



General Assembly

Amendment

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Offered by:

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To: Senate Bill No. 493

File No.

Cal. No.

(As Amended)

"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. (NEW) (*Effective from passage*) (a) There is established a
4 state renewable energy and energy conservation planning council,
5 which shall consist of the following members: The chairpersons and
6 ranking members of the joint standing committee of the General
7 Assembly having cognizance of matters relating to energy, a
8 representative of the Department of Public Utility Control, a
9 representative of the Office of Policy and Management, a
10 representative of the Office of the Consumer Counsel, a representative
11 of the Renewable Energy Investment Fund and a representative of the
12 Department of Economic and Community Development.

13 (b) The planning council established pursuant to subsection (a) of
14 this section shall develop a plan to create a state entity to address
15 energy conservation, renewable energy and electricity procurement.
16 Such plan shall include, but not be limited to, personnel structures and
17 economic and legal implications of such entity creation. On or before
18 January 1, 2011, the council shall report to the joint standing committee
19 of the General Assembly having cognizance of matters relating to
20 energy regarding its recommendations, including any legislative or
21 regulatory changes needed.

22 Sec. 2. (NEW) (*Effective July 1, 2010*) (a) On or before June 30, 2011,
23 the Department of Public Utility Control shall conduct a proceeding
24 regarding development of low-income discounted rates for service
25 provided by electric distribution companies, as defined in section 16-1
26 of the general statutes, to low-income customers with an annual
27 income that does not exceed sixty per cent of median income. Such
28 proceeding shall include, but not be limited to, a review, for
29 individuals who receive means-tested assistance administered by the
30 state or federal governments, of the current and future availability of
31 rate discounts through the electricity purchasing pool operated by the
32 Office of Policy and Management pursuant to section 16a-14e of the
33 general statutes, energy assistance benefits available through any plan
34 adopted pursuant to section 16a-41a of the general statutes state
35 funded or administered programs, assistance funded or administered
36 by the Department of Social Services or the authority, or matching
37 payment program benefits available pursuant to subsection (b) of
38 section 16-262c of the general statutes. The Department of Public
39 Utility Control shall (1) coordinate resources and programs, to the
40 extent practicable; (2) develop rates that take into account the
41 indigency of persons of poverty status and allow such persons'
42 households to meet the costs of essential energy needs; (3) encourage
43 the households to agree to have a home energy audit as a prerequisite
44 to qualification; and (4) prepare an analysis of the benefits and
45 anticipated costs of such discounted rates.

46 (b) The Department of Public Utility Control shall determine which

47 of its programs shall be terminated or have their funding reduced
48 because such program recipients would benefit more by the
49 establishment of a low-income rate. The department shall establish a
50 rate cost that is equal to the anticipated funds transferred from the
51 programs terminated or reduced by the department pursuant to this
52 section. The department may issue recommendations regarding
53 programs administered by the Department of Social Services.

54 (c) The Department of Public Utility Control shall order (1) filing by
55 each electric company of proposed rates consistent with the
56 department's decision pursuant to subsection (a) of this section not
57 later than sixty days after its issuance; and (2) appropriate modification
58 of existing low-income programs, including the matching payment
59 program. Each company shall conduct outreach to make its low-
60 income discounted rates available to eligible customers and report to
61 the Department of Public Utility Control at least annually regarding its
62 outreach activities and the results of such activities.

63 (d) The cost of a low-income discounted rate and related outreach
64 activities pursuant to this section shall be paid (1) through the normal
65 rate-making procedures of the Department of Public Utility Control,
66 (2) on a semiannual basis through the systems benefits charge for an
67 electric distribution company and through a public benefits charge
68 developed and approved by the Department of Public Utility Control
69 for a gas company, and (3) from the funds of the programs terminated
70 or reduced by the department pursuant to this section.

71 (e) On or before July 1, 2012, the Department of Public Utility
72 Control shall report, in accordance with section 11-4a of the general
73 statutes, to the joint standing committee of the General Assembly
74 having cognizance of matters relating to energy regarding the benefits
75 and costs of the discounted rates established pursuant to subsection (a)
76 of this section and any recommended modifications. If the low-income
77 rate is not less than ninety per cent of the standard service rate, the
78 department shall include in its report steps to achieve that goal.

79 (f) The Department of Public Utility Control shall adopt regulations,
80 in accordance with the provisions of chapter 54 of the general statutes,
81 to implement the provisions of this section.

82 Sec. 3. (NEW) (*Effective July 1, 2010*) (a) As used in this section:

83 (1) "Energy improvements" means any renovation or retrofitting of
84 qualifying real property to reduce energy consumption or installation
85 of a renewable energy system to service qualifying real property,
86 provided such renovation, retrofit or installation is permanently fixed
87 to such qualifying real property;

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

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

95 (4) "Sustainable energy program" means a municipal program that
96 authorizes a municipality to enter into contractual assessments on
97 qualifying real property with property owners to finance the purchase
98 and installation of energy improvements to qualifying real property
99 within its municipal boundaries.

100 (b) Any municipality, that determines it is in the public interest,
101 may establish a sustainable energy program to facilitate the increase of
102 energy efficiency and renewable energy. A municipality shall make
103 such a determination after issuing public notice and providing an
104 opportunity for public comment regarding the establishment of a
105 sustainable energy program.

106 (c) Notwithstanding the provisions of section 7-374 of the general
107 statutes or any other public or special act that limits or imposes
108 conditions on municipal bond issues, any municipality that establishes

109 a sustainable energy program under this section may issue bonds, as
110 necessary, for the purpose of (1) financing energy improvements; (2)
111 related energy audits; and (3) renewable energy system feasibility
112 studies and the verification of the installation of such improvements.
113 Such financing shall be secured by special contractual assessments on
114 the qualifying real property.

115 (d) (1) Any municipality that establishes a sustainable energy
116 program pursuant to this section may partner with another
117 municipality or state agency to (A) maximize the opportunities for
118 accessing public funds and private capital markets for long-term
119 sustainable financing, and (B) secure state or federal funds available
120 for this purpose.

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

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

129 (e) Before establishing a program under this section, the
130 municipality shall provide notice to the electric distribution company,
131 as defined in section 16-1 of the general statutes, that services the
132 municipality.

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

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

139 (2) Enter into a contractual assessment on the qualifying real
140 property with the property owner in a principal amount sufficient to
141 pay the costs of energy improvements and any associated costs the
142 municipality determines will benefit the qualifying real property and
143 may cover any associated costs;

144 (3) Impose requirements and criteria to ensure that the proposed
145 energy improvements are consistent with the purpose of the program;
146 and

147 (4) Impose requirements and conditions on the financing to ensure
148 timely repayment.

149 (g) Any assessment levied pursuant to this section shall have a term
150 not to exceed the calculated payback period for the installed energy
151 improvements, as determined by the municipality, and shall have no
152 prepayment penalty. The municipality shall set a fixed rate of interest
153 for the repayment of the principal assessed amount at the time the
154 assessment is made.

155 (h) Assessments levied pursuant to this section and the interest and
156 any penalties thereon shall constitute a lien against the qualifying real
157 property on which they are made until they are paid. Such lien shall be
158 levied and collected in the same manner as the general taxes of the
159 municipality on real property, including, in the event of default or
160 delinquency, with respect to any penalties and remedies and lien
161 priorities.

162 (i) The area encompassing the sustainable energy program in a
163 municipality may be the entire municipal jurisdiction of the
164 municipality or a subset of such.

165 Sec. 4. (NEW) (*Effective July 1, 2010*) (a) On or before July 1, 2013,
166 and biennially thereafter, the department shall conduct an uncontested
167 proceeding, which shall include a public hearing to which the
168 Consumer Counsel and Attorney General shall be participants, to
169 review the performance of the electric distribution companies or such

170 other entity selected by the department pursuant to this subsection.
171 The department shall issue a written decision regarding the review. If
172 the department determines that it is in the best interest of standard
173 service customers to seek an alternative to the electric distribution
174 companies' or such entity's procurement of electricity, the department
175 shall conduct a request for proposals for such procurement services.
176 Each procurement plan shall provide for the procurement of not more
177 than fifteen per cent of the annual standard service requirements
178 through the purchase of products other than full requirement, load
179 following contracts.

180 (b) The procurement plan shall include proposed parameters for use
181 of the contracts, the proposed review procedure by the department to
182 assure compliance with the plan, how the procurement plan will
183 further the interest of customers compared with the procurement plan
184 previously approved by the department pursuant to section 16-244c of
185 the general statutes and the proposed means of transitioning from the
186 previously approved procurement plan. The department shall
187 approve, modify or reject the proposed procurement plan not later
188 than July 1, 2011, and annually thereafter. An electric distribution
189 company shall recover all costs incurred in connection with the
190 development and implementation of its approved procurement plan,
191 including costs of contracts entered into in accordance with the plan.

192 (c) If the costs of procurement exceed the revenues generated by the
193 standard service, such deficit shall be borne solely by the standard
194 service customers within their generation service charge. Such surplus
195 shall inure solely to the benefit of standard service customers.

196 Sec. 5. (NEW) (*Effective July 1, 2010*) (a) As used in this section:

197 (1) "Eligible entity" means (A) any residential, commercial,
198 institutional or industrial customer of an electric distribution company
199 or natural gas company, as defined in section 16-1 of the general
200 statutes, as amended by this act, who employs or installs an eligible in-
201 state energy savings technology, (B) an energy service company

202 certified as a Connecticut electric efficiency partner by the Division of
203 Public Utility Control, or (C) an installer certified by the Renewable
204 Energy Investments Fund; and

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

211 (b) The Department of Public Utility Control shall establish an
212 energy savings infrastructure pilot program consisting of financial
213 incentives for the installation of combined heat and power systems,
214 energy efficient heating oil burners, boilers and furnaces and natural
215 gas boilers and furnaces by eligible entities. On or before June 30, 2013,
216 the department shall evaluate the efficacy of the program established
217 pursuant to this section.

218 (c) (1) On or before October 1, 2010, the department shall begin
219 accepting applications for financial incentives for combined heat and
220 power systems of not more than one megawatt of power. To qualify
221 for such financial incentives, such combined heat and power system
222 shall reduce energy costs at an amount equal to or greater than the
223 amount of the installation cost of the system within ten years of the
224 installation. The department shall review the current market
225 conditions for such systems, including any existing federal or state
226 financial incentives, and determine the appropriate financial incentives
227 under this program necessary to encourage installation of such
228 systems. These financial incentives may include providing private
229 financial institutions with loan loss protection or grants to lower
230 borrowing costs. Financial incentives pursuant to this subdivision shall
231 not exceed two hundred dollars per kilowatt, provided the aggregate
232 per customer limitation shall not exceed one million dollars and the
233 aggregate incentive cap shall not exceed one hundred megawatts. A
234 project accepted for such incentives shall qualify for a waiver of (A) the

235 backup power rate under section 16-243o of the general statutes, and
236 (B) the requirement to provide baseload electricity under section 16-
237 243i of the general statutes. Any purchase of natural gas for any
238 combined heat and power system installed pursuant to this
239 subdivision shall not include a distribution charge pursuant to section
240 16-243l of the general statutes.

241 (2) On or before December 31, 2010, the department shall begin
242 accepting applications for financial incentives for the installation of
243 more efficient fuel oil and natural gas boilers and furnaces that replace
244 existing boilers or furnaces that are not less than seven years old with
245 an efficiency rating of not more than seventy-five per cent. A
246 qualifying fuel oil furnace shall have an efficiency rating of not less
247 than eighty-six per cent. A qualifying fuel oil boiler shall have an
248 efficiency rating of not less than eighty-six per cent with thermal purge
249 or temperature reset controls. A qualifying natural gas boiler shall
250 have an annual fuel utilization efficiency rating of not less than ninety
251 per cent and a qualifying natural gas furnace shall have an annual fuel
252 utilization efficiency rating of not less than ninety-five per cent. The
253 authority shall review the current market conditions for such systems
254 and equipment upgrades, including, but not limited to, any existing
255 federal or state financial incentives, and establish the appropriate
256 financial incentives under this program necessary to encourage such
257 upgrades. Financial incentives shall provide private financial
258 institutions with loan loss protection or grants to lower borrowing
259 costs and, if the department deems it necessary, grants to the lending
260 financial institution to lower borrowing costs and allow for a ten-year
261 loan. Such financial incentive package shall ensure that the annual loan
262 payment by the applicant shall be at not more than the projected
263 annual energy savings plus one hundred dollars. Any loan provided
264 as a financial incentive pursuant to this subdivision shall include the
265 cost of any related incentives, as determined by the department. The
266 department shall determine the division of fuel oil incentives among
267 gas and electric distribution companies based on a pro rata share of
268 such companies' annual revenues. The department shall arrange with

269 an electric distribution or gas company to provide for payment of any
270 loan made as financial assistance under this subdivision solely through
271 the loan recipient's monthly electric or gas bill, as applicable.

272 (d) Eligible entities seeking a loan under the loan program
273 established in this section shall (1) contract with Connecticut-based
274 licensed contractors, installers or tradesmen for the installation of an
275 eligible in-state energy savings technology; (2) provide evidence of the
276 cost of purchase and installation of the eligible in-state energy savings
277 technology; and (3) periodically provide evidence of the operation and
278 functionality of the eligible in-state energy savings technology to
279 ensure that such technology is operating as intended during the term
280 of the loan.

281 (e) The department shall develop a prescriptive one-page loan
282 application. Such application shall include, but not be limited to: (1)
283 Detailed information, specifications and documentation of the eligible
284 in-state energy technology's installed costs and projected energy
285 savings, and (2) for requests for loans in excess of one hundred
286 thousand dollars, certification by a licensed professional engineer,
287 licensed contractor, installer or tradesman with a state license held in
288 good standing.

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

292 (g) On or before October 1, 2013, the department shall, in
293 accordance with the provisions of section 11-4a of the general statutes,
294 report to the joint standing committee of the General Assembly having
295 cognizance of matters relating to energy with regard to the projects
296 assisted by the energy savings infrastructure pilot program established
297 pursuant to this section, the amount of public funding, the energy
298 savings from the technologies installed and any recommendations for
299 changes to the program, including, but not limited to, incentives that
300 encourage consumers to install more efficient fuel oil and natural gas

301 boilers and furnaces prior to failure or gross inefficiency of their
302 current heating system.

303 (h) Financial incentives provided pursuant to this section shall not
304 exceed twenty million dollars in the aggregate, provided not more
305 than four million dollars in financial assistance shall be provided in
306 any year.

307 Sec. 6. (NEW) (*Effective July 1, 2010*) (a) Each electric distribution
308 company shall, not later than July 1, 2011, file with the Department of
309 Public Utility Control for its approval a tariff for production-based
310 payments to owners or operators of Class I solar renewable energy
311 source projects located in this state that are not less than one megawatt
312 and connected directly to the distribution system of an electric
313 distribution company.

314 (b) Such tariffs shall provide production-based payments for a
315 period not less than fifteen years from the in-service date of the Class I
316 solar renewable energy source project at a price that is, at the
317 determination of the department, a cost-based payment consisting of
318 the fully allocated cost of constructing and operating a Class I solar
319 renewable energy source of from one megawatt to seven and one-half
320 megawatts were such construction and operation to be undertaken or
321 procured by the electric distribution company itself. In calculating the
322 cost-based tariff, the department shall consider actual cost data for
323 Class I solar energy sources constructed and operated by the electric
324 distribution company pursuant to subsection (e) of this section taking
325 into consideration all available state and federal incentives.

326 (c) Such tariffs shall include a per project eligibility cap of seven and
327 one-half megawatts and an aggregate eligibility cap of thirty
328 megawatts, apportioned among each electric distribution company in
329 proportion to distribution load.

330 (d) The cost of such tariff payments shall be eligible for inclusion in
331 any subsequent rates, provided such payments are for projects
332 operational on or after the effective date of this section, and recovered

333 through a reconciling component of electric rates as determined by the
334 Department of Public Utility Control.

335 (e) On and after July 1, 2011, electric distribution companies may
336 construct, own and operate solar electric generating facilities up to
337 one-third of their proportional share of the total cap amounts specified
338 under subsection (c) of this section, provided any such development
339 shall be phased in over a period of no less than three years. Such
340 projects shall be located on brownfields or other locations in a targeted
341 investment community. The department, in a contested case, shall (1)
342 authorize the electric distribution company to recover in rates its costs
343 to construct, own and operate solar electric generating facilities,
344 including a reasonable return on its investment not to exceed eight per
345 cent, if such approval would result in a reasonable cost of meeting the
346 solar energy requirements pursuant to subsection (c) of this section
347 and that such investment will not restrict competition or restrict
348 growth in the state's solar energy industry or unfairly employ in a
349 manner which would restrict competition in the market for solar
350 energy systems any financial, marketing, distributing or generating
351 advantage that the electric distribution company may exercise as a
352 result of its authority to operate as a public service company, and (2)
353 establish a mechanism for the electric distribution company to use a
354 portion of such revenues to offset the development of an economic
355 development rate to benefit residents of such targeted investment
356 community.

357 (f) Notwithstanding subdivision (1) of subsection (j) of section 16-
358 244c of the general statutes, the amount of renewable energy produced
359 from Class I renewable energy sources receiving tariff payments or
360 included in utility rates under this section shall be applied to reduce
361 the electric distribution company's Class I renewable energy source
362 portfolio standard.

363 (g) On or before September 1, 2012, the Department of Public Utility
364 Control, in consultation with the Office of Consumer Counsel and the
365 Renewable Energy Investments Board, shall study the operation of

366 solar renewable energy tariffs and shall report, in accordance with the
367 provisions of section 11-4a of the general statutes, its findings and
368 recommendations to the joint standing committee of the General
369 Assembly having cognizance of matters relating to energy.

370 (h) The Department of Public Utility Control shall suspend the tariff
371 established pursuant to this section to new projects upon the earlier of
372 (1) an electric distribution company reaching its aggregate cap
373 pursuant to subsection (c) of this section, or (2) three years from the
374 effective date of the tariff.

375 Sec. 7. (NEW) (*Effective October 1, 2010*) The Renewable Energy
376 Investments Board created pursuant to section 16-245n of the general
377 statutes, in consultation with the Department of Public Utility Control,
378 may establish a program to be known as the "condominium renewable
379 energy grant program". Under such program, the board may provide
380 grants to residential condominium associations and residential
381 condominium owners, within available funds, for purchasing
382 renewable energy sources, including solar energy, geothermal energy
383 and fuel cells or other energy-efficient hydrogen-fueled energy.

384 Sec. 8. Subsection (f) of section 16-245n of the general statutes is
385 repealed and the following is substituted in lieu thereof (*Effective*
386 *October 1, 2010*):

387 (f) The board shall issue annually a report to the Department of
388 Public Utility Control reviewing the activities of the Renewable Energy
389 Investment Fund in detail, including the condominium renewable
390 energy grant program established pursuant to section 7 of this act, and
391 shall provide a copy of such report, in accordance with the provisions
392 of section 11-4a, to the joint standing committees of the General
393 Assembly having cognizance of matters relating to energy and
394 commerce and the Office of Consumer Counsel. The report shall
395 include a description of the programs and activities undertaken during
396 the reporting period jointly or in collaboration with the Energy
397 Conservation and Load Management Funds established pursuant to

398 section 16-245m.

399 Sec. 9. Subdivision (30) of subsection (a) of section 16-1 of the
400 general statutes is repealed and the following is substituted in lieu
401 thereof (*Effective July 1, 2010*):

402 (30) "Electric supplier" means any person [, including an electric
403 aggregator] or participating municipal electric utility that is licensed
404 by the Department of Public Utility Control in accordance with section
405 16-245, as amended by this act, [that] and provides electric generation
406 services to end use customers in the state using the transmission or
407 distribution facilities of an electric distribution company, regardless of
408 whether or not such person takes title to such generation services, but
409 does not include: (A) A municipal electric utility established under
410 chapter 101, other than a participating municipal electric utility; (B) a
411 municipal electric energy cooperative established under chapter 101a;
412 (C) an electric cooperative established under chapter 597; (D) any other
413 electric utility owned, leased, maintained, operated, managed or
414 controlled by any unit of local government under any general statute
415 or special act; or (E) an electric distribution company in its provision of
416 electric generation services in accordance with subsection (a) or, prior
417 to January 1, 2004, subsection (c) of section 16-244c.

418 Sec. 10. Subdivision (31) of subsection (a) of section 16-1 of the
419 general statutes is repealed and the following is substituted in lieu
420 thereof (*Effective July 1, 2010*):

421 (31) "Electric aggregator" means [(A) a person, municipality or
422 regional water authority that] any person, municipality or regional
423 water authority or the Connecticut Resources Recovery Authority, if
424 such entity gathers together electric customers for the purpose of
425 negotiating the purchase of electric generation services from an electric
426 supplier, [or (B) the Connecticut Resources Recovery Authority, if it
427 gathers together electric customers for the purpose of negotiating the
428 purchase of electric generation services from an electric supplier,]
429 provided such [person, municipality or authority] entity is not

430 engaged in the purchase or resale of electric generation services, and
431 provided further such customers contract for electric generation
432 services directly with an electric supplier, and may include an electric
433 cooperative established pursuant to chapter 597.

434 Sec. 11. Section 16-245d of the general statutes is repealed and the
435 following is substituted in lieu thereof (*Effective July 1, 2010*):

436 (a) The Department of Public Utility Control shall, by regulations
437 adopted pursuant to chapter 54, develop a standard billing format that
438 enables customers to compare pricing policies and charges among
439 electric suppliers. [Not later than January 1, 2006, the] The department
440 shall adopt regulations, in accordance with the provisions of chapter
441 54, to provide that an electric supplier, until October 1, 2010, may
442 provide direct billing and collection services for electric generation
443 services and related federally mandated congestion charges that such
444 supplier provides to its customers [that have] with a maximum
445 demand of not less than one hundred kilowatts [and] that choose to
446 receive a bill directly from such supplier and, on and after October 1,
447 2010, shall provide direct billing and collection services for electric
448 generation services and related federally mandated congestion charges
449 that such suppliers provide to their customers or may choose to obtain
450 such billing and collection service through an electric distribution
451 company and pay its pro rata share in accordance with the provisions
452 of subsection (h) of section 16-244c. Any customer of an electric
453 supplier, which is choosing to provide direct billing, who paid for the
454 cost of billing and other services to an electric distribution company
455 shall receive a credit on their monthly bill.

456 (1) An electric supplier that chooses to provide billing and collection
457 services shall, in accordance with the billing format developed by the
458 department, include the following information in each customer's bill:
459 (A) The total amount owed by the customer, which shall be itemized to
460 show (i) the electric generation services component and any additional
461 charges imposed by the electric supplier, and (ii) federally mandated
462 congestion charges applicable to the generation services; (B) any

463 unpaid amounts from previous bills, which shall be listed separately
464 from current charges; (C) the rate and usage for the current month and
465 each of the previous twelve months in bar graph form or other visual
466 format; (D) the payment due date; (E) the interest rate applicable to
467 any unpaid amount; (F) the toll-free telephone number of the
468 Department of Public Utility Control for questions or complaints; and
469 (G) the toll-free telephone number and address of the electric supplier.
470 The department shall assess each supplier a pro rata share of such
471 costs.

472 (2) An [electric company,] electric distribution company [or electric
473 supplier that provides direct billing of the electric generation service
474 component and related federally mandated congestion charges, as the
475 case may be,] shall, in accordance with the billing format developed by
476 the department, include the following information in each customer's
477 bill: [, as appropriate: (1)] (A) The total amount owed by the customer,
478 which shall be itemized to show, [(A)] (i) the electric generation
479 services component [and any additional charges imposed by the
480 electric supplier, if applicable, (B)] if the customer obtains standard
481 service or last resort service from the electric distribution company, (ii)
482 the distribution charge, including all applicable taxes and the systems
483 benefits charge, as provided in section 16-245l, [(C)] (iii) the
484 transmission rate as adjusted pursuant to subsection (d) of section 16-
485 19b, [(D)] (iv) the competitive transition assessment, as provided in
486 section 16-245g, [(E)] (v) federally mandated congestion charges, and
487 [(F)] (vi) the conservation and renewable energy charge, consisting of
488 the conservation and load management program charge, as provided
489 in section 16-245m, and the renewable energy investment charge, as
490 provided in section 16-245n; [(2)] (B) any unpaid amounts from
491 previous bills which shall be listed separately from current charges;
492 [(3)] (C) except for customers subject to a demand charge, the rate and
493 usage for the current month and each of the previous twelve months in
494 the form of a bar graph or other visual form; [(4)] (D) the payment due
495 date; [(5)] (E) the interest rate applicable to any unpaid amount; [(6)]
496 (F) the toll-free telephone number of the electric distribution company

497 to report power losses; [(7)] (G) the toll-free telephone number of the
498 Department of Public Utility Control for questions or complaints; [(8)
499 the toll-free telephone number and address of the electric supplier; and
500 (9)] and (H) if a customer has a demand of five hundred kilowatts or
501 less during the preceding twelve months, a statement about the
502 availability of information concerning electric suppliers pursuant to
503 section 16-245p.

504 (b) The regulations shall provide guidelines for determining until
505 October 1, 2010, the billing relationship between the electric
506 distribution company and electric suppliers, including, but not limited
507 to, the allocation of partial bill payments and late payments between
508 the electric distribution company and the electric supplier. An electric
509 distribution company that provides billing services for an electric
510 supplier shall be entitled to recover from the electric supplier all
511 reasonable transaction costs to provide such billing services as well as
512 a reasonable rate of return, in accordance with the principles in
513 subsection (a) of section 16-19e.

514 Sec. 12. Section 16-245o of the general statutes is repealed and the
515 following is substituted in lieu thereof (*Effective July 1, 2010*):

516 (a) To protect a customer's right to privacy from unwanted
517 solicitation, each electric company or electric distribution company, as
518 the case may be, shall distribute to each customer a form approved by
519 the Department of Public Utility Control which the customer shall
520 submit to the customer's electric or electric distribution company in a
521 timely manner if the customer does not want the customer's name,
522 address, telephone number and rate class to be released to electric
523 suppliers. On and after July 1, 1999, each electric or electric distribution
524 company, as the case may be, shall make available to all electric
525 suppliers customer names, addresses, telephone numbers, if known,
526 and rate class, unless the electric company or electric distribution
527 company has received a form from a customer requesting that such
528 information not be released. Additional information about a customer
529 for marketing purposes shall not be released to any electric supplier

530 unless a customer consents to a release by one of the following: (1) An
531 independent third-party telephone verification; (2) receipt of a written
532 confirmation received in the mail from the customer after the customer
533 has received an information package confirming any telephone
534 agreement; (3) the customer signs a document fully explaining the
535 nature and effect of the release; or (4) the customer's consent is
536 obtained through electronic means, including, but not limited to, a
537 computer transaction.

538 (b) All electric suppliers shall have equal access to customer
539 information required to be disclosed under subsection (a) of this
540 section. No electric supplier shall have preferential access to historical
541 distribution company customer usage data.

542 (c) No electric or electric distribution company shall include in any
543 bill or bill insert anything that directly or indirectly promotes a
544 generation entity or affiliate of the electric distribution company. No
545 electric supplier shall include a bill insert in an electric bill of an
546 electric distribution company.

547 (d) All marketing information provided pursuant to the provisions
548 of this section shall be formatted electronically by the electric company
549 or electric distribution company, as the case may be, in a form that is
550 readily usable by standard commercial software packages. Updated
551 lists shall be made available within a reasonable time, as determined
552 by the department, following a request by an electric supplier. Each
553 electric supplier seeking the information shall pay a fee to the electric
554 company or electric distribution company, as the case may be, which
555 reflects the incremental costs of formatting, sorting and distributing
556 this information, together with related software changes. Customers
557 shall be entitled to any available individual information about their
558 loads or usage at no cost.

559 (e) Each electric supplier shall, prior to the initiation of electric
560 generation services, provide the potential customer with a written
561 notice describing the rates, information on air emissions and resource

562 mix of generation facilities operated by and under long-term contract
563 to the supplier, terms and conditions of the service, and a notice
564 describing the customer's right to cancel the service, as provided in this
565 section. No electric supplier shall provide electric generation services
566 unless the customer has signed a service contract or consents to such
567 services by one of the following: (1) An independent third-party
568 telephone verification; (2) receipt of a written confirmation received in
569 the mail from the customer after the customer has received an
570 information package confirming any telephone agreement; (3) the
571 customer signs a document fully explaining the nature and effect of the
572 initiation of the service; or (4) the customer's consent is obtained
573 through electronic means, including, but not limited to, a computer
574 transaction. Each electric supplier shall maintain records of such
575 signed service contract or consent to service for a period of not less
576 than two years from the date of expiration of such contract, which
577 records shall be provided to the department or the customer upon
578 request. A residential customer [who has a maximum demand of five
579 hundred kilowatts or less] shall, until midnight of the third business
580 day after the latter of the day on which the customer enters into a
581 service agreement or the day on which the customer receives the
582 written notice from the electric supplier as provided in this section,
583 have the right to cancel a contract for electric generation services
584 entered into with an electric supplier.

585 [(f) An electric supplier shall not advertise or disclose the price of
586 electricity in such a manner as to mislead a reasonable person into
587 believing that the electric generation services portion of the bill will be
588 the total bill amount for the delivery of electricity to the customer's
589 location. When advertising or disclosing the price for electricity, the
590 electric supplier shall also disclose the electric distribution company's
591 average current charges, including the competitive transition
592 assessment and the systems benefits charge, for that customer class.]

593 (f) (1) Any third-party agent who contracts with or is otherwise
594 compensated by an electric supplier to sell residential or commercial
595 electric generation services shall be a legal agent of the electric

596 supplier.

597 (2) On or after July 1, 2010, all sales and solicitations of electric
598 generation services to a residential customer by an electric supplier,
599 aggregator or agent of an electric supplier or aggregator conducted
600 and consummated entirely by mail, door-to-door sale, telephone or
601 other electronic means, during a scheduled appointment at the
602 premises of a customer or at a fair, trade or business show, convention
603 or exposition in addition to complying with the provisions of
604 subsection (e) of this section shall:

605 (A) For any sale or solicitation, including from any person
606 representing such electric supplier, aggregator or agent of an electric
607 supplier or aggregator (i) identify the person and the electric
608 generation services company or companies the person represents; (ii)
609 provide a statement that the person does not represent an electric
610 distribution company; (iii) explain the purpose of the solicitation; and
611 (iv) explain all rates, fees, variable charges and terms and conditions
612 for the services provided; and

613 (B) For door-to-door sales, which shall include the sale of electric
614 generation services in which the electric supplier, aggregator or agent
615 of an electric supplier or aggregator solicits the sale and receives the
616 customer's agreement or offer to purchase at a place other than the
617 seller's place of business, be conducted (i) in accordance with any
618 municipal and local ordinances regarding door-to-door solicitations,
619 (ii) between the hours of ten o'clock a.m. and six o'clock p.m., and (iii)
620 with both Spanish and English written materials available. Any
621 representative of an electric supplier, aggregator or agent of an electric
622 supplier or aggregator shall prominently display or wear a photo
623 identification badge stating the name of such person's employer or the
624 electric supplier the person represents. Each such supplier, aggregator
625 or agent shall conduct a criminal history background check, in
626 accordance with section 29-17a, on each person such entity employs to
627 conduct such door-to-door sales and no one who has been convicted of
628 a felony or a misdemeanor involving robbery, theft, misrepresentation

629 or any other similar crime shall be employed to conduct such sales.

630 (3) No electric supplier, aggregator or agent of an electric supplier
631 or aggregator shall advertise or disclose the price of electricity to
632 mislead a reasonable person into believing that the electric generation
633 services portion of the bill will be the total bill amount for the delivery
634 of electricity to the customer's location. When advertising or disclosing
635 the price for electricity, the electric supplier, aggregator or agent of an
636 electric supplier or aggregator shall also disclose the electric
637 distribution company's current charges, including the competitive
638 transition assessment and the systems benefits charge, for that
639 customer class.

640 (4) No entity, including an aggregator or agent of an electric
641 supplier or aggregator, who sells or offers for sale any electric
642 generation services for or on behalf of an electric supplier, shall engage
643 in any deceptive acts or practices in the marketing, sale or solicitation
644 of electric generation services.

645 (5) The Department of Public Utility Control may conduct periodic
646 audits of electric suppliers to verify that an electric supplier has
647 purchased an adequate number of renewable energy credits to match
648 all renewable sales it has made to customers. Such audits may require
649 each electric supplier to disclose (A) the amount of additional
650 renewable energy credits such supplier will purchase beyond required
651 credits, (B) where such additional credits are being sourced from, and
652 (C) the types of renewable energy sources that will be purchased.

653 (6) Each contract for electric generation services by an electric
654 supplier shall be signed by an electricity broker or representative and
655 the customer and shall include (A) clear and conspicuous notice of the
656 price for electricity, (B) the circumstances under which that price may
657 change, (C) the length of the contract, (D) the circumstances under
658 which either the supplier or the consumer may terminate the contract,
659 and (E) any other material terms of the agreement.

660 (7) No contract for electric generation services by an electric supplier

661 shall require a residential customer to pay any fee for termination or
662 early cancellation of a contract in excess of (A) one hundred dollars; or
663 (B) twice the estimated bill for energy services for an average month,
664 whichever is greater, provided when an electric supplier offers a
665 contract, it provides the residential customer an estimate of such
666 customer's average monthly bill.

667 (8) An electric supplier shall not make a material change in the
668 terms or duration of any contract for the provision of electric
669 generation services by an electric supplier without the express consent
670 of the customer. Nothing in this subdivision shall restrict an electric
671 supplier from renewing a contract by clearly informing the customer in
672 writing, not less than thirty days nor more than sixty days before the
673 renewal date, of the renewal terms and of the option not to accept the
674 renewal offer, provided no fee pursuant to subdivision (7) of this
675 section shall be charged to a customer who terminates or cancels such
676 renewal not later than seven business days after receiving the first
677 billing statement for the renewed contract.

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

681 (h) Any violation of this section shall be deemed an unfair or
682 deceptive trade practice under subsection (a) of section 42-110b. If the
683 department finds a contract for electric generation services to be the
684 product of unfair or deceptive marketing practices or in violation of
685 any of the provisions of this section it may deem the contract void and
686 unenforceable or may seek other appropriate remedies. Any waiver of
687 the provisions of this section by a customer of electric generation
688 services shall be deemed void and unenforceable by the electric
689 supplier.

690 (i) Any violation or failure to comply with any provision of this
691 section shall be subject to (1) civil penalties by the department in
692 accordance with section 16-41, (2) the suspension or revocation of an

693 electric supplier or aggregator's license, or (3) a prohibition on
694 accepting new customers following a hearing that is conducted as a
695 contested case in accordance with chapter 54.

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

699 Sec. 13. (NEW) (*Effective July 1, 2010*) (a) The Renewable Energy
700 Investments Board shall establish and administer a fuel cell pilot
701 program to install fuel cells in state buildings using five million dollars
702 of the funds collected pursuant to section 16-245n of the general
703 statutes. As part of the pilot program established pursuant to this
704 subsection, the board shall identify state buildings in which installing
705 fuel cells would provide the greatest public benefit and cause the
706 greatest reduction in total energy consumption, consider the reliability
707 and environmental characteristics of a fuel cell and require state
708 buildings to undergo energy efficiency upgrades before receiving fuel
709 cells pursuant to this subsection.

710 (b) On or before December 31, 2012, the board and the Connecticut
711 Center for Advanced Technology shall jointly report, in accordance
712 with section 11-4a of the general statutes, to the joint standing
713 committee of the General Assembly having cognizance of matters
714 relating to energy regarding the extent to which the pilot program
715 established pursuant to subsection (a) of this section reduced the cost
716 of producing fuel cells by twenty-five per cent and the total cost of
717 energy from fuel cells compared to other Class I renewable energy
718 sources and whether projects reduced the state's cost of power and
719 providing recommendations regarding whether providing an
720 additional five million dollars in funding would make fuel cells
721 competitive with other Class I renewable energy sources.

722 Sec. 14. (NEW) (*Effective July 1, 2010*) The Department of Public
723 Utility Control shall require each electric distribution company to
724 notify its customers on an ongoing basis regarding the availability of

725 time-of-use meters, if applicable.

726 Sec. 15. Subsection (g) of section 16-245 of the general statutes is
727 repealed and the following is substituted in lieu thereof (*Effective July*
728 *1, 2010*):

729 (g) As conditions of continued licensure, in addition to the
730 requirements of subsection (c) of this section: (1) The licensee shall
731 comply with the National Labor Relations Act and regulations, if
732 applicable; (2) the licensee shall comply with the Connecticut Unfair
733 Trade Practices Act and applicable regulations; (3) each generating
734 facility operated by or under long-term contract to the licensee shall
735 comply with regulations adopted by the Commissioner of
736 Environmental Protection, pursuant to section 22a-174j; (4) the licensee
737 shall comply with the portfolio standards, pursuant to section 16-245a;
738 (5) the licensee shall be a member of the New England Power Pool or
739 its successor or have a contractual relationship with one or more
740 entities who are members of the New England Power Pool or its
741 successor and the licensee shall comply with the rules of the regional
742 independent system operator and standards and any other reliability
743 guidelines of the regional independent systems operator; (6) the
744 licensee shall agree to cooperate with the department and other electric
745 suppliers in the event of an emergency condition that may jeopardize
746 the safety and reliability of electric service; (7) the licensee shall comply
747 with the code of conduct established pursuant to section 16-244h; (8)
748 for a license to a participating municipal electric utility, the licensee
749 shall provide open and nondiscriminatory access to its distribution
750 facilities to other licensed electric suppliers; (9) the licensee or the
751 entity or entities with whom the licensee has a contractual relationship
752 to purchase power shall be in compliance with all applicable licensing
753 requirements of the Federal Energy Regulatory Commission; (10) each
754 generating facility operated by or under long-term contract to the
755 licensee shall be in compliance with chapter 277a and state
756 environmental laws and regulations; (11) the licensee shall comply
757 with the renewable portfolio standards established in section 16-245a;
758 (12) the licensee shall offer a time-of-use rate option to customers that

759 provides for a peak period use rate of at least a five hundred per cent
760 increase in the standard nonpeak use rate. Such peak period shall be
761 not more than four hours in any twenty-four-hour period. The
762 standard nonpeak use rate under this option shall be less than the
763 standard use rate offer by such supplier to the customer. Nothing in
764 this subdivision shall preclude such supplier from offering other time
765 of use options; and [(12)] (13) the licensee shall acknowledge that it is
766 subject to chapters 208, 212, 212a and 219, as applicable, and the
767 licensee shall pay all taxes it is subject to in this state. Also as a
768 condition of licensure, the department shall prohibit each licensee from
769 declining to provide service to customers for the reason that the
770 customers are located in economically distressed areas. The
771 department may establish additional reasonable conditions to assure
772 that all retail customers will continue to have access to electric
773 generation services.

774 Sec. 16. (NEW) (*Effective from passage*) (a) The plan developed,
775 pursuant to section 16a-3a of the general statutes to be adopted in 2010
776 shall indicate options to reduce the price of electricity by at least fifteen
777 per cent less than the price as of the effective date of this section by
778 July 1, 2012, and maintain at least such decrease for another five years.
779 Such options may include the procurement of new sources of
780 generation. In reviewing new sources of generation, the plan shall
781 determine whether the private wholesale market can supply such
782 additional sources or whether state financial assistance, long-term
783 purchasing of electricity contracts or other interventions are needed to
784 achieve the goal.

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

793 Sec. 17. (NEW) (*Effective July 1, 2010*) The Department of Public
 794 Utility Control shall require the Energy Conservation Management
 795 Board, the Renewable Energy Investments Board and electric
 796 distribution companies, as defined in section 16-1 of the general
 797 statutes, as amended by this act, to establish a program to provide
 798 financial assistance for energy conservation and load management
 799 projects to electric distribution company customers in underserved
 800 communities. The aggregate financial assistance such program shall
 801 provide shall be in an amount equal to at least three per cent of the
 802 moneys collected for the Energy Conservation and Load Management
 803 and at least three per cent of the moneys collected for the Renewable
 804 Energy Investment Funds pursuant to sections 16-245m and 16-245n of
 805 the general statutes, as amended by this act. Such funds shall be
 806 provided for programs directly benefiting residential or small business
 807 electric customers in underserved communities. The moneys for the
 808 program shall be derived (1) initially from, if available, the federal
 809 American Recovery and Reinvestment Act of 2009, and (2) for
 810 conservation projects from the Energy Conservation and Load
 811 Management and renewable energy projects from Renewable Energy
 812 Investment Funds. Such program shall include a job training
 813 component for existing or potential minority business enterprises, as
 814 defined in section 4a-60g of the general statutes. For the purposes of
 815 this section, "underserved communities" means municipalities meeting
 816 the criteria set forth in subsection (a) of section 32-70 of the general
 817 statutes. The department shall report, in accordance with the
 818 provisions of section 11-4a of the general statutes, to the joint standing
 819 committee of the General Assembly having cognizance of matters
 820 relating to energy on or before February 1, 2011, and annually
 821 thereafter, regarding the program established pursuant to this section."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2010</i>	New section
Sec. 3	<i>July 1, 2010</i>	New section

Sec. 4	<i>July 1, 2010</i>	New section
Sec. 5	<i>July 1, 2010</i>	New section
Sec. 6	<i>July 1, 2010</i>	New section
Sec. 7	<i>October 1, 2010</i>	New section
Sec. 8	<i>October 1, 2010</i>	16-245n(f)
Sec. 9	<i>July 1, 2010</i>	16-1(a)(30)
Sec. 10	<i>July 1, 2010</i>	16-1(a)(31)
Sec. 11	<i>July 1, 2010</i>	16-245d
Sec. 12	<i>July 1, 2010</i>	16-245o
Sec. 13	<i>July 1, 2010</i>	New section
Sec. 14	<i>July 1, 2010</i>	New section
Sec. 15	<i>July 1, 2010</i>	16-245(g)
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>July 1, 2010</i>	New section