
2423 procurement plan in an uncontested proceeding and may retain an
2424 independent consultant to assist in the review.

2425 (b) The procurement plan shall include proposed parameters for use
2426 of the contracts, the proposed review procedure by the division to
2427 assure compliance with the plan, how the procurement plan will
2428 further the interest of customers compared with the procurement plan
2429 previously approved by the department pursuant to section 16-244c of
2430 the general statutes and the proposed means of transitioning from the
2431 previously approved procurement plan. The department shall

2432 approve, modify or reject the proposed procurement plan not later
2433 than July 1, 2011, and annually thereafter. An electric distribution
2434 company shall recover all costs incurred in connection with the
2435 development and implementation of its approved procurement plan,
2436 including costs of contracts entered into in accordance with the plan.

2437 (c) The procurement officer shall, not less than quarterly, meet with
2438 the Public Utilities Control Authority to report on the implementation
2439 of the plan and recommend any necessary adjustments to the plan to
2440 address market conditions or to otherwise reduce the costs of standard
2441 service. Such quarterly reports shall be public documents.

2442 (d) If the costs of procurement exceed the revenues generated by the
2443 standard service, such deficit shall be borne solely by the standard
2444 service customer. Such surplus shall inure solely to the benefit of
2445 standard service customers.

2446 Sec. 31. (NEW) (*Effective July 1, 2010*) (a) As used in this section:

2447 (1) "Eligible entity" means (A) any residential, commercial,
2448 institutional or industrial customer of an electric distribution company
2449 or natural gas company, as defined in section 16-1 of the general
2450 statutes, as amended by this act, who employs or installs an eligible in-
2451 state energy savings technology, (B) an energy service company
2452 certified as a Connecticut electric efficiency partner by the Department
2453 of Public Utility Control, or (C) an installer certified by the Renewable
2454 Energy Investments Fund; and

2455 (2) "Energy savings infrastructure" means tangible equipment,
2456 installation, labor, cost of engineering, permits, application fees and
2457 other reasonable costs incurred by eligible entities for operating
2458 eligible in-state energy savings technologies designed to reduce
2459 electricity consumption, natural gas consumption, heating oil
2460 consumption or promote combined heat and power systems.

2461 (b) The Department of Public Utility Control shall establish an
2462 energy savings infrastructure pilot program consisting of financial

2463 incentives for the installation of combined heat and power systems,
2464 energy efficient heating oil burners, boilers and furnaces and natural
2465 gas boilers and furnaces by eligible entities. On or before June 30, 2013,
2466 the department shall evaluate the efficacy of the program established
2467 pursuant to this section.

2468 (c) (1) On or before October 1, 2010, the department shall begin
2469 accepting applications for financial incentives for combined heat and
2470 power systems of not more than one megawatt of power. To qualify
2471 for such financial incentives, such combined heat and power system
2472 shall reduce energy costs at an amount equal to or greater than the
2473 amount of the installation cost of the system within ten years of the
2474 installation. The department shall review the current market
2475 conditions for such systems, including any existing federal or state
2476 financial incentives, and determine the appropriate financial incentives
2477 under this program necessary to encourage installation of such
2478 systems. These financial incentives may include providing private
2479 financial institutions with loan loss protection or grants to lower
2480 borrowing costs. Financial incentives pursuant to this subdivision shall
2481 not exceed two hundred dollars per kilowatt. A project accepted for
2482 such incentives shall qualify for a waiver of (A) the backup power rate
2483 under section 16-243o of the general statutes, and (B) the requirement
2484 to provide baseload electricity under section 16-243i of the general
2485 statutes. Any purchase of natural gas for any combined heat and
2486 power system installed pursuant to this subdivision shall not include a
2487 distribution charge pursuant to section 16-243l of the general statutes.

2488 (2) On or before December 31, 2010, the department shall begin
2489 accepting applications for financial incentives for the installation of
2490 more efficient fuel oil and natural gas boilers and furnaces that replace
2491 existing boilers or furnaces that are not less than seven years old with
2492 an efficiency rating of not more than seventy-five per cent. A
2493 qualifying fuel oil furnace shall have an efficiency rating of not less
2494 than eighty-six per cent. A qualifying fuel oil boiler shall have an
2495 efficiency rating of not less than eighty-six per cent with thermal purge
2496 or temperature reset controls. A qualifying natural gas boiler shall

2497 have an annual fuel utilization efficiency rating of not less than ninety
2498 per cent and a qualifying natural gas furnace shall have an annual fuel
2499 utilization efficiency rating of not less than ninety-five per cent. The
2500 department shall review the current market conditions for such
2501 systems and equipment upgrades, including, but not limited to, any
2502 existing federal or state financial incentives, and establish the
2503 appropriate financial incentives under this program necessary to
2504 encourage such upgrades. Financial incentives shall provide private
2505 financial institutions with loan loss protection or grants to lower
2506 borrowing costs and, if the department deems it necessary, grants to
2507 the lending financial institution to lower borrowing costs and allow for
2508 a ten-year loan. Such financial incentive package shall ensure that the
2509 annual loan payment by the applicant shall be at not more than the
2510 projected annual energy savings less one hundred dollars. Any loan
2511 provided as a financial incentive pursuant to this subdivision shall
2512 include the cost of any related incentives, as determined by the
2513 department. The department shall arrange with an electric distribution
2514 or gas company to provide for payment of any loan made as financial
2515 assistance under this subdivision through the loan recipient's monthly
2516 electric or gas bill, as applicable.

2517 (d) Eligible entities seeking a loan under the loan program
2518 established in this section shall (1) contract with Connecticut-based
2519 licensed contractors, installers or tradesmen for the installation of an
2520 eligible in-state energy savings technology; (2) provide evidence of the
2521 cost of purchase and installation of the eligible in-state energy savings
2522 technology; and (3) periodically provide evidence of the operation and
2523 functionality of the eligible in-state energy savings technology to
2524 ensure that such technology is operating as intended during the term
2525 of the loan.

2526 (e) The department shall develop a prescriptive one-page loan
2527 application. Such application shall include, but not be limited to: (1)
2528 Detailed information, specifications and documentation of the eligible
2529 in-state energy technology's installed costs and projected energy
2530 savings, and (2) for requests for loans in excess of one hundred

2531 thousand dollars, certification by a licensed professional engineer,
2532 licensed contractor, installer or tradesman with a state license held in
2533 good standing.

2534 (f) On or before October 1, 2010, the department shall establish a
2535 plan that includes procedures and parameters for its energy savings
2536 infrastructure pilot program established pursuant to this section.

2537 (g) On or before October 1, 2013, the department shall, in
2538 accordance with the provisions of section 11-4a of the general statutes,
2539 report to the joint standing committee of the General Assembly having
2540 cognizance of matters relating to energy with regard to the projects
2541 assisted by the energy savings infrastructure pilot program established
2542 pursuant to this section, the amount of public funding, the energy
2543 savings from the technologies installed and any recommendations for
2544 changes to the program, including, but not limited to, incentives that
2545 encourage consumers to install more efficient fuel oil and natural gas
2546 boilers and furnaces prior to failure or gross inefficiency of their
2547 current heating system.

2548 Sec. 32. Subsection (b) of section 16-32f of the general statutes is
2549 repealed and the following is substituted in lieu thereof (*Effective July*
2550 *1, 2010*):

2551 (b) Not later than October 1, 2005, and annually thereafter, a gas
2552 company, as defined in section 16-1, as amended by this act, shall
2553 submit to the Department of Public Utility Control a gas conservation
2554 plan, in accordance with the provisions of this section, to implement
2555 cost-effective energy conservation programs and market
2556 transformation initiatives. All supply and conservation and load
2557 management options shall be evaluated and selected within an
2558 integrated supply and demand planning framework. Such plan shall
2559 be funded during each state fiscal year by the revenue from the tax
2560 imposed by section 12-264 on the gross receipts of sales of all public
2561 services companies that is in excess of the revenue estimate for said tax
2562 that is approved by the General Assembly in the appropriations act for

2563 such fiscal year, provided (1) the amount of such excess revenue that
2564 shall be allocated to fund such plan in any state fiscal year shall not
2565 exceed ten million dollars, and (2) in the fiscal years commencing July
2566 1, 2010, July 1, 2011, and July 1, 2012, fifty per cent of such excess
2567 revenue shall be allocated to the natural gas projects within the energy
2568 savings infrastructure pilot program pursuant to subdivision (2) of
2569 section 31 of this act. Before the accounts for the General Fund have
2570 been closed for each fiscal year, such excess revenue shall be deposited
2571 by the Comptroller in an account held by the Energy Conservation
2572 Management Board, established pursuant to section 16-245m. Services
2573 provided under the plan shall be available to all gas company
2574 customers. Each gas company shall apply to the Energy Conservation
2575 Management Board for reimbursement for expenditures pursuant to
2576 the plan. The department shall, in an uncontested proceeding during
2577 which the department may hold a public hearing, approve, modify or
2578 reject the plan.

2579 Sec. 33. Subsection (e) of section 16-243v of the general statutes is
2580 repealed and the following is substituted in lieu thereof (*Effective July*
2581 *1, 2010*):

2582 (e) Beginning February 1, 2010, a certified Connecticut electric
2583 efficiency partner may only receive funding if selected in a request for
2584 proposal developed, issued and evaluated by the department. In
2585 evaluating a proposal, the department shall take into consideration the
2586 potential to reduce customers' electric demand including peak electric
2587 demand, and associated electric charges tied to electric demand and
2588 peak electric demand growth, including, but not limited to, federally
2589 mandated congestion charges and other electric costs, and shall utilize
2590 a cost benefit test established pursuant to subsection (c) of this section
2591 to rank responses for selection. The department shall determine the
2592 portion of the total cost of each project that shall be paid by the
2593 customer participating in this program and the portion of the total cost
2594 of each project that shall be paid by all electric ratepayers and collected
2595 pursuant to the provisions of this subsection. In making such
2596 determination, the department shall (1) ensure that all ratepayer

2597 investments maintain a minimum [two-to-one] one-and-one-half-to-
2598 one payback ratio, and (2) specify that participating Connecticut
2599 electric efficiency partners shall maintain the technology for a period
2600 sufficient to achieve such investment payback ratio. The annual
2601 ratepayer contribution shall not exceed sixty million dollars. Not less
2602 than seventy-five per cent of such annual ratepayer investment shall be
2603 used for the technologies themselves and for the fiscal years
2604 commencing July 1, 2010, July 1, 2011, and July 1, 2012, five million
2605 dollars of such annual ratepayer investment shall be used for
2606 combined heat and power projects and five million dollars of such
2607 annual ratepayer investment shall be used for fuel oil burner, boiler
2608 and furnace replacement projects, under the energy savings
2609 infrastructure pilot program established pursuant to section 31 of this
2610 act. No Connecticut electric efficiency partner shall receive funding
2611 pursuant to this subsection if such partner has received or is receiving
2612 funding from the Energy Conservation and Load Management Funds
2613 for such technology. The department may conduct additional requests
2614 for proposals from time to time as it deems appropriate. The
2615 department shall specify the manner in which a Connecticut electric
2616 efficiency partner shall address measures of effectiveness and shall
2617 include performance milestones.

2618 Sec. 34. (NEW) (*Effective July 1, 2010*) The Department of Public
2619 Utility Control shall require the Energy Conservation Management
2620 Board, the Renewable Energy Investments Board and electric
2621 distribution companies, as defined in section 16-1 of the general
2622 statutes, as amended by this act, to establish a program to provide
2623 financial assistance for energy conservation and load management
2624 projects to electric distribution company customers in underserved
2625 communities. The aggregate financial assistance such program shall
2626 provide shall be in an amount equal to at least three per cent of the
2627 moneys collected for the Energy Conservation and Load Management
2628 and at least three per cent of the moneys collected for the Renewable
2629 Energy Investment Funds pursuant to sections 16-245m and 16-245n of
2630 the general statutes, as amended by this act. Such funds shall be

2631 provided for programs directly benefiting residential or small business
2632 electric customers in underserved communities. The moneys for the
2633 program shall be derived (1) initially from, if available, the federal
2634 American Recovery and Reinvestment Act of 2009, and (2) for
2635 conservation projects from the Energy Conservation and Load
2636 Management and renewable energy projects from Renewable Energy
2637 Investment Funds. Such program shall include a job training
2638 component for existing or potential minority business enterprises, as
2639 defined in section 4a-60g of the general statutes. For the purposes of
2640 this section, "underserved communities" means municipalities meeting
2641 the criteria set forth in subsection (a) of section 32-70 of the general
2642 statutes. The department shall report, in accordance with the
2643 provisions of section 11-4a of the general statutes, to the joint standing
2644 committee of the General Assembly having cognizance of matters
2645 relating to energy on or before February 1, 2011, and annually
2646 thereafter, regarding the program established pursuant to this section.

2647 Sec. 35. (NEW) (*Effective July 1, 2010*) On or before September 1,
2648 2010, the Department of Public Utility Control shall initiate a request
2649 for proposals to award one bilateral purchasing contract for electricity
2650 from an existing generator, provided such contract shall be for a term
2651 of not less than five years and not more than fifteen years, shall reduce
2652 electricity rates by pricing such electricity on a cost-of-service basis and
2653 shall (1) provide electricity at lower rates for Connecticut consumers,
2654 or (2) based on the department's determination, be used in
2655 combination with other initiatives to lower or stabilize electric rates.

2656 Sec. 36. (NEW) (*Effective July 1, 2010*) On or before September 1,
2657 2010, the Department of Public Utility Control shall review any
2658 proposed commercial transmission line project (1) in which a
2659 Connecticut electric distribution company may have a financial
2660 interest, or (2) that may be constructed in whole or in part in this state
2661 to determine whether to obtain electricity from such transmission lines
2662 at a rate that will lower electricity rates for Connecticut consumers.

2663 Sec. 37. Section 4-5 of the 2010 supplement to the general statutes is

2664 repealed and the following is substituted in lieu thereof (*Effective July*
2665 *1, 2011*):

2666 As used in sections 4-6, 4-7 and 4-8, the term "department head"
2667 means Secretary of the Office of Policy and Management,
2668 Commissioner of Administrative Services, Commissioner of Revenue
2669 Services, Banking Commissioner, Commissioner of Children and
2670 Families, Commissioner of Consumer Protection, Commissioner of
2671 Correction, Commissioner of Economic and Community Development,
2672 State Board of Education, Commissioner of Emergency Management
2673 and Homeland Security, Commissioner of Environmental Protection,
2674 Commissioner of Agriculture, Commissioner of Public Health,
2675 Insurance Commissioner, Labor Commissioner, Liquor Control
2676 Commission, Commissioner of Mental Health and Addiction Services,
2677 Commissioner of Public Safety, Commissioner of Social Services,
2678 Commissioner of Developmental Services, Commissioner of Motor
2679 Vehicles, Commissioner of Transportation, Commissioner of Public
2680 Works, Commissioner of Veterans' Affairs, Chief Information Officer,
2681 the chairperson of the [Public Utilities Control] Connecticut Energy
2682 and Technology Authority, the executive director of the Board of
2683 Education and Services for the Blind, the executive director of the
2684 Connecticut Commission on Culture and Tourism, and the executive
2685 director of the Office of Military Affairs. As used in sections 4-6 and 4-
2686 7, "department head" also means the Commissioner of Education.

2687 Sec. 38. Section 4-38c of the general statutes is repealed and the
2688 following is substituted in lieu thereof (*Effective July 1, 2011*):

2689 There shall be within the executive branch of state government the
2690 following departments: Office of Policy and Management, Department
2691 of Administrative Services, Department of Revenue Services,
2692 Department of Banking, Department of Agriculture, Department of
2693 Children and Families, Department of Consumer Protection,
2694 Department of Correction, Department of Economic and Community
2695 Development, State Board of Education, Department of Emergency
2696 Management and Homeland Security, Department of Environmental

2697 Protection, Department of Public Health, Board of Governors of
2698 Higher Education, Insurance Department, Labor Department,
2699 Department of Mental Health and Addiction Services, Department of
2700 Developmental Services, Department of Public Safety, Department of
2701 Social Services, Department of Transportation, Department of Motor
2702 Vehicles, Department of Veterans' Affairs, Department of Public
2703 Works and [Department of Public Utility Control] Connecticut Energy
2704 and Technology Authority.

2705 Sec. 39. (*Effective from passage*) On or before August 1, 2010, the
2706 Department of Public Utility Control shall initiate a proceeding to
2707 identify the impact on Connecticut ratepayers and the New England
2708 and state wholesale electric power market of the operation of the
2709 regional independent system operator, as defined in section 16-1 of the
2710 general statutes, as amended by this act, and of Market Rule 1 as
2711 promulgated by said regional independent system operator. Such
2712 proceeding shall include, but not be limited to, (1) a review of the
2713 accountability of said independent system operator to Connecticut
2714 ratepayers and energy policymakers, (2) consideration of strategies
2715 and mechanisms that may mitigate any adverse impacts Market Rule 1
2716 may have on wholesale generation prices in Connecticut and New
2717 England and may reduce Connecticut's reliance on the wholesale
2718 power market, including, but not limited to, long-term contracts, and
2719 (3) consideration of the costs and benefits associated with participating
2720 in said independent system operator and any potential benefits of
2721 joining another independent system operator or operating outside of
2722 the existing independent operator systems. On or before January 1,
2723 2011, the department shall report, in accordance with the provisions of
2724 section 11-4a of the general statutes, its findings to the joint standing
2725 committee of the General Assembly having cognizance of matters
2726 relating to energy.

2727 Sec. 40. Subparagraph (B) of subdivision (6) of subsection (b) of
2728 section 7-148 of the general statutes is amended by adding a new
2729 clause (v) as follows (*Effective July 1, 2010*):

- 2730 (NEW) (v) Enter into performance-based energy contracts;
- 2731 Sec. 41. Section 16-261a of the general statutes is repealed. (*Effective*
 2732 *July 1, 2010*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	16-1b
Sec. 2	<i>July 1, 2011</i>	16-2
Sec. 3	<i>July 1, 2011</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>July 1, 2010</i>	16a-48
Sec. 6	<i>July 1, 2010</i>	16-1(a)(44)
Sec. 7	<i>July 1, 2010</i>	16-245m(d)(3)
Sec. 8	<i>July 1, 2010</i>	16-245n(f)
Sec. 9	<i>July 1, 2010</i>	16a-3a
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>July 1, 2010</i>	New section
Sec. 12	<i>July 1, 2010</i>	New section
Sec. 13	<i>July 1, 2010</i>	16-244c
Sec. 14	<i>July 1, 2010</i>	16-1(a)(30)
Sec. 15	<i>July 1, 2010</i>	16-1(a)(31)
Sec. 16	<i>July 1, 2010</i>	16-245d
Sec. 17	<i>July 1, 2010</i>	16-245o
Sec. 18	<i>July 1, 2010</i>	16-245(g)
Sec. 19	<i>July 1, 2010</i>	New section
Sec. 20	<i>July 1, 2010</i>	New section
Sec. 21	<i>July 1, 2010</i>	New section
Sec. 22	<i>July 1, 2010</i>	New section
Sec. 23	<i>July 1, 2010</i>	New section
Sec. 24	<i>July 1, 2010</i>	New section
Sec. 25	<i>July 1, 2010</i>	New section
Sec. 26	<i>July 1, 2010</i>	New section
Sec. 27	<i>July 1, 2010</i>	New section
Sec. 28	<i>July 1, 2010</i>	New section
Sec. 29	<i>October 1, 2010</i>	New section
Sec. 30	<i>July 1, 2010</i>	New section
Sec. 31	<i>July 1, 2010</i>	New section
Sec. 32	<i>July 1, 2010</i>	16-32f(b)

Sec. 33	<i>July 1, 2010</i>	16-243v(e)
Sec. 34	<i>July 1, 2010</i>	New section
Sec. 35	<i>July 1, 2010</i>	New section
Sec. 36	<i>July 1, 2010</i>	New section
Sec. 37	<i>July 1, 2011</i>	4-5
Sec. 38	<i>July 1, 2011</i>	4-38c
Sec. 39	<i>from passage</i>	New section
Sec. 40	<i>July 1, 2010</i>	7-148(b)(6)(B)
Sec. 41	<i>July 1, 2010</i>	Repealer section