



House of Representatives

General Assembly

File No. 489

January Session, 2011

Substitute House Bill No. 6459

House of Representatives, April 7, 2011

The Committee on Energy and Technology reported through REP. NARDELLO of the 89th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING RENEWABLE RESOURCE GENERATION.

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

1 Section 1. (NEW) (*Effective from passage*) On or before October 1,
2 2011, the Department of Public Utility Control, in a contested case,
3 shall develop a request for proposals for renewable generation in the
4 state. Proposals submitted in response to such request may include
5 cost-recovery methodology, which may include, but not be limited to,
6 cost-of-service or production-based payments. An electric distribution
7 company may submit proposals in response to such request on the
8 same basis as other respondents to such request. The department shall
9 initiate a docket to determine the proposal resulting in the least cost to
10 ratepayers but may reject all proposals.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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ET *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires the Department of Public Utility Control (DPUC) to develop a request for proposal for renewable generation in the state through a contested case proceeding. DPUC must also conduct a docket to determine which proposals are the best options. As the DPUC currently opens over 300 dockets a year, this bill is not expected to result in a fiscal impact to the state or municipalities.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6459*****AN ACT CONCERNING RENEWABLE RESOURCE GENERATION.*****SUMMARY:**

This bill requires the Department of Public Utility Control to develop a request for proposals (RFP) for renewable generation in the state. It must do so in a contested case (a quasi-judicial procedure) by October 1, 2011. Proposals submitted in response to the RFP may include a cost-recovery methodology, which may include cost-of-service or production-based payments among other options. An electric company may submit proposals on the same basis as other respondents to the RFP. The department must conduct a docket to determine which proposal would result in the least cost to ratepayers, but may reject all proposals.

Since the bill does not amend CGS § 16-244e, which generally bars electric companies from owning generating facilities. As a result, the project selected by the RFP could not be built without additional legislation.

EFFECTIVE DATE: Upon passage

BACKGROUND***Related Bill***

SB 1, An Act Concerning Connecticut's Energy Future, allows electric companies to own solar generating facilities under certain conditions.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 20 Nay 2 (03/22/2011)