



Senate Bill No. 1243

Public Act No. 11-80

**AN ACT CONCERNING THE ESTABLISHMENT OF THE
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION
AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE.**

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

Section 1. (NEW) (*Effective July 1, 2011*) (a) There is established a Department of Energy and Environmental Protection, which shall have jurisdiction relating to the preservation and protection of the air, water and other natural resources of the state, energy and policy planning and regulation and advancement of telecommunications and related technology. For the purposes of energy policy and regulation, the department shall have the following goals: (1) Reducing rates and decreasing costs for Connecticut's ratepayers, (2) ensuring the reliability and safety of our state's energy supply, (3) increasing the use of clean energy and technologies that support clean energy, and (4) developing the state's energy-related economy. For the purpose of environmental protection and regulation, the department shall have the following goals: (A) Conserving, improving and protecting the natural resources and environment of the state, and (B) preserving the natural environment while fostering sustainable development. The Public Utilities Regulatory Authority within the department shall be responsible for all matters of rate regulation for public utilities and regulated entities under title 16 of the general statutes and shall

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promote policies that will lead to just and reasonable utility rates. The department head shall be the Commissioner of Energy and Environmental Protection who shall be appointed by the Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, of the general statutes, as amended by this act, with the powers and duties therein prescribed. The Department of Energy and Environmental Protection shall establish bureaus, one of which shall be designated an energy bureau.

(b) The Department of Energy and Environmental Protection shall constitute a successor department to the Department of Environmental Protection and the Department of Public Utility Control in accordance with the provisions of sections 4-38d, 4-38e and 4-39 of the general statutes.

(c) Wherever the words "Commissioner of Environmental Protection" are used or referenced to in the following sections of the general statutes, the words "Commissioner of Energy and Environmental Protection" shall be substituted in lieu thereof: 3-7, 3-100, 4-5, as amended by this act, 4-168, 4a-57, 4a-67d, 4b-15a, 4b-21, 5-238a, 7-121d, 7-131, 7-131a, 7-131d, 7-131e, 7-131f, 7-131g, 7-131i, 7-131l, 7-131t, 7-131u, 7-136h, 7-137c, 7-147, 7-151a, 7-151b, 7-245, 7-246, 7-246f, 7-247, 7-249a, 7-323o, 7-374, 7-487, 8-336f, 10-231b, 10-231c, 10-231d, 10-231g, 10-382, 10-388, 10-389, 10-391, 12-81, 12-81r, 12-107d, 12-217mm, 12-263m, 12-407, 12-412, 13a-80i, 13a-94, 13a-142a, 13a-142b, 13a-142e, 13a-175j, 13b-11a, 13b-38x, 13b-51, 13b-56, 13b-57, 13b-329, 14-21e, 14-21i, 14-21s, 14-65a, 14-67l, 14-80a, 14-100b, 14-164c, 14-164h, 14-164i, 14-164k, 14-164o, 15-11a, 15-121, 15-125, 15-127, 15-130, 15-133a, 15-133c, 15-140a, 15-140c, 15-140d, 15-140e, 15-140f, 15-140j, 15-140o, 15-140u, 15-140v, 15-141, 15-142, 15-143, 15-144, 15-145, 15-149a, 15-149b, 15-150a, 15-151, 15-154, 15-154a, 15-155, as amended by this act, 15-155d, 15-156, 15-174, 16-2, as amended by this act, 16-11a, 16-19e, 16-19g, 16-50c, 16-50d, 16-50j, as amended by this act, 16-261a, 16a-3, as amended

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by this act, 16a-21a, 16a-27, 16a-35h, 16a-38k, as amended by this act, 16a-103, 16a-106, 19a-35a, 19a-47, 19a-102a, 19a-330, 19a-341, 21-84b, 22-6c, 22-11h, 22-26cc, 22-81a, 22-91c, 22-350a, 22-358, 22a-1g, 22a-2a, 22a-5b, 22a-5c, 22a-6, 22a-6a, 22a-6b, 22a-6e, 22a-6f, 22a-6g, 22a-6h, 22a-6i, 22a-6j, 22a-6k, 22a-6l, 22a-6m, 22a-6n, 22a-6p, 22a-6s, 22a-6u, 22a-6v, 22a-6w, 22a-6y, 22a-6z, 22a-6aa, 22a-6bb, 22a-6cc, 22a-7a, 22a-7b, 22a-8a, 22a-10, 22a-13, 22a-16a, 22a-21, 22a-21b, 22a-21c, 22a-21d, 22a-21h, 22a-21j, 22a-22, 22a-25, 22a-26, 22a-27, 22a-27f, 22a-27l, 22a-27p, 22a-27r, 22a-27s, 22a-27t, 22a-27u, 22a-27v, 22a-27w, 22a-29, 22a-35a, 22a-38, 22a-42a, 22a-44, 22a-45a, 22a-45b, 22a-45c, 22a-45d, 22a-47, 22a-54, 22a-54a, 22a-56a, 22a-66a, 22a-66c, 22a-66j, 22a-66k, 22a-66l, 22a-66y, 22a-66z, 22a-68, 22a-93, 22a-106a, 22a-109, 22a-113n, 22a-113t, 22a-114, 22a-115, 22a-118, 22a-122, 22a-133a, 22a-133b, 22a-133k, 22a-133l, 22a-133m, 22a-133n, 22a-133u, 22a-133v, 22a-133w, 22a-133y, 22a-133z, 22a-133aa, 22a-133bb, 22a-133ee, 22a-134, 22a-134e, 22a-134f, 22a-134g, 22a-134h, 22a-134i, 22a-134k, 22a-134l, 22a-134m, 22a-134n, 22a-134p, 22a-134s, 22a-135, 22a-136, 22a-137, 22a-148, 22a-149, 22a-150, 22a-151, 22a-153, 22a-154, 22a-155, 22a-156, 22a-158, 22a-160, 22a-162, 22a-170, 22a-171, 22a-173, 22a-174c, 22a-174d, 22a-174e, 22a-174f, 22a-174g, 22a-174h, 22a-174i, 22a-174j, 22a-174k, 22a-174l, as amendeded by this act, 22a-174m, 22a-180, 22a-182a, 22a-183, 22a-186, 22a-188, 22a-188a, 22a-191, 22a-191a, 22a-192, 22a-193, 22a-194a, 22a-194c, 22a-194f, 22a-198, as amendeded by this act, 22a-199, 22a-200, 22a-200a, 22a-200b, 22a-200c, 22a-201a, 22a-201b, 22a-207, 22a-208a, 22a-208b, 22a-208d, 22a-208e, 22a-208f, 22a-208g, 22a-208h, 22a-208j, 22a-208o, 22a-208p, 22a-208q, 22a-208v, 22a-208w, 22a-208x, 22a-208y, 22a-208aa, 22a-208bb, 22a-209a, 22a-209b, 22a-209d, 22a-209f, 22a-209g, 22a-209h, 22a-209i, 22a-213a, 22a-214, 22a-219b, 22a-219c, 22a-219e, 22a-220, 22a-220a, 22a-220d, 22a-222, 22a-223, 22a-225, 22a-227, 22a-228, 22a-230, 22a-231, 22a-233a, 22a-235, 22a-235a, 22a-237, 22a-238, 22a-239, 22a-240, 22a-240a, 22a-241, 22a-241a, 22a-241b, 22a-241g, 22a-241h, 22a-241j, 22a-245, 22a-245a, 22a-245b, 22a-245d, 22a-248, 22a-250, 22a-250a, 22a-250b, 22a-250c, 22a-252, 22a-255b, 22a-255c, 22a-255d, 22a-255f, 22a-255h, 22a-

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(d) Wherever the words "Department of Environmental Protection" are used or referred to in the following sections of the general statutes, the words "Department of Energy and Environmental Protection" shall be substituted in lieu thereof: 1-84, 1-206, 1-217, 2-20a, 4-38c, as amended by this act, 4-66c, 4-66aa, 4-89, 4a-53, 5-142, 7-131e, 7-151a, 7-151b, 7-252, 8-387, 10-282, 10-291, 10-413, 10a-119e, 12-63e, 12-263m, 13a-142b, 13a-142c, 13a-142d, 13b-38a, 14-386, 15-129, 15-130a, 15-140e, 15-140f, 15-140j, 15-154, 15-155, 16-19h, 16-19o, 16-50j, as amended by this act, 16-50k, 16-50p, 16-243q, 16-244d, 16-244j, 16-245l, 16-245y, 16-262m, 16-262n, 19a-197b, 19a-320, 20-420, 21-84b, 22-11f, 22-11g, 22-11h, 22-26cc, 22-91e, 22-455, 22a-1d, 22a-2a, 22a-2c, 22a-5b, 22a-6, 22a-6f, 22a-6g, 22a-6l, 22a-6p, 22a-6r, 22a-6u, 22a-6x, 22a-6cc, 22a-10, 22a-11, 22a-20a, 22a-21, 22a-21a, 22a-21b, 22a-21c, 22a-21i, 22a-21j, 22a-21k, 22a-22, 22a-25, 22a-26, 22a-26a, 22a-27j, 22a-27l, 22a-27s, 22a-29, 22a-33, 22a-40, 22a-47a, 22a-58, 22a-61, 22a-66z, 22a-68, 22a-115, 22a-118, 22a-119, as amended by this act, 22a-122, 22a-123, 22a-126, 22a-132, 22a-133v, 22a-133w, 22a-134i, 22a-135, 22a-170, 22a-174, 22a-174l, as amended by this act, 22a-186, 22a-188a, 22a-196, 22a-198, as amended by this act, 22a-200b, 22a-200c, 22a-200d, 22a-207, 22a-208a, 22a-209f, 22a-223, 22a-233a, 22a-239a, 22a-244, 22a-245a, 22a-247, 22a-248, 22a-250, 22a-255h, 22a-256m, 22a-256y, 22a-259, 22a-260, 22a-264, 22a-275, 22a-314, 22a-315, 22a-336, 22a-352, 22a-355, 22a-361, 22a-363b, 22a-416,

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(e) Wherever the words "Department of Public Utility Control" are used or referred to in the following sections of the general statutes, the words "Public Utilities Regulatory Authority" shall be substituted in lieu thereof: 1-84, 1-84b, 2-20a, 2-71p, 4-38c, as amended by this act, 4a-57, 4a-74, 4d-2, 4d-80, 7-223, 7-233t, 7-233ii, 8-387, 12-81q, 12-94d, 12-264, 12-265, 12-408b, 12-412, 12-491, 13a-82, 13a-126a, 13b-10a, 13b-43, 13b-44, 13b-387a, 15-96, 16-1, as amended by this act, 16-2, as amended by this act, 16-2a, 16-6, 16-6a, 16-6b, 16-7, 16-8, as amended by this act, 16-8b, 16-8c, 16-8d, 16-9, 16-9a, 16-10, 16-10a, 16-11, 16-12, 16-13, 16-14, 16-15, 16-16, 16-17, 16-18, 16-19, 16-19a, 16-19b, 16-19d, 16-19f, 16-19k, 16-19n, 16-19o, 16-19u, 16-19w, 16-19x, 16-19z, 16-19aa, 16-19bb, 16-19cc, 16-19dd, 16-19ee, 16-19ff, 16-19gg, 16-19jj, 16-19kk, 16-19mm, 16-19nn, 16-19oo, 16-19pp, 16-19qq, 16-19tt, 16-19uu, 16-19vv, 16-20, 16-21, 16-23, 16-24, 16-25, 16-25a, 16-26, 16-27, 16-28, 16-29, 16-32, 16-32a, 16-32b, 16-32c, 16-32e, 16-32f, 16-32g, 16-33, 16-35, 16-41, 16-42, 16-43, 16-43a, 16-43d, 16-44, 16-44a, 16-45, 16-46, 16-47, 16-47a, 16-48, 16-49e, 16-50c, 16-50d, 16-50f, 16-50k, 16-50aa, 16-216, 16-227, 16-231, 16-233, 16-234, 16-235, 16-238, 16-243, 16-243a, 16-243b, 16-243c, 16-243f, 16-243i, 16-243j, 16-243k, 16-243m, 16-243n, 16-243p, 16-243q, 16-243r, 16-243s,

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(f) Wherever the words "Secretary of the Office of Policy and Management" are used or referred to in the following sections of title 16a of the general statutes, the words "Commissioner of Energy and Environmental Protection" shall be substituted in lieu thereof: 16a-4d, 16a-14, 16a-22, 16a-22c, as amended by this act, 16a-22h, 16a-22i, 16a-22j, 16a-23t, as amended by this act, 16a-37f, 16a-38, 16a-38a, 16a-38b,

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16a-38i, 16a-38j, 16a-39b, 16a-40b, 16a-44b, 16a-46a, 16a-46b, 16a-46c, 16a-46e, 16a-46f and 16a-102.

(g) Wherever the words "Office of Policy and Management" are used or referred to in the following sections of title 16a of the general statutes, the words "Department of Energy and Environmental Protection" shall be substituted in lieu thereof: 16a-2, 16a-3, as amended by this act, 16a-4d, 16a-6, 16a-7b, as amended by this act, 16a-14, 16a-14e, 16a-20, 16a-22, 16a-22c, as amended by this act, 16a-22h, 16a-22j, 16a-37c, 16a-37f, 16a-37v, 16a-38, 16a-38a, 16a-38b, 16a-38i, 16a-38j, 16a-38k, as amended by this act, 16a-38l, 16a-39b, 16a-40b, 16a-44b, 16a-46a, 16a-46c, 16a-46e, 16a-46f, 16a-46g, 16a-102 and 16a-106.

(h) Wherever the word "secretary" is used or referred to in the following sections of title 16a of the general statutes, the word "commissioner" shall be substituted in lieu thereof: 16a-2, 16a-3, as amended by this act, 16a-4d, 16a-6, 16a-9, 16a-13, 16a-13a, 16a-13b, 16a-14, 16a-14a, 16a-14b, 16a-22, 16a-22c, as amended by this act, 16a-22d, 16a-22e, 16a-22f, 16a-22h, 16a-22i, 16a-22j, 16a-23t, as amended by this act, 16a-37f, 16a-38, 16a-38a, 16a-38b, 16a-38i, 16a-38j, 16a-38k, as amended by this act, 16a-39b, 16a-40b, 16a-44b, 16a-45a, 16a-46a, 16a-46c, 16a-46e, 16a-46f, 16a-102 and 16a-106.

(i) Wherever the word "department" is used or referred to in the following sections, the word "authority" shall be substituted in lieu thereof: 16-9, 16-9a, 16-10, 16-11, 16-13, 16-14, 16-16, 16-17, 16-19, 16-19b, 16-19d, 16-244d, 16-245a, 16-245f, 16-245g, 16-246g, 16-245h, 16-245i, 16-245j, 16-245k, 16-245n, 16-245p, 16-247b, 16-247e, 16-247f, 16-247g, 16-247h, 16-247l, 16-247n, 16-247t, 16-262v, 16-280a, 16-331 and 16-333d.

(j) Wherever the words "Renewable Energy Investment Fund" are used or referred to in the following sections of the general statutes, the words "Clean Energy Fund" shall be substituted in lieu thereof: 16-1,

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16-243q, 16-245, 16-245e, 16-245f, 16-245i, 16-245j, 16-245w, 16-245aa, 16a-38p, and 32-9ww.

(k) Wherever the term "Department of Environmental Protection" or "Department of Public Utility Control" is used or referred to in any public or special act of 2011, or in any section of the general statutes which is amended in 2011, "Department of Energy and Environmental Protection" shall be substituted in lieu thereof.

(l) Wherever the term "Commissioner of Environmental Protection" is used or referred to in any public or special act of 2011, or in any section of the general statutes which is amended in 2011, "Commissioner of Energy and Environmental Protection" shall be substituted in lieu thereof.

(m) The Legislative Commissioners' Office shall, in codifying the provisions of this section, make such conforming, technical, grammatical and punctuation changes as are necessary to carry out the purposes of this section.

Sec. 2. Subsection (b) of section 2c-2b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) The following governmental entities and programs are terminated, effective July 1, 2014, unless reestablished in accordance with the provisions of section 2c-10:

(1) Program of regulation of sanitarians, established under chapter 395;

(2) Program of regulation of subsurface sewage disposal system installers and cleaners, established under chapter 393a;

(3) Program of regulation of bedding and upholstered furniture

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established by sections 21a-231 to 21a-236, inclusive;

(4) Regional mental health boards, established under section 17a-484;

(5) Repealed by P.A. 88-285, S. 34, 35;

(6) All advisory boards for state hospitals and facilities, established under section 17a-470;

(7) Repealed by P.A. 85-613, S. 153, 154;

(8) State Board of Examiners for Physical Therapists, established under section 20-67;

(9) Commission on Medicolegal Investigations, established under subsection (a) of section 19a-401;

(10) Board of Mental Health and Addiction Services, established under section 17a-456;

(11) Repealed by P.A. 95-257, S. 57, 58;

(12) Commission on Prison and Jail Overcrowding established under section 18-87j; and

(13) [The residential energy conservation service program authorized under sections 16a-45a, 16a-46 and 16a-46a] Repealed by section 141 of this act.

Sec. 3. Section 4-5 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

As used in sections 4-6, 4-7 and 4-8, the term "department head" means Secretary of the Office of Policy and Management, Commissioner of Administrative Services, Commissioner of Revenue Services, Banking Commissioner, Commissioner of Children and

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Families, Commissioner of Consumer Protection, Commissioner of Correction, Commissioner of Economic and Community Development, State Board of Education, Commissioner of Emergency Management and Homeland Security, Commissioner of Energy and Environmental Protection, Commissioner of Agriculture, Commissioner of Public Health, Insurance Commissioner, Labor Commissioner, Liquor Control Commission, Commissioner of Mental Health and Addiction Services, Commissioner of Public Safety, Commissioner of Social Services, Commissioner of Developmental Services, Commissioner of Motor Vehicles, Commissioner of Transportation, Commissioner of Public Works, Commissioner of Veterans' Affairs, Chief Information Officer, [the chairperson of the Public Utilities Control Authority,] the executive director of the Board of Education and Services for the Blind, the executive director of the Connecticut Commission on Culture and Tourism, and the executive director of the Office of Military Affairs. As used in sections 4-6 and 4-7, "department head" also means the Commissioner of Education.

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

There shall be within the executive branch of state government the following departments: Office of Policy and Management, Department of Administrative Services, Department of Revenue Services, Department of Banking, Department of Agriculture, Department of Children and Families, Department of Consumer Protection, Department of Correction, Department of Economic and Community Development, State Board of Education, Department of Emergency Management and Homeland Security, Department of Energy and Environmental Protection, Department of Public Health, Board of Governors of Higher Education, Insurance Department, Labor Department, Department of Mental Health and Addiction Services, Department of Developmental Services, Department of Public Safety,

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Department of Social Services, Department of Transportation, Department of Motor Vehicles, Department of Veterans' Affairs [,] and Department of Public Works, [and Department of Public Utility Control.]

Sec. 5. Section 4-67e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Secretary of the Office of Policy and Management shall coordinate the activity of the Commissioners of Public Health and Energy and Environmental Protection [and the chairperson of the Public Utilities Control Authority] in the following: (1) The review of the authority of each agency for consistency with the policies established by section 22a-380, (2) the preparation of a memorandum of understanding, not more than six months after October 1, 1991, intended to avoid inconsistency, overlap and redundancy in requirements and authority of each agency in water conservation issues, emergency contingency plans and regulatory authority under chapters 283, 446i, 446j and 474, (3) the review of exercise of regulatory authority over water companies, as defined in section 25-32a, to determine whether inconsistency, overlap or redundancy exist in the statutory requirements or regulatory authority of such agencies under chapters 283, 446i, 446j, and 474, (4) the assessment of the necessity of a memorandum of understanding to avoid such inconsistency, overlap or redundancy, and, if determined to be necessary, the preparation of such a memorandum by July 1, 1995, and (5) the development of recommendations for legislation and amendments to regulations to implement the provisions of a memorandum of understanding prepared pursuant to this section, or for consistency with the policies established by section 22a-380. There shall be a period of public review and comment on a memorandum of understanding prior to final agreement. On or before January 1, 1995, the secretary shall submit to the joint standing committees of the General Assembly having

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cognizance of matters relating to public health, energy and public utilities and the environment, written findings, and any recommendations, concerning the review and assessment conducted pursuant to subdivisions (3) and (4) of this section.

Sec. 6. Section 4b-15 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Each state agency having care, control and supervision of state property, including the Judicial Department and the Joint Committee on Legislative Management of the General Assembly, shall prepare on or before October 1, 1990, and thereafter periodically update, in consultation with the Commissioners of Energy and Environmental Protection and Public Works, a plan for each facility under its care, control or supervision to (1) reduce the use of disposable and single-use products, in accordance with the plan adopted by the Commissioner of Administrative Services pursuant to section 4a-67b, (2) separate and collect items designated as either suitable or required for recycling pursuant to section 22a-241b. Such plan shall establish a schedule for implementation of the policies recommended in the plan.

(b) Each such agency shall, on or before October 1, 1991, and annually thereafter, submit to the Commissioner of Energy and Environmental Protection and the joint standing committee of the General Assembly having cognizance of matters relating to the environment a report on implementation of the recycling plan. Such report shall be on a form prescribed by the commissioner and shall provide such information the commissioner deems necessary.

(c) The Governor, the Joint Committee on Legislative Management and the Commissioners of Energy and Environmental Protection and Administrative Services, for the central offices of the Departments of Energy and Environmental Protection and Administrative Services, shall implement a white paper recycling program to begin on or before

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January 1, 1989. Each other state agency, department or institution shall implement such program on or before January 1, 1991.

Sec. 7. Subsections (a) and (b) of section 4b-47 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Prior to the sale or transfer of state land or any interest in state land by a state agency, department or institution, such agency, department or institution shall provide notice of such sale or transfer to the Council on Environmental Quality, the Secretary of the Office of Policy and Management and the Commissioner of Energy and Environmental Protection on a form approved by the Council on Environmental Quality. Such notice shall be published in the Environmental Monitor and shall provide for a written public comment period of thirty days following publication of such notice, during which the public and state agencies may submit comments to the Secretary of the Office of Policy and Management. Such comments may include, but shall not be limited to, significant natural and recreational resources on such land and recommend means to preserve such natural or recreational resources. The Secretary of the Office of Policy and Management, in consultation with the Commissioner of Energy and Environmental Protection, shall (1) respond to any written comments received during such thirty-day comment period, and (2) publish such written comments along with the Office of Policy and Management's response to such written comments in the Environmental Monitor for a period of not less than fifteen days prior to the sale or transfer of the land.

(b) The Commissioner of Energy and Environmental Protection shall develop a policy for reviewing notices received from a state agency, department or institution, as described in subsection (a) of this section, and making a draft recommendation to the Secretary of the Office of Policy and Management as to whether all or a portion of the

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land or land interest referenced in such notice should be preserved by (1) transferring the land or land interest or granting a conservation easement therein to the Department of Energy and Environmental Protection, (2) imposing restrictions or conditions upon the transfer of the land or land interest, or (3) transferring all or a portion of the land or land interest, or granting a conservation easement interest therein, to an appropriate third party. Any such recommendations shall be accompanied by a report explaining the basis of the recommendations and shall include, where appropriate, a natural resource inventory. Such recommendations and report shall be published in the Environmental Monitor and shall provide for a written public comment period of thirty days following publication of such notice. The Commissioner of Energy and Environmental Protection shall (A) respond to any written comments received during such thirty-day comment period, (B) make a final recommendation to the Secretary of the Office of Policy and Management, and (C) publish such written comments along with the Department of Energy and Environmental Protection's response to such written comments including the department's final recommendation to the secretary in the Environmental Monitor. Following receipt of the final recommendation of the Commissioner of Energy and Environmental Protection, the Secretary of the Office of Policy and Management shall make the final determination as to the ultimate disposition of the land or interest. Such determination shall be published in the Environmental Monitor for a period of not less than fifteen days prior to the sale or transfer of such land or interest.

Sec. 8. Subsection (a) of section 4d-90 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There is established a Geospatial Information Systems Council consisting of the following members, or their designees: (1) The

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Secretary of the Office of Policy and Management; (2) the Commissioners of Energy and Environmental Protection, Economic and Community Development, Transportation, Public Safety, Public Health, Public Works, Agriculture, Emergency Management and Homeland Security and Social Services; (3) the Chief Information Officer of the Department of Information Technology; (4) the Chancellor of the Connecticut State University System; (5) the president of The University of Connecticut; (6) [the Executive Director of the Connecticut Siting Council; (7)] one member who is a user of geospatial information systems appointed by the president pro tempore of the Senate representing a municipality with a population of more than sixty thousand; [(8)] (7) one member who is a user of geospatial information systems appointed by the minority leader of the Senate representing a regional planning agency; [(9)] (8) one member who is a user of geospatial information systems appointed by the Governor representing a municipality with a population of less than sixty thousand but more than thirty thousand; [(10)] (9) one member who is a user of geospatial information systems appointed by the speaker of the House of Representatives representing a municipality with a population of less than thirty thousand; [(11)] (10) one member appointed by the minority leader of the House of Representatives who is a user of geospatial information systems; [(12) the chairperson of the Public Utilities Control Authority; (13)] (11) the Adjutant General of the Military Department; and [(14)] (12) any other persons the council deems necessary appointed by the council. The Governor shall select the chairperson from among the members. The chairperson shall administer the affairs of the council. Vacancies shall be filled by appointment by the authority making the appointment. Members shall receive no compensation for their services on said council, but shall be reimbursed for necessary expenses incurred in the performance of their duties. Said council shall hold one meeting each calendar quarter and such additional meetings as may be prescribed by council rules. In addition, special meetings may be called by the chairperson or by any

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three members upon delivery of forty-eight hours written notice to each member.

Sec. 9. Section 13a-126 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

As used in this section, "public service facility" includes all privately, publicly or cooperatively owned lines, facilities and systems for producing, transmitting or distributing communications, cable television, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage and any other similar commodities, including fire and police signal systems and street lighting systems which directly or indirectly serve the public. Whenever the commissioner determines that any public service facility located within, on, along, over or under any land comprising the right-of-way of a state highway or any other public highway when necessitated by the construction or reconstruction of a state highway shall be readjusted or relocated in or removed from such right-of-way, the commissioner shall issue an appropriate order to the company, corporation or municipality owning or operating such facility, and such company, corporation or municipality shall readjust, relocate or remove the same promptly in accordance with such order; provided an equitable share of the cost of such readjustment, relocation or removal, including the cost of installing and constructing a facility of equal capacity in a new location, shall be borne by the state, except that the state shall not bear any share of the cost of a project of an electric distribution company, as defined in section 16-1, to readjust, relocate or remove any facility, as defined in subsection (a) of section 16-50i, used for transmitting electricity or as an electric transmission trunkline. The Department of Transportation shall evaluate the total costs of such a project, including department costs for construction or reconstruction and electric distribution company costs for readjusting, relocating or removing such facility, so as to

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minimize the overall costs incurred by the state and the electric distribution company. The electric distribution company may provide the department with proposed alternatives to the relocation, readjustment or removal proposed by the department and shall be responsible for any changes to project costs attributable to adoption of the company's proposed alternative designs for such project, including changes to the area of the relocation, readjustment or removal and any incremental costs incurred by the department to evaluate such alternatives. If such electric distribution company and the department cannot agree on a plan for such project, the Commissioner of Transportation and the chairperson of the [Department of Public Utility Control] Public Utilities Regulatory Authority shall, on request of the company, jointly determine the alternative for the project. Such equitable share, in the case of or in connection with the construction or reconstruction of any limited access highway, shall be the entire cost, less the deductions provided in this section, and, in the case of or in connection with the construction or reconstruction of any other state highway, shall be such portion or all of the entire cost, less the deductions provided in this section, as may be fair and just under all the circumstances, but shall not be less than fifty per cent of such cost after the deductions provided in this section. In establishing the equitable share of the cost to be borne by the state, there shall be deducted from the cost of the readjusted, relocated or removed facilities a sum based on a consideration of the value of materials salvaged from existing installations, the cost of the original installation, the life expectancy of the original facility and the unexpired term of such life use. When any facility is removed from the right-of-way of a public highway to a private right-of-way, the state shall not pay for such private right-of-way, provided, when a municipally-owned facility is thus removed from a municipally-owned highway, the state shall pay for the private right-of-way needed by the municipality for such relocation. If the commissioner and the company, corporation or municipality owning or operating such facility cannot agree upon the

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share of the cost to be borne by the state, either may apply to the superior court for the judicial district within which such highway is situated, or, if said court is not in session, to any judge thereof, for a determination of the cost to be borne by the state, and said court or such judge, after causing notice of the pendency of such application to be given to the other party, shall appoint a state referee to make such determination. Such referee, having given at least ten days' notice to the parties interested of the time and place of the hearing, shall hear both parties, shall view such highway, shall take such testimony as such referee deems material and shall thereupon determine the amount of the cost to be borne by the state and immediately report to the court. If the report is accepted by the court, such determination shall, subject to right of appeal as in civil actions, be conclusive upon both parties.

Sec. 10. Section 13b-4b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

Wherever the term "Public Utilities [Control] Regulatory Authority" occurs or is referred to in chapters 245, 245a and 245b relating to the duties and responsibilities of said authority, it shall be deemed to mean or refer to the Commissioner of Transportation.

Sec. 11. Section 13b-31c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Transportation, in consultation with the Commissioners of Energy and Environmental Protection and Economic and Community Development, may designate state highways or portions thereof as scenic roads. Any alteration of a scenic road shall maintain the character of such road when so designated, if practical.

Sec. 12. Section 13b-31e of the general statutes is repealed and the

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following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Transportation, in consultation with the Commissioners of Energy and Environmental Protection and Economic and Community Development, shall adopt regulations in accordance with the provisions of chapter 54 setting forth special maintenance and improvement standards for scenic roads which shall include provisions for widening of the right-of-way or traveled portion of the highway and for guardrails, paving, changes of grade, straightening and removal of stone walls or mature trees. In adopting such regulations the commissioner shall consider the protection of historic and natural features of scenic roads.

Sec. 13. Subsection (e) of section 15-155 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(e) The Commissioners of Energy and Environmental Protection and Motor Vehicles shall annually on or before December thirty-first, submit separate reports to the joint standing committee of the General Assembly having cognizance of matters relating to state finance, revenue and bonding, on the operation of the boating account. The report shall contain a detailed statement of expenditures related to each of the purposes set forth in subsection (b) for the twelve-month period ending October thirty-first, a projected budget for such purposes for the next succeeding twelve-month period and recommendations, if any, concerning the operation of the account and the boating safety and enforcement programs.

Sec. 14. Section 16-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Terms used in this title and in chapters 244, 244a, 244b, 245, 245a and 245b shall be construed as follows, unless another meaning is

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expressed or is clearly apparent from the language or context:

(1) "Authority" means the Public Utilities [Control] Regulatory Authority and "department" means the Department of [Public Utility Control] Energy and Environmental Protection;

(2) ["Commissioner"] "Director" means a member of said authority;

(3) "Commissioner of Transportation" means the Commissioner of Transportation appointed under section 13b-3;

(4) "Public service company" includes electric, electric distribution, gas, telephone, telegraph, pipeline, sewage, water and community antenna television companies and holders of a certificate of cable franchise authority, owning, leasing, maintaining, operating, managing or controlling plants or parts of plants or equipment, and all express companies having special privileges on railroads within this state, but shall not include telegraph company functions concerning intrastate money order service, towns, cities, boroughs, any municipal corporation or department thereof, whether separately incorporated or not, a private power producer, as defined in section 16-243b, or an exempt wholesale generator, as defined in 15 USC 79z-5a;

(5) "Plant" includes all real estate, buildings, tracks, pipes, mains, poles, wires and other fixed or stationary construction and equipment, wherever located, used in the conduct of the business of the company;

(6) "Railroad company" includes every person owning, leasing, maintaining, operating, managing or controlling any railroad, or any cars or other equipment employed thereon or in connection therewith, for public or general use within this state;

(7) "Street railway company" includes every person owning, leasing, maintaining, operating, managing or controlling any street railway, or any cars or other equipment employed thereon or in connection

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therewith, for public or general use within this state;

(8) "Electric company" includes, until an electric company has been unbundled in accordance with the provisions of section 16-244e, every person owning, leasing, maintaining, operating, managing or controlling poles, wires, conduits or other fixtures, along public highways or streets, for the transmission or distribution of electric current for sale for light, heat or power within this state, or, engaged in generating electricity to be so transmitted or distributed for such purpose, but shall not include (A) a private power producer, as defined in section 16-243b, (B) an exempt wholesale generator, as defined in 15 USC 79z-5a, (C) a municipal electric utility established under chapter 101, (D) a municipal electric energy cooperative established under chapter 101a, (E) an electric cooperative established under chapter 597, or (F) any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(9) "Gas company" includes every person owning, leasing, maintaining, operating, managing or controlling mains, pipes or other fixtures, in public highways or streets, for the transmission or distribution of gas for sale for heat or power within this state, or engaged in the manufacture of gas to be so transmitted or distributed for such purpose, but shall not include a person manufacturing gas through the use of a biomass gasification plant provided such person does not own, lease, maintain, operate, manage or control mains, pipes or other fixtures in public highways or streets, a municipal gas utility established under chapter 101 or any other gas utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(10) "Water company" includes every person owning, leasing, maintaining, operating, managing or controlling any pond, lake, reservoir, stream, well or distributing plant or system employed for

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the purpose of supplying water to fifty or more consumers. A water company does not include homeowners, condominium associations providing water only to their members, homeowners associations providing water to customers at least eighty per cent of whom are members of such associations, a municipal waterworks system established under chapter 102, a district, metropolitan district, municipal district or special services district established under chapter 105, chapter 105a or any other general statute or any public or special act which is authorized to supply water, or any other waterworks system owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(11) "Consumer" means any private dwelling, boardinghouse, apartment, store, office building, institution, mechanical or manufacturing establishment or other place of business or industry to which water is supplied by a water company;

(12) "Sewage company" includes every person owning, leasing, maintaining, operating, managing or controlling, for general use in any town, city or borough, or portion thereof, in this state, sewage disposal facilities which discharge treated effluent into any waterway of this state;

(13) "Pipeline company" includes every person owning, leasing, maintaining, operating, managing or controlling mains, pipes or other fixtures through, over, across or under any public land, water, parkways, highways, parks or public grounds for the transportation, transmission or distribution of petroleum products for hire within this state;

(14) "Community antenna television company" includes every person owning, leasing, maintaining, operating, managing or controlling a community antenna television system, in, under or over

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any public street or highway, for the purpose of providing community antenna television service for hire and shall include any municipality which owns or operates one or more plants for the manufacture or distribution of electricity pursuant to section 7-213 or any special act and seeks to obtain or obtains a certificate of public convenience and necessity to construct or operate a community antenna television system pursuant to section 16-331 or a certificate of cable franchise authority pursuant to section 16-331q. "Community antenna television company" does not include a certified competitive video service provider;

(15) "Community antenna television service" means (A) the one-way transmission to subscribers of video programming or information that a community antenna television company makes available to all subscribers generally, and subscriber interaction, if any, which is required for the selection of such video programming or information, and (B) noncable communications service. "Community antenna television service" does not include video service provided by a certified competitive video service provider;

(16) "Community antenna television system" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide community antenna television service which includes video programming and which is provided in, under or over any public street or highway, for hire, to multiple subscribers within a franchise, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves only subscribers in one or more multiple unit dwellings under common ownership, control or management, unless such facility is located in, under or over a public street or highway; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Subchapter II of Chapter 5 of the

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Communications Act of 1934, 47 USC 201 et seq., as amended, except that such facility shall be considered a community antenna television system and the carrier shall be considered a public service company to the extent such facility is used in the transmission of video programming directly to subscribers; or (D) a facility of an electric company which is used solely for operating its electric company systems. "Community antenna television system" does not include a facility used by a certified competitive video service provider to provide video service;

(17) "Video programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station;

(18) "Noncable communications service" means any telecommunications service, as defined in section 16-247a, and which is not included in the definition of "cable service" in the Communications Act of 1934, 47 USC 522, as amended. Nothing in this definition shall be construed to affect service which is both authorized and preempted pursuant to federal law;

(19) "Public service motor vehicle" includes all motor vehicles used for the transportation of passengers for hire;

(20) "Motor bus" includes any public service motor vehicle operated in whole or in part upon any street or highway, by indiscriminately receiving or discharging passengers, or operated on a regular route or over any portion thereof, or operated between fixed termini, and any public service motor vehicle operated over highways within this state between points outside this state or between points within this state and points outside this state;

(21) "Cogeneration technology" means the use for the generation of electricity of exhaust steam, waste steam, heat or resultant energy from

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an industrial, commercial or manufacturing plant or process, or the use of exhaust steam, waste steam or heat from a thermal power plant for an industrial, commercial or manufacturing plant or process, but shall not include steam or heat developed solely for electrical power generation;

(22) "Renewable fuel resources" means energy sources described in subdivisions (26) and (27) of this subsection;

(23) "Telephone company" means a telecommunications company that provides one or more noncompetitive or emerging competitive services, as defined in section 16-247a;

(24) "Domestic telephone company" includes any telephone company which has been chartered by or organized or constituted within or under the laws of this state;

(25) "Telecommunications company" means a person that provides telecommunications service, as defined in section 16-247a, within the state, but shall not mean a person that provides only (A) private telecommunications service, as defined in section 16-247a, (B) the one-way transmission of video programming or other programming services to subscribers, (C) subscriber interaction, if any, which is required for the selection of such video programming or other programming services, (D) the two-way transmission of educational or instructional programming to a public or private elementary or secondary school, or a public or independent institution of higher education, as required by the department pursuant to a community antenna television company franchise agreement, or provided pursuant to a contract with such a school or institution which contract has been filed with the department, or (E) a combination of the services set forth in subparagraphs (B) to (D), inclusive, of this subdivision;

(26) "Class I renewable energy source" means (A) energy derived

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from solar power, wind power, a fuel cell, methane gas from landfills, ocean thermal power, wave or tidal power, low emission advanced renewable energy conversion technologies, a run-of-the-river hydropower facility provided such facility has a generating capacity of not more than five megawatts, does not cause an appreciable change in the river flow, and began operation after July 1, 2003, or a sustainable biomass facility with an average emission rate of equal to or less than .075 pounds of nitrogen oxides per million BTU of heat input for the previous calendar quarter, except that energy derived from a sustainable biomass facility with a capacity of less than five hundred kilowatts that began construction before July 1, 2003, may be considered a Class I renewable energy source, or (B) any electrical generation, including distributed generation, generated from a Class I renewable energy source;

(27) "Class II renewable energy source" means energy derived from a trash-to-energy facility, a biomass facility that began operation before July 1, 1998, provided the average emission rate for such facility is equal to or less than .2 pounds of nitrogen oxides per million BTU of heat input for the previous calendar quarter, or a run-of-the-river hydropower facility provided such facility has a generating capacity of not more than five megawatts, does not cause an appreciable change in the riverflow, and began operation prior to July 1, 2003;

(28) "Electric distribution services" means the owning, leasing, maintaining, operating, managing or controlling of poles, wires, conduits or other fixtures along public highways or streets for the distribution of electricity, or electric distribution-related services;

(29) "Electric distribution company" or "distribution company" means any person providing electric transmission or distribution services within the state, including an electric company, subject to subparagraph (F) of this subdivision, but does not include: (A) A private power producer, as defined in section 16-243b; (B) a municipal

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electric utility established under chapter 101, other than a participating municipal electric utility; (C) a municipal electric energy cooperative established under chapter 101a; (D) an electric cooperative established under chapter 597; (E) any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or special act; (F) after an electric company has been unbundled in accordance with the provisions of section 16-244e, a generation entity or affiliate of the former electric company; or (G) an electric supplier;

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

(31) "Electric aggregator" means (A) a person, municipality or regional water authority that gathers together electric customers for the purpose of negotiating the purchase of electric generation services from an electric supplier, or (B) the Connecticut Resources Recovery Authority, if it gathers together electric customers for the purpose of

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negotiating the purchase of electric generation services from an electric supplier, provided such person, municipality or authority is not engaged in the purchase or resale of electric generation services, and provided further such customers contract for electric generation services directly with an electric supplier, and may include an electric cooperative established pursuant to chapter 597;

(32) "Electric generation services" means electric energy, electric capacity or generation-related services;

(33) "Electric transmission services" means electric transmission or transmission-related services;

(34) "Generation entity or affiliate" means a corporate affiliate or, as provided in subdivision (3) of subsection (a) of section 16-244e, a separate division of an electric company after unbundling has occurred pursuant to section 16-244e, that provides electric generation services;

(35) "Participating municipal electric utility" means a municipal electric utility established under chapter 101 or any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act, that is authorized by the [department] authority in accordance with section 16-245c to provide electric generation services to end use customers outside its service area, as defined in section 16-245c;

(36) "Person" means an individual, business, firm, corporation, association, joint stock association, trust, partnership or limited liability company;

(37) "Regional independent system operator" means the "ISO - New England, Inc.", or its successor organization as approved by the Federal Energy Regulatory Commission;

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(38) "Certified telecommunications provider" means a person certified by the [department] authority to provide intrastate telecommunications services, as defined in section 16-247a, pursuant to sections 16-247f to 16-247h, inclusive;

(39) "Gas registrant" means a person registered to sell natural gas pursuant to section 16-258a;

(40) "Customer-side distributed resources" means (A) the generation of electricity from a unit with a rating of not more than sixty-five megawatts on the premises of a retail end user within the transmission and distribution system including, but not limited to, fuel cells, photovoltaic systems or small wind turbines, or (B) a reduction in the demand for electricity on the premises of a retail end user in the distribution system through methods of conservation and load management, including, but not limited to, peak reduction systems and demand response systems;

(41) "Federally mandated congestion charges" means any cost approved by the Federal Energy Regulatory Commission as part of New England Standard Market Design including, but not limited to, locational marginal pricing, locational installed capacity payments, any cost approved by the [Department of Public Utility Control] Public Utilities Regulatory Authority to reduce federally mandated congestion charges in accordance with section 7-233y, this section, sections 16-19ss, as amended by this act, 16-32f, 16-50i, 16-50k, 16-50x, 16-243i to 16-243q, inclusive, 16-244c, 16-244e, 16-245m, 16-245n and 16-245z, and section 21 of public act 05-1 of the June special session and reliability must run contracts;

(42) "Combined heat and power system" means a system that produces, from a single source, both electric power and thermal energy used in any process that results in an aggregate reduction in electricity use;

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(43) "Grid-side distributed resources" means the generation of electricity from a unit with a rating of not more than sixty-five megawatts that is connected to the transmission or distribution system, which units may include, but are not limited to, units used primarily to generate electricity to meet peak demand;

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

(45) "Sustainable biomass" means biomass that is cultivated and harvested in a sustainable manner. "Sustainable biomass" does not mean construction and demolition waste, as defined in section 22a-208x, finished biomass products from sawmills, paper mills or stud mills, organic refuse fuel derived separately from municipal solid waste, or biomass from old growth timber stands, except where (A) such biomass is used in a biomass gasification plant that received funding prior to May 1, 2006, from the [Renewable Energy Investment] Clean Energy Fund established pursuant to section 16-245n, or (B) the energy derived from such biomass is subject to a long-term power purchase contract pursuant to subdivision (2) of subsection (j) of section 16-244c entered into prior to May 1, 2006, (C) such biomass is used in a renewable energy facility that is certified as a Class I renewable energy source by the [department] authority until such time as the [department] authority certifies that any biomass gasification plant, as defined in subparagraph (A) of this subdivision, is

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operational and accepting such biomass, in an amount not to exceed one hundred forty thousand tons annually, is used in a renewable energy facility that was certified as a Class I renewable energy source by the [department] authority prior to December 31, 2007, and uses biomass, including construction and demolition waste as defined in section 22a-208x, from a Connecticut-sited transfer station and volume-reduction facility that generated biomass during calendar year 2007 that was used during calendar year 2007 to generate Class I renewable energy certificates, or (D) in the event there is no facility as described in subparagraph (A) or (C) of this subdivision accepting such biomass, in an amount not to exceed one hundred forty thousand tons annually, is used in one or more other renewable energy facilities certified either as a Class I or Class II renewable energy source by the [department] authority, provided such facilities use biomass, including construction and demolition waste as defined in said section 22a-208x, from a Connecticut-sited transfer station and volume-reduction facility that generated biomass during calendar year 2007 that was used during calendar year 2007 to generate Class I renewable energy certificates. Notwithstanding the provisions of subparagraphs (C) and (D) of this subdivision, the amount of biomass specified in said subparagraphs shall not apply to a biomass gasification plant, as defined in subparagraph (A) of this subdivision;

(46) "Video service" means video programming services provided through wireline facilities, a portion of which are located in the public right-of-way, without regard to delivery technology, including Internet protocol technology. "Video service" does not include any video programming provided by a commercial mobile service provider, as defined in 47 USC 332(d), any video programming provided as part of community antenna television service in a franchise area as of October 1, 2007, any video programming provided as part of and via a service that enables users to access content, information, electronic mail or other services over the public Internet;

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(47) "Certified competitive video service provider" means an entity providing video service pursuant to a certificate of video franchise authority issued by the [department] authority in accordance with section 16-331e. "Certified competitive video service provider" does not mean an entity issued a certificate of public convenience and necessity in accordance with section 16-331 or the affiliates, successors and assigns of such entity or an entity issued a certificate of cable franchise authority in accordance with section 16-331p or the affiliates, successors and assignees of such entity;

(48) "Certificate of video franchise authority" means an authorization issued by the [Department of Public Utility Control] Public Utilities Regulatory Authority conferring the right to an entity or person to own, lease, maintain, operate, manage or control facilities in, under or over any public highway to offer video service to any subscribers in the state;

(49) "Certificate of cable franchise authority" means an authorization issued by the [Department of Public Utility Control] Public Utilities Regulatory Authority pursuant to section 16-331q conferring the right to a community antenna television company to own, lease, maintain, operate, manage or control a community antenna television system in, under or over any public highway to (A) offer community antenna television service in a community antenna television company's designated franchise area, or (B) use the public rights-of-way to offer video service in a designated franchise area. The certificate of cable franchise authority shall be issued as an alternative to a certificate of public convenience and necessity pursuant to section 16-331 and shall only be available to a community antenna television company under the terms specified in sections 16-331q to 16-331aa, inclusive;

(50) "Thermal energy transportation company" means any person authorized under any provision of the general statutes or special act to furnish heat or air conditioning or both, by means of steam, heated or

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chilled water or other medium, to lay and maintain mains, pipes or other conduits, and to erect such other fixtures necessary or convenient in and on the streets, highways and public grounds of any municipality to carry steam, heated or chilled water or other medium from such plant to the location to be served and to return the same; [and]

(51) "The Connecticut Television Network" means the General Assembly's state-wide twenty-four-hour state public affairs programming service, separate and distinct from community access channels; and

(52) "Commissioner of Energy and Environmental Protection" means the Commissioner of Energy and Environmental Protection appointed pursuant to title 4.

(b) Notwithstanding any provision of the general statutes, the terms "utility", "public utility" and "public service company" shall be deemed to include a community antenna television company and a holder of a certificate of cable franchise authority, except (1) as otherwise provided in sections 16-8, as amended by this act, 16-27, 16-28 and 16-43, (2) that no provision of the general statutes, including but not limited to, the provisions of sections 16-6b and 16-19, shall subject a community antenna television company to regulation as a common carrier or utility by reason of providing community antenna television service, other than noncable communications service, as provided in Subchapter V-A of Chapter 5 of the Communications Act of 1934, 47 USC 521 et seq., as amended, and (3) that no provision of the general statutes, including but not limited to, sections 16-6b and 16-19, shall apply to community antenna television companies to the extent any such provision is preempted pursuant to any other provision of the Communications Act of 1934, 47 USC 151 et seq., as amended, any other federal act or any regulation adopted thereunder.

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

(a) There shall continue to be a Public Utilities ~~[Control]~~ Regulatory Authority within the Department of Energy and Environmental Protection, which shall consist of ~~[five]~~ three electors of this state, appointed by the Governor with the advice and consent of both houses of the General Assembly. Not more than ~~[three]~~ two members of said authority in office at any one time shall be members of any one political party. On or before July 1, ~~[1983, and quadrennially thereafter]~~ 2011, the Governor shall appoint three members to the authority. ~~[and on or before July 1, 1985, and quadrennially thereafter, the Governor shall appoint two members. All such members shall serve for a term of four years.]~~ The first director appointed by the Governor on or before July 1, 2011, who is of the same political party as that of the Governor shall serve a term of five years. The second director appointed by the Governor on or before July 1, 2011, who is of the same political party as that of the Governor shall serve a term of four years. The first director appointed by the Governor on or before July 1, 2011, who is of a different political party as that of the Governor shall serve a term of three years. Any director appointed on or after January 1, 2014, shall serve a term of four years. The procedure prescribed by section 4-7 shall apply to such appointments, except that the Governor shall submit each nomination on or before May first, and both houses shall confirm or reject it before adjournment sine die. The ~~[commissioners]~~ directors shall be sworn to the faithful performance of their duties. The term of any commissioner serving on June 30, 2011, shall be terminated.

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

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(c) Any matter coming before the authority may be assigned by the chairperson to a panel of [three commissioners, not more than two of whom shall be members of the same political party] one or more directors. Except as otherwise provided by statute or regulation, the panel shall determine whether a public hearing shall be held on the matter, and may designate one or two of its members to conduct such hearing or [appoint an examiner] request the appointment of a hearing officer to ascertain the facts and report thereon to the panel. The decision of the panel, if unanimous, shall be the decision of the authority. If the decision of the panel is not unanimous, the matter shall be [referred to the entire authority for decision] approved by a majority vote of the panel.

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

(e) To insure the highest standard of public utility regulation, on and after October 1, 2007, any newly appointed [commissioner] director of the authority shall have education or training and three or more years of experience in one or more of the following fields: Economics, engineering, law, accounting, finance, utility regulation, public or government administration, consumer advocacy, business management, and environmental management. On and after July 1, 1997, at least three of these fields shall be represented on the authority

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by individual [commissioners] directors at all times. Any time a [commissioner] director is newly appointed, at least one of the [commissioners] directors shall have experience in utility customer advocacy.

(f) The chairperson of the authority, with the [consent of two or more other members of the authority, shall appoint an executive director, who shall be the chief administrative officer of the Department of Public Utility Control. The executive director shall be supervised by the chairperson of the authority, serve for a term of four years and annually receive a salary equal to that established for management pay plan salary group seventy-two by the Commissioner of Administrative Services. The executive director (1) shall] approval of the Commissioner of Energy and Environmental Protection, shall prescribe the duties of the staff assigned to the authority in order to (1) conduct comprehensive planning with respect to the functions of the [department] authority; (2) [shall] coordinate the activities of the [department] authority; (3) [shall] cause the administrative organization of the [department] authority to be examined with a view to promoting economy and efficiency; (4) [shall, in concurrence with the chairperson of the authority,] organize the [department] authority into such divisions, bureaus or other units as [he deems] necessary for the efficient conduct of the business of the [department] authority and may from time to time [abolish, transfer or consolidate within the department, any division, bureau or other units as may be necessary for the efficient conduct of the business of the department, provided such organization shall include any division, bureau or other unit which is specifically required by the general statutes] make recommendations to the commissioner regarding staff and resources; (5) [shall,] for any proceeding on a proposed rate amendment in which staff of the [department] authority are to be made a party pursuant to section 16-19j, as amended by this act, determine which staff shall appear and participate in the proceedings and which shall serve the

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members of the authority; (6) [may] enter into such contractual agreements, in accordance with established procedures, as may be necessary for the discharge of [his] the authority's duties; [and] (7) [may,] subject to the provisions of section 4-32, and unless otherwise provided by law, receive any money, revenue or services from the federal government, corporations, associations or individuals, including payments from the sale of printed matter or any other material or services; and (8) [. The executive director shall] require the staff of the [department] authority to have expertise in public utility engineering and accounting, finance, economics, computers and rate design. [Subject to the provisions of chapter 67 and within available funds in any fiscal year, the executive director may appoint a secretary, and may employ such accountants, clerical assistants, engineers, inspectors, experts, consultants and agents as the department may require.]

(g) No [member] director of the authority or employee of the [department] Department of Energy and Environmental Protection assigned to work with the authority, shall, while serving as such, or during such assignment have any interest, financial or otherwise, direct or indirect, or engage in any business, employment, transaction or professional activity, or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties or employment in the public interest and of his or her responsibilities as prescribed in the laws of this state, as defined in section 1-85; provided, no such substantial conflict shall be deemed to exist solely by virtue of the fact that a [member] director of the authority or employee of the department assigned to work with the authority, or any business in which such a person has an interest, receives utility service from one or more Connecticut utilities under the normal rates and conditions of service.

(h) No member of the authority or employee of the department

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assigned to work with the authority, during such assignment, shall accept other employment which will either impair his or her independence of judgment as to his or her official duties or employment or require him or her, or induce him or her, to disclose confidential information acquired by him or her in the course of and by reason of his or her official duties.

(i) No [member] director of the authority or employee of the department assigned to work with the authority, during such assignment, shall wilfully and knowingly disclose, for pecuniary gain, to any other person, confidential information acquired by him or her in the course of and by reason of his or her official duties or employment or use any such information for the purpose of pecuniary gain.

(j) No [member] director of the authority or employee of the department assigned to work with the authority, during such assignment, shall agree to accept, or be in partnership or association with any person, or a member of a professional corporation or in membership with any union or professional association which partnership, association, professional corporation, union or professional association agrees to accept any employment, fee or other thing of value, or portion thereof, in consideration of his or her appearing, agreeing to appear, or taking any other action on behalf of another person before the authority, the Connecticut Siting Council, the Office of Policy and Management or the Commissioner of Energy and Environmental Protection.

(k) No [commissioner] director of the authority shall, for a period of one year following the termination of his or her service as a [commissioner] director, accept employment: (1) By a public service company or by any person, firm or corporation engaged in lobbying activities with regard to governmental regulation of public service companies; (2) by a certified telecommunications provider or by any person, firm or corporation engaged in lobbying activities with regard

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to governmental regulation of persons, firms or corporations so certified; or (3) by an electric supplier or by any person, firm or corporation engaged in lobbying activities with regard to governmental regulation of electric suppliers. No such [commissioner] director who is also an attorney shall in any capacity, appear or participate in any matter, or accept any compensation regarding a matter, before the authority, for a period of one year following the termination of his or her service as a [commissioner] director.

(l) The Public Utilities Regulatory Authority shall include a procurement manager whose duties shall include, but not be limited to, overseeing the procurement of electricity for standard service and who shall have experience in energy markets and procuring energy on a commercial scale.

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

(a) There shall [continue to] be an independent Office of Consumer Counsel, within the Department of [Public Utility Control for administrative purposes only] Energy and Environmental Protection, for administrative purposes only, to act as the advocate for consumer interests in all matters which may affect Connecticut consumers with respect to public service companies, electric suppliers and certified telecommunications providers. The Office of Consumer Counsel is authorized to appear in and participate in any regulatory or judicial proceedings, federal or state, in which such interests of Connecticut consumers may be involved, or in which matters affecting utility services rendered or to be rendered in this state may be involved. The Office of Consumer Counsel shall be a party to each contested case before the [Department of Public Utility Control] Public Utilities Regulatory Authority and shall participate in such proceedings to the extent it deems necessary. Said Office of Consumer Counsel may appeal from a decision, order or authorization in any such state

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regulatory proceeding notwithstanding its failure to appear or participate in said proceeding.

(b) Except as prohibited by the provisions of section 4-181, the Office of Consumer Counsel shall have access to the records of the Public Utilities [Control] Regulatory Authority and [the Department of Public Utility Control,] shall be entitled to call upon the assistance of the authority's and the department's experts, and shall have the benefit of all other facilities or information of the authority or department in carrying out the duties of the Office of Consumer Counsel, except for such internal documents, information or data as are not available to parties to the authority's proceedings. The department shall provide such space as necessary within the department's quarters for the operation of the Office of Consumer Counsel, and the department shall be empowered to set regulations providing for adequate compensation for the provision of such office space.

(c) The Office of Consumer Counsel shall be under the direction of a Consumer Counsel, who shall be appointed by the Governor with the advice and consent of either house of the General Assembly. The Consumer Counsel shall be an elector of this state and shall have demonstrated a strong commitment and involvement in efforts to safeguard the rights of the public. The Consumer Counsel shall serve for a term of five years unless removed pursuant to section 16-5. The salary of the Consumer Counsel shall be equal to that established for management pay plan salary group seventy-one by the Commissioner of Administrative Services. No Consumer Counsel shall, for a period of one year following the termination of service as Consumer Counsel, accept employment by a public service company, a certified telecommunications provider or an electric supplier. No Consumer Counsel who is also an attorney shall in any capacity, appear or participate in any matter, or accept any compensation regarding a matter, before the Public Utilities Control Authority, for a period of

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one year following the termination of service as Consumer Counsel.

(d) The Consumer Counsel shall hire such staff as [he deems] necessary to perform the duties of said Office of Consumer Counsel and may employ from time to time outside consultants knowledgeable in the utility regulation field including, but not limited to, economists, capital cost experts and rate design experts. The salaries and qualifications of the individuals so hired shall be determined by the Commissioner of Administrative Services pursuant to section 4-40.

(e) Nothing in this section shall be construed to prevent any party interested in such proceeding or action from appearing in person or from being represented by counsel therein.

(f) As used in this section, "consumer" means any person, city, borough or town that receives service from any public service company, electric supplier or from any certified telecommunications provider in this state whether or not such person, city, borough or town is financially responsible for such service.

(g) The Office of Consumer Counsel shall not be required to post a bond as a condition to presenting an appeal from any state regulatory decision, order or authorization.

(h) The expenses of the Office of Consumer Counsel shall be assessed in accordance with the provisions of section 16-49.

Sec. 17. Section 16-2c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

There is established a Division of Adjudication within the Department of [Public Utility Control] Energy and Environmental Protection. The staff of the division shall include, but not be limited to, hearing [examiners] officers appointed pursuant to subsection (c) of section 16-2, as amended by this act. The responsibilities of the division

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shall include, but not be limited to, hearing matters assigned under said subsection and advising the [chairperson of the Public Utilities Control Authority] commissioner and the Public Utilities Regulatory Authority concerning legal issues. The commissioner shall appoint such hearing officers pursuant to section 16-2, and assign such other staff as are necessary to advise the chairperson of the authority.

Sec. 18. Section 16-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

If any vacancy occurs in said Public Utilities [Control] Regulatory Authority at any time when the General Assembly is not in session, the Governor shall appoint a [commissioner] director to fill such vacancy until such vacancy is filled at the next session of the General Assembly. Any other vacancy shall be filled, for the unexpired portion of the term, in the manner provided in section 16-2.

Sec. 19. Section 16-4 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

No officer, employee, attorney or agent of any public service company, of any certified telecommunications provider or of any electric supplier shall be a member of the Public Utilities [Control] Regulatory Authority or an employee of the Department of [Public Utility Control] Energy and Environmental Protection.

Sec. 20. Section 16-6b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The [Department of Public Utility Control] Public Utilities Regulatory Authority, in consultation with the Department of Energy and Environmental Protection, may, in accordance with chapter 54, adopt such regulations with respect to rates and charges, services, accounting practices, safety and the conduct of operations generally of public service companies subject to its jurisdiction as it deems

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reasonable and necessary. The department in consultation with the authority may, in accordance with chapter 54, adopt such regulations with respect to services, accounting practices, safety and the conduct of operations generally of electric suppliers subject to its jurisdiction as it deems reasonable and necessary. After consultation with the Secretary of the Office of Policy and Management, the department may also adopt regulations, in accordance with chapter 54, establishing standards for systems utilizing cogeneration technology and renewable fuel resources.

Sec. 21. Section 16-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The [commissioners] directors and any employees [of] of the department assigned to the [Department of Public Utility Control] Public Utilities Regulatory Authority while engaged in the performance of their duties may, at all reasonable times, enter any premises, buildings, cars or other places belonging to or controlled by any public service company or electric supplier, and any person obstructing or in any way causing to be obstructed or hindered any member or employee of the department in the performance of his or her duties shall be fined not more than two hundred dollars or imprisoned not more than six months or both.

Sec. 22. Section 16-9 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

All decisions, orders and authorizations of the [Department of Public Utility Control] Public Utilities Regulatory Authority shall be in writing and shall specify the reasons therefor, shall be filed and kept in the office of the department and recorded in a book kept by it for that purpose and shall be public records. Said department may, at any time, for cause shown, upon hearing had after notice to all parties in interest, rescind, reverse or alter any decision, order or authorization

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by it made. Written notice of all orders, decisions or authorizations issued by the department shall be given to the company or person affected thereby, by personal service upon such company or person or by registered or certified mail, as the department determines. Any final decision, order or authorization of the Public Utility Regulatory Authority in a contested case shall constitute a final decision for the purposes of chapter 54.

Sec. 23. Subsections (a) and (b) of section 16-8 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The [Department of Public Utility Control] Public Utilities Regulatory Authority may, in its discretion, delegate its powers, in specific cases, to one or more of its [commissioners] directors or to a hearing [examiner] officer to ascertain the facts and report thereon to the [department] authority. The [department] authority, or any [commissioner] director thereof, in the performance of its duties or in connection with any hearing, or at the request of any person, corporation, company, town, borough or association, may summon and examine, under oath, such witnesses, and may direct the production of, and examine or cause to be produced and examined, such books, records, vouchers, memoranda, documents, letters, contracts or other papers in relation to the affairs of any public service company as it may find advisable, and shall have the same powers in reference thereto as are vested in magistrates taking depositions. If any witness objects to testifying or to producing any book or paper on the ground that such testimony, book or paper may tend to incriminate him, and the [department] authority directs such witness to testify or to produce such book or paper, and he complies, or if he is compelled so to do by order of court, he shall not be prosecuted for any matter concerning which he or she has so testified. The fees of witnesses summoned by the department to appear before it under the provisions

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of this section, and the fees for summoning witnesses shall be the same as in the Superior Court. All such fees, together with any other expenses authorized by statute, the method of payment of which is not otherwise provided, shall, when taxed by the [department] authority, be paid by the state, through the business office of the [department] authority, in the same manner as court expenses. The [department] authority may designate in specific cases a hearing [examiner] officer who may be a member of its technical staff or a member of the Connecticut Bar engaged for that purpose under a contract approved by the Secretary of the Office of Policy and Management to hold a hearing and make report thereon to the [department] authority. A hearing [examiner] officer so designated shall have the same powers as the [department] authority, or any [commissioner] director thereof, to conduct a hearing, except that only a [commissioner] director of the [department] authority shall have the power to grant immunity from prosecution to any witness who objects to testifying or to producing any book or paper on the ground that such testimony, book or paper may tend to incriminate him or her.

(b) (1) [In the performance of its duties the Department of Public Utility Control may establish management audit teams as a regular and continuing component of its staff. The management audit teams shall be composed of personnel with a professional background in accounting, engineering or any other training as the department may deem necessary to assure a competent and thorough review and audit.] The authority may, within available appropriations, employ professional personnel to perform management audits. The [department] authority shall promptly establish such procedures as it deems necessary or desirable to provide for management audits to be performed on a regular or irregular schedule on all or any portion of the operating procedures and any other internal workings of any public service company, including the relationship between any public service company and a related holding company or subsidiary,

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consistent with the provisions of section 16-8c, provided no such audit shall be performed on a community antenna television company, except with regard to any noncable communications services which the company may provide, or when (A) such an audit is necessary for the [department] authority to perform its regulatory functions under the Communications Act of 1934, 47 USC 151, et seq., as amended from time to time, other federal law or state law, (B) the cost of such an audit is warranted by a reasonably foreseeable financial, safety or service benefit to subscribers of the company which is the subject of such an audit, and (C) such an audit is restricted to examination of the operating procedures that affect operations within the state.

(2) In any case where the [department] authority determines that an audit is necessary or desirable, it may (A) order the audit to be performed by one of [its] the management audit teams, (B) require the affected company to perform the audit utilizing the company's own internal management audit staff as supervised by designated members of the [department's] authority's staff, or (C) require that the audit be performed under the supervision of designated members of the [department's] authority's staff by an independent management consulting firm selected by the [department] authority, in consultation with the affected company. If the affected company has more than seventy-five thousand customers, such independent management consulting firm shall be of nationally-recognized stature. All reasonable and proper expenses of the audits, including, but not limited to, the costs associated with the audit firm's testimony at a public hearing or other proceeding, shall be borne by the affected companies and shall be paid by such companies at such times and in such manner as the [department] authority directs.

(3) For purposes of this section, a complete audit shall consist of (A) a diagnostic review of all functions of the audited company, which shall include, but not be limited to, documentation of the operations of

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the company, assessment of the company's system of internal controls, and identification of any areas of the company which may require subsequent audits, and (B) the performance of subsequent focused audits identified in the diagnostic review and determined necessary by the [department] authority. All audits performed pursuant to this section shall be performed in accordance with generally accepted management audit standards. The department shall adopt regulations in accordance with the provisions of chapter 54 setting forth such generally accepted management audit standards. Each audit of a community antenna television company shall be consistent with the provisions of the Communications Act of 1934, 47 USC 151, et seq., as amended from time to time, and of any other applicable federal law. The [department] authority shall certify whether a portion of an audit conforms to the provisions of this section and constitutes a portion of a complete audit.

(4) A complete audit of each portion of each gas, electric or electric distribution company having more than seventy-five thousand customers shall begin no less frequently than every six years, so that a complete audit of such a company's operations shall be performed every six years. Such an audit of each such company having more than seventy-five thousand customers shall be updated as required by the [department] authority.

(5) The results of an audit performed pursuant to this section shall be filed with the [department] authority and shall be open to public inspection. Upon completion and review of the audit, if the person or firm performing or supervising the audit determines that any of the operating procedures or any other internal workings of the affected public service company are inefficient, improvident, unreasonable, negligent or in abuse of discretion, the [department] authority may, after notice and opportunity for a hearing, order the affected public service company to adopt such new or altered practices and

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procedures as the [department] authority shall find necessary to promote efficient and adequate service to meet the public convenience and necessity. The [department] authority shall annually submit a report of audits performed pursuant to this section to the joint standing committee of the General Assembly having cognizance of matters relating to public utilities which report shall include the status of audits begun but not yet completed and a summary of the results of audits completed.

(6) All reasonable and proper costs and expenses, as determined by the [department] authority, of complying with any order of the [department] authority pursuant to this subsection shall be recognized by the [department] authority for all purposes as proper business expenses of the affected company.

(7) After notice and hearing, the [department] authority may modify the scope and schedule of a management audit of a telephone company which is subject to an alternative form of regulation so that such audit is consistent with that alternative form of regulation.

Sec. 24. Section 16-8a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) No public service company, as defined in section 16-1, holding company, as defined in section 16-47, or Nuclear Regulatory Commission licensee operating a nuclear power generating facility in this state, or person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such public service company, holding company or licensee, may take or threaten to take any retaliatory action against an employee for the employee's disclosure of (1) any matter involving the substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company or licensee, or (2) information pursuant to section 31-51m. Any employee found to have knowingly made a false

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disclosure shall be subject to disciplinary action by the employee's employer, up to and including dismissal.

(b) Any employee of such a public service company, holding company or licensee, or of any person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such a public service company, holding company or licensee, having knowledge of any of the following may transmit all facts and information in the employee's possession to the [Department of Public Utility Control] Public Utilities Regulatory Authority: (1) Any matter involving substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company or licensee; or (2) any matter involving retaliatory action or the threat of retaliatory action taken against an employee who has reported the misfeasance, malfeasance or nonfeasance, in the management of such public service company, holding company or licensee. With regard to any matter described in subdivision (1) of this subsection, the [department] authority shall investigate such matter in accordance with the provisions of section 16-8 and shall not disclose the identity of such employee without the employee's consent unless it determines that such disclosure is unavoidable during the course of the investigation. With regard to any matter described in subdivision (2) of this subsection, the matter shall be handled in accordance with the procedures set forth in subsections (c) and (d) of this section.

(c) (1) Not more than thirty business days after receipt of a written complaint, in a form prescribed by the [department] authority, by an employee alleging the employee's employer has retaliated against an employee in violation of subsection (a) of this section, the [department] authority shall make a preliminary finding in accordance with this subsection.

(2) Not more than five business days after receiving a written complaint, in a form prescribed by the [department] authority, the

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[department] authority shall notify the employer by certified mail. Such notification shall include a description of the nature of the charges and the substance of any relevant supporting evidence. The employer may submit a written response and both the employer and the employee may present rebuttal statements in the form of affidavits from witnesses and supporting documents and may meet with the [department] authority informally to respond verbally about the nature of the employee's charges. The [department] authority shall consider in making its preliminary finding as provided in subdivision (3) of this subsection any such written and verbal responses, including affidavits and supporting documents, received by the [department] authority not more than twenty business days after the employer receives such notice. Any such response received after twenty business days shall be considered by the [department] authority only upon a showing of good cause and at the discretion of the [department] authority. The [department] authority shall make its preliminary finding as provided in subdivision (3) of this subsection based on information described in this subdivision, without a public hearing.

(3) Unless the [department] authority finds by clear and convincing evidence that the adverse employment action was taken for a reason unconnected with the employee's report of substantial misfeasance, malfeasance or nonfeasance, there shall be a rebuttable presumption that an employee was retaliated against in violation of subsection (a) of this section if the [department] authority finds that: (A) The employee had reported substantial misfeasance, malfeasance or nonfeasance in the management of the public service company, holding company or licensee; (B) the employee was subsequently discharged, suspended, demoted or otherwise penalized by having the employee's status of employment changed by the employee's employer; and (C) the subsequent discharge, suspension, demotion or other penalty followed the employee's report closely in time.

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(4) If such findings are made, the [department] authority shall issue an order requiring the employer to immediately return the employee to the employee's previous position of employment or an equivalent position pending the completion of the [department's] authority's full investigatory proceeding pursuant to subsection (d) of this section.

(d) Not later than thirty days after making a preliminary finding in accordance with the provisions of subsection (c) of this section, the [department] authority shall initiate a full investigatory proceeding in accordance with the provisions of section 16-8, at which time the employer shall have the opportunity to rebut the presumption. The [department] authority may issue orders or impose civil penalties in a manner that conforms with the notice and hearing provisions in section 16-41 against a public service company, holding company or licensee or a person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such public service company, holding company or licensee, in order to enforce the provisions of this section.

(e) If an employee or former employee of such a public service company, holding company or licensee, or of a person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such a public service company, holding company or licensee, having knowledge of any matter involving the substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company or licensee, enters into an agreement with the employee's employer that contains a provision directly or indirectly discouraging the employee from presenting a written complaint or testimony concerning such misfeasance, malfeasance or nonfeasance in any legislative, administrative or judicial proceeding, such provision shall be void as against public policy.

(f) The [Department of Public Utility Control] Public Utilities

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Regulatory Authority shall adopt regulations, in accordance with chapter 54, to carry out the provisions of this section. Such regulations shall include the following: (1) The procedures by which a complaint may be brought pursuant to subsection (a) of this section; (2) the time period in which such a complaint may be brought; (3) the time period by which the [department] authority shall render a decision pursuant to subsection (d) of this section; (4) the form on which written complaints shall be submitted to the [department] authority by an employee pursuant to subsection (c) of this section; and (5) the requirement that a notice be posted in the workplace informing all employees of any public service company, holding company and licensee and of any person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to a company or licensee, as defined in subsection (b) of this section, of their rights under this section, including the right to be reinstated in accordance with subsection (c) of this section.

Sec. 25. Section 16-18a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) In the performance of their duties the [Department of Public Utility Control] Public Utilities Regulatory Authority and the Office of Consumer Counsel may retain consultants to assist their staffs in proceedings before the [department] authority by providing expertise in areas in which staff expertise does not currently exist or when necessary to supplement existing staff expertise. In any case where the [department] authority or Office of Consumer Counsel determines that the services of a consultant are necessary or desirable, the [department] authority shall (1) allow opportunity for the parties and participants to the proceeding for which the services of a consultant are being considered to comment regarding the necessity or desirability of such services, (2) upon the request of a party or participant to the proceeding for which the services of a consultant are being considered,

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hold a hearing, and (3) limit the reasonable and proper expenses for such services to not more than two hundred thousand dollars for each agency per proceeding involving a public service company, telecommunications company, electric supplier or person seeking certification to provide telecommunications services pursuant to chapter 283, with more than fifteen thousand customers, and to not more than fifty thousand dollars for each agency per proceeding involving such a company, electric supplier or person with less than fifteen thousand customers, provided the [department] authority or the Office of Consumer Counsel may exceed such limits for good cause. In the case of multiple proceedings conducted to implement the provisions of this section and sections 16-1, 16-19, 16-19e, 16-22, 16-247a to 16-247c, inclusive, 16-247e to 16-247i, inclusive, 16-247k and subsection (e) of 16-331, the [department] authority or the Office of Consumer Counsel may exceed such limits, but the total amount for all such proceedings shall not exceed the aggregate amount which would be available pursuant to this section. All reasonable and proper expenses, as defined in subdivision (3) of this section, shall be borne by the affected company, electric supplier or person and shall be paid by such company, electric supplier or person at such times and in such manner as the [department] authority or the Office of Consumer Counsel directs. All reasonable and proper costs and expenses, as defined in subdivision (3) of this section, shall be recognized by the [department] authority for all purposes as proper business expenses of the affected company, electric supplier or person. The providers of consultant services shall be selected by the [department] authority or the Office of Consumer Counsel and shall submit written findings and recommendations to the [department] authority or the Office of Consumer Counsel, as the case may be, which shall be made part of the public record.

[(b) The Department of Public Utility Control may retain consultants to assist in developing and implementing the public

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education outreach program pursuant to section 16-244d, provided the authorization to retain such consultants shall expire December 31, 2005, and provided further the reasonable and proper expenses for such services shall not exceed three hundred fifty thousand dollars in the aggregate. All reasonable and proper expenses accrued prior to January 1, 2000, shall be borne by electric companies or electric distribution companies, as the case may be. After the systems benefits charge begins to be collected on January 1, 2000, pursuant to section 16-245l, such companies shall recover those expenses that have been accrued by the companies up until said date through the systems benefits charge. On and after January 1, 2000, all reasonable and proper expenses shall be assessed directly through the systems benefits charge.]

[(c)] (b) Notwithstanding any provision of the general statutes, the [department] authority and the Office of Consumer Counsel shall not retain any consultant under subsection (a) of this section in connection with any proceeding involving telecommunications if such consultant, at the time the consultant would be retained, is serving as a consultant to a certified telecommunications provider or a telephone company that would be affected by such proceeding, unless each party and intervenor to such proceeding agrees in writing to waive the provisions of this subsection.

Sec. 26. Section 16-19a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) (1) The [Department of Public Utility Control] Public Utilities Regulatory Authority shall, at intervals of not more than four years from the last previous general rate hearing of each gas, electric and electric distribution company having more than seventy-five thousand customers, conduct a complete review and investigation of the financial and operating records of each such company and hold a public hearing to determine whether the rates of each such company

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are unreasonably discriminatory or more or less than just, reasonable and adequate, or that the service furnished by such company is inadequate to or in excess of public necessity and convenience or that the rates do not conform to the principles and guidelines set forth in section 16-19e. In making such determination, the [department] authority shall consider the gross and net earnings of such company since its last previous general rate hearing, its retained earnings, its actual and proposed capital expenditures, its advertising expenses, the dividends paid to its stockholders, the rate of return paid on its preferred stock, bonds, debentures and other obligations, its credit rating, and such other financial and operating information as the [department] authority may deem pertinent.

(2) The [department] authority may conduct a general rate hearing in accordance with subsection (a) of section 16-19, in lieu of the periodic review and investigation proceedings required under subdivision (1) of this subsection.

(b) In the proceeding required under subdivision (1) of subsection (a) of this section, the [department] authority may approve performance-based incentives to encourage a gas or electric company to operate efficiently and provide high quality service at fair and reasonable prices. Notwithstanding subsection (a) of this section, if the [department] authority approves such performance-based incentives for a particular company, the [department] authority shall include in such approval a framework for periodic monitoring and review of the company's performance in regard to criteria specified by the [department] authority, which shall include, but not be limited to, the company's return on equity, reliability and quality of service. The [department's] authority's periodic monitoring and review shall be used in lieu of the periodic review and investigation proceedings required under subdivision (1) of subsection (a) of this section. If the [department] authority determines in the periodic monitoring and

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review that a more extensive review of company performance is necessary, the [department] authority may institute a further proceeding in accordance with the purposes of this chapter, including a complete review and investigation described in subdivision (1) of subsection (a) of this section.

Sec. 27. Section 16-19e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) In the exercise of its powers under the provisions of this title, the [Department of Public Utility Control] Public Utilities Regulatory Authority shall examine and regulate the transfer of existing assets and franchises, the expansion of the plant and equipment of existing public service companies, the operations and internal workings of public service companies and the establishment of the level and structure of rates in accordance with the following principles: (1) That there is a clear public need for the service being proposed or provided; (2) that the public service company shall be fully competent to provide efficient and adequate service to the public in that such company is technically, financially and managerially expert and efficient; (3) that the [department] authority and all public service companies shall perform all of their respective public responsibilities with economy, efficiency and care for public safety and energy security, and so as to promote economic development within the state with consideration for energy and water conservation, energy efficiency and the development and utilization of renewable sources of energy and for the prudent management of the natural environment; (4) that the level and structure of rates be sufficient, but no more than sufficient, to allow public service companies to cover their operating costs including, but not limited to, appropriate staffing levels, and capital costs, to attract needed capital and to maintain their financial integrity, and yet provide appropriate protection to the relevant public interests, both existing and foreseeable which shall include, but not be limited

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to, reasonable costs of security of assets, facilities and equipment that are incurred solely for the purpose of responding to security needs associated with the terrorist attacks of September 11, 2001, and the continuing war on terrorism; (5) that the level and structure of rates charged customers shall reflect prudent and efficient management of the franchise operation; and (6) that the rates, charges, conditions of service and categories of service of the companies not discriminate against customers which utilize renewable energy sources or cogeneration technology to meet a portion of their energy requirements.

(b) The [Department of Public Utility Control] Public Utilities Regulatory Authority shall promptly undertake a separate, general investigation of, and shall hold at least one public hearing on new pricing principles and rate structures for electric companies and for gas companies to consider, without limitation, long run incremental cost of marginal cost pricing, peak load or time of day pricing and proposals for optimizing the utilization of energy and restraining its wasteful use and encouraging energy conservation, and any other matter with respect to pricing principles and rate structures as the [department] authority shall deem appropriate. The [department] authority shall determine whether existing or future rate structures place an undue burden upon those persons of poverty status and shall make such adjustment in the rate structure as is necessary or desirable to take account of their indigency. The [department] authority shall require the utilization of such new principles and structures to the extent that the [department] authority determines that their implementation is in the public interest and necessary or desirable to accomplish the purposes of this provision without being unfair or discriminatory or unduly burdensome or disruptive to any group or class of customers, and determines that such principles and structures are capable of yielding required revenues. In reviewing the rates and rate structures of electric and gas companies, the [department] authority shall take

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into consideration appropriate energy policies, including those of the state as expressed in subsection (c) of this section. The authority shall issue its initial findings on such investigation by December 1, 1976, and its final findings and order by June 1, 1977; provided that after such final findings and order are issued, the [department] authority shall at least once every two years undertake such further investigations as it deems appropriate with respect to new developments or desirable modifications in pricing principles and rate structures and, after holding at least one public hearing thereon, shall issue its findings and order thereon.

(c) The Department of [Public Utility Control] Energy and Environmental Protection shall [consult at least once each year with the Commissioner of Environmental Protection, the Connecticut Siting Council and the Office of Policy and Management, so as to] coordinate and integrate its actions, decisions and policies pertaining to gas and electric companies, so far as possible, with the actions, decisions and policies of [said] other agencies and instrumentalities in order to further the development and optimum use of the state's energy resources and conform to the greatest practicable extent with the state energy policy as stated in section 16a-35k, taking into account prudent management of the natural environment and continued promotion of economic development within the state. [In the performance of its duties, the department shall take into consideration the energy policies of the state as expressed in this subsection and in any annual reports prepared or filed by such other agencies and instrumentalities, and] The department shall defer, as appropriate, to any actions taken by [such] other agencies and instrumentalities on matters within their respective jurisdictions.

(d) The Commissioner of Energy and Environmental Protection, the Commissioner of Economic and Community Development, and the Connecticut Siting Council [and the Office of Policy and Management

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shall] may be made parties to each proceeding on a rate amendment proposed by a gas, electric or electric distribution company based upon an alleged need for increased revenues to finance an expansion of capital equipment and facilities, and shall participate in such proceedings to the extent necessary.

(e) The [Department of Public Utility Control] Public Utilities Regulatory Authority, in a proceeding on a rate amendment proposed by an electric distribution company based upon an alleged need for increased revenues to finance an expansion of the capacity of its electric distribution system, shall determine whether demand-side management would be more cost-effective in meeting any demand for electricity for which the increase in capacity is proposed.

(f) The provisions of this section shall not apply to the regulation of a telecommunications service which is a competitive service, as defined in section 16-247a, or to a telecommunications service to which an approved plan for an alternative form of regulation applies, pursuant to section 16-247k.

(g) The [department] authority may, upon application of any gas or electric public service company, which has, as part of its existing rate plan, an earnings sharing mechanism, modify such rate plan to allow the gas or electric public service company, after a hearing that is conducted as a contested case, in accordance with chapter 54, to include in its rates the reasonable costs of security of assets, facilities, and equipment, both existing and foreseeable, that are incurred solely for the purpose of responding to security needs associated with the terrorist attacks of September 11, 2001, and the continuing war on terrorism.

Sec. 28. Section 16-19f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(a) As used in this section:

(1) "Cost of service" means an electric utility rate for a class of consumer which is designed, to the maximum extent practicable, to reflect the cost to the utility in providing electric service to such class;

(2) "Declining block rate" means an electric utility rate for a class of consumer which prices successive blocks of electricity consumed by such consumer at lower per-unit prices;

(3) "Time of day rate" means an electric utility rate for a class of consumer which is designed to reflect the cost to the utility of providing electricity to such consumer at different times of the day;

(4) "Seasonal rate" means an electric utility rate for a class of consumer designed to reflect the cost to the utility in providing electricity to such consumer during different seasons of the year;

(5) "Interruptible rate" means an electric utility rate designed to reflect the cost to the utility in providing service to a consumer where such consumer permits his service to be interrupted during periods of peak electrical demand;

(6) "Load management techniques" means cost-effective techniques used by an electric utility to reduce the maximum kilowatt demand on the utility.

(b) The [Department of Public Utility Control] Public Utilities Regulatory Authority, with respect to each electric public service company and each municipal electric company, shall, within two years, consider and determine whether it is appropriate to implement any of the following rate design standards: (1) Cost of service; (2) prohibition of declining block rates; (3) time of day rates; (4) seasonal rates; (5) interruptible rates; and (6) load management techniques. The consideration of said standards by the [department] authority and

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each municipal electric company shall be made after public notice and hearing. Such hearing may be held concurrently with a hearing required pursuant to subsection (b) of section 16-19e. The [department] authority and each municipal company shall make a determination on whether it is appropriate to implement any of said standards. Said determination shall be in writing, shall take into consideration the evidence presented at the hearing and shall be available to the public. A standard shall be deemed to be appropriate for implementation if such implementation would encourage energy conservation, optimal and efficient use of facilities and resources by an electric public service company or municipal electric company and equitable rates for electric consumers.

(c) The [Department of Public Utility Control] Public Utilities Regulatory Authority, with respect to each electric public service company, and each municipal electric company may implement any standard determined under subsection (b) of this section to be appropriate or decline to implement any such standard. If the [department] authority or a municipal electric company declines to implement any standard determined to be appropriate, it shall state in writing its reasons for doing so and make such statement available to the public.

(d) The provisions of this section shall not apply to any municipal electric company which has total annual sales of electricity for purposes other than resale of five hundred million kilowatt-hours or less.

Sec. 29. Section 16-19h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The [Department of Public Utility Control] Public Utilities Regulatory Authority may reopen proceedings on a proposed rate amendment filed under section 16-19 and amend its final decision on

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such filing to adjust the rates of a water company, as defined in section 16-1, to include in the rate base the construction costs associated with additions to a plant that are required by order of the [Department of Public Utility Control] authority, the Department of Public Health or the Department of Energy and Environmental Protection. The adjustment and approval of any rate under this section shall be based on the criteria set forth in section 16-19e.

Sec. 30. Section 16-49 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

As used in this section:

(1) "Company" means (A) any public service company other than a telephone company, that had more than one hundred thousand dollars of gross revenues in the state in the calendar year preceding the assessment year under this section, except any such company not providing service to retail customers in the state, (B) any telephone company that had more than one hundred thousand dollars of gross revenues in the state from telecommunications services in the calendar year preceding the assessment year under this section, except any such company not providing service to retail customers in the state, (C) any certified telecommunications provider that had more than one hundred thousand dollars of gross revenues in the state from telecommunications services in the calendar year preceding the assessment year under this section, except any such certified telecommunications provider not providing service to retail customers in the state, [or] (D) any electric supplier that had more than one hundred thousand dollars of gross revenues in the state in the calendar year preceding the assessment year under this section, except any such supplier not providing electric generation services to retail customers in the state, or (E) any certified competitive video service provider issued a certificate of video franchise authority by the Department of Energy and Environmental Protection in accordance with section 16-

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331e that had more than one hundred thousand dollars of gross revenues in the state in the calendar year preceding the assessment year under this section, except any such certified competitive video service provider not providing service to retail customers in the state;

(2) "Telecommunications services" means (A) in the case of telecommunications services provided by a telephone company, any service provided pursuant to a tariff approved by the department other than wholesale services and resold access and interconnections services, and (B) in the case of telecommunications services provided by a certified telecommunications provider other than a telephone company, any service provided pursuant to a tariff approved by the [department] authority and pursuant to a certificate of public convenience and necessity; and

(3) "Fiscal year" means the period beginning July first and ending June thirtieth.

(b) On or before July 15, 1999, and on or before May first, annually thereafter, each company shall report its intrastate gross revenues of the preceding calendar year to the [department] Public Utilities Regulatory Authority, which amount shall be subject to audit by the [department] authority. For each fiscal year, each company shall pay the [Department of Public Utility Control] authority the company's share of all expenses of the [department and the] department's Bureau of Energy, the Office of Consumer Counsel, and the operations of the Public Utilities Regulatory Authority for such fiscal year. On or before September first, annually, the [department] authority shall give to each company a statement which shall include: (1) The amount appropriated to the [department and the Office of Consumer Counsel] department's Bureau of Energy, the Office of Consumer Counsel and the operations of the Public Utilities Regulatory Authority for the fiscal year beginning July first of the same year; (2) the total gross revenues of all companies; and (3) the proposed assessment against the

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company for the fiscal year beginning on July first of the same year, adjusted to reflect the estimated payment required under subdivision (1) of subsection (c) of this section. Such proposed assessment shall be calculated by multiplying the company's percentage share of the total gross revenues as specified in subdivision (2) of this subsection by the total revenue appropriated to the [department and the Office of Consumer Counsel] department's Bureau of Energy, the Office of Consumer Counsel and the operations of the Public Utility Regulatory Authority, as specified in subdivision (1) of this subsection.

(c) Each company shall pay the [department] authority: (1) On or before June thirtieth, annually, an estimated payment for the expenses of the following year equal to twenty-five per cent of its assessment for the fiscal year ending on such June thirtieth, (2) on or before September thirtieth, annually, twenty-five per cent of its proposed assessment, adjusted to reflect any credit or amount due under the recalculated assessment for the preceding fiscal year, as determined by the [department] authority under subsection (d) of this section, provided if the company files an objection in accordance with subsection (e) of this section, it may withhold the amount stated in its objection, and (3) on or before the following December thirty-first and March thirty-first, annually, the remaining fifty per cent of its proposed assessment in two equal installments.

(d) Immediately following the close of each fiscal year, the [department] authority shall recalculate the proposed assessment of each company, based on the expenses, as determined by the Comptroller, of the [department and the Office of Consumer Counsel] department's Bureau of Energy, the Office of Consumer Counsel and the operations of the Public Utilities Regulatory Authority for such fiscal year. On or before September first, annually, the [department] authority shall give to each company a statement showing the difference between its recalculated assessment and the amount

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previously paid by the company.

(e) Any company may object to a proposed or recalculated assessment by filing with the [department] authority, not later than September fifteenth of the year of said assessment, a petition stating the amount of the proposed or recalculated assessment to which it objects and the grounds upon which it claims such assessment is excessive, erroneous, unlawful or invalid. After a company has filed a petition, the [department] authority shall hold a hearing. After reviewing the company's petition and testimony, if any, the [department] authority shall issue an order in accordance with its findings. The company shall pay the [department] authority the amount indicated in the order not later than thirty days after the date of the order.

(f) The [department] authority shall remit all payments received under this section to the State Treasurer for deposit in the Consumer Counsel and Public Utility Control Fund established under section 16-48a. Such funds shall be accounted for as expenses recovered from public service companies and certified telecommunications providers. All payments made under this section shall be in addition to any taxes payable to the state under chapters 211, 212, 212a and 219.

(g) Any assessment unpaid on the due date or any portion of an assessment withheld after the due date under subsection (c) of this section shall be subject to interest at the rate of one and one-fourth per cent per month or fraction thereof, or fifty dollars, whichever is greater.

(h) Any company that fails to report in accordance with this section shall be subject to civil penalties in accordance with section 16-41.

Sec. 31. Section 16-19j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(a) The Public Utilities [Control] Regulatory Authority may require a portion of the staff of the [department] authority to be made a party to any proceeding.

(b) Notwithstanding subsection (a) of this section, the authority shall require a portion of the staff to be made a party to proceedings relating to (1) a rate amendment proposed pursuant to section 16-19 by a public service company having more than seventy-five thousand customers, (2) the approval of performance-based incentives pursuant to subsection (b) of section 16-19a, or (3) the approval of any alternative form of regulation pursuant to section 16-247k, provided the authority shall not require a portion of the staff to be made a party to any proceeding described in this subsection if the authority issues a notice of its intent not to do so in writing. The notice shall include the reasons for not requiring a portion of the staff to be made a party. Upon petition of any party so noticed, the authority shall require a portion of the staff to be made a party.

(c) The provisions of section 4-181 shall apply to any proceeding in which a portion of [department] authority staff is made a party.

(d) The [department] authority staff assigned to participate as a party to any rate proceedings described in subdivision (1) of subsection (b) of this section shall review the proposed rate amendment filed by the company and shall file with the [commissioners of the department] directors of the authority proposed modifications of the rate amendment. Such modifications shall carry out the purposes of subsection (a) of section 16-19e and section 16a-35k. Such staff shall appear and participate in the proceedings in support of its proposed modifications and may employ outside consultants knowledgeable in the utility regulation field.

Sec. 32. Section 16-50j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(a) There is established a "Connecticut Siting Council", hereinafter referred to as the "council", which shall be within the Department of [Public Utility Control] Energy and Environmental Protection for administrative purposes only.

(b) Except for proceedings under chapter 445, this subsection and subsection (c) of this section, the council shall consist of: (1) The Commissioner of Energy and Environmental Protection, or his designee; (2) [the chairman, or his designee, of the Public Utilities Control Authority] the chairperson of the Public Utilities Regulatory Authority, or the chairperson's designee; (3) one designee of the speaker of the House and one designee of the president pro tempore of the Senate; and (4) five members of the public, to be appointed by the Governor, at least two of whom shall be experienced in the field of ecology, and not more than one of whom shall have affiliation, past or present, with any utility or governmental utility regulatory agency, or with any person owning, operating, controlling, or presently contracting with respect to a facility, a hazardous waste facility, as defined in section 22a-115, or an ash residue disposal area.

(c) For proceedings under chapter 445, subsection (b) of this section and this subsection, the council shall consist of (1) the Commissioners of Public Health and Public Safety or their designated representatives; (2) the designees of the speaker of the House of Representatives and the president pro tempore of the Senate as provided in subsection (b) of this section; (3) the five members of the public as provided in subsection (b) of this section; and (4) four ad hoc members, three of whom shall be electors from the municipality in which the proposed facility is to be located and one of whom shall be an elector from a neighboring municipality likely to be most affected by the proposed facility. The municipality most affected by the proposed facility shall be determined by the permanent members of the council. If any one of the five members of the public or of the designees of the speaker of the

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House of Representatives or the president pro tempore of the Senate resides (A) in the municipality in which a hazardous waste facility is proposed to be located for a proceeding concerning a hazardous waste facility or in which a low-level radioactive waste facility is proposed to be located for a proceeding concerning a low-level radioactive waste facility, or (B) in the neighboring municipality likely to be most affected by the proposed facility, the appointing authority shall appoint a substitute member for the proceedings on such proposal. If any appointee is unable to perform his duties on the council due to illness, or has a substantial financial or employment interest which is in conflict with the proper discharge of his duties under this chapter, the appointing authority shall appoint a substitute member for proceedings on such proposal. An appointee shall report any substantial financial or employment interest which might conflict with the proper discharge of his duties under this chapter to the appointing authority who shall determine if such conflict exists. If any state agency is the applicant, an appointee shall not be deemed to have a substantial employment conflict of interest because of employment with the state unless such appointee is directly employed by the state agency making the application. Ad hoc members shall be appointed by the chief elected official of the municipality they represent and shall continue their membership until the council issues a letter of completion of the development and management plan to the applicant.

(d) For proceedings under sections 22a-285d to 22a-285h, inclusive, the council shall consist of (1) the Commissioners of Public Health and Public Safety or their designated representatives; (2) the designees of the speaker of the House of Representatives and the president pro tempore of the Senate as provided in subsection (b) of this section, and (3) five members of the public as provided in subsection (b) of this section. If any one of the five members of the public or of the designees of the speaker of the House of Representatives or the president pro tempore of the Senate resides in the municipality in which an ash

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residue disposal area is proposed to be located the appointing authority shall appoint a substitute member for the proceedings on such proposal. If any appointee is unable to perform his duties on the council due to illness, or has a substantial financial or employment interest which is in conflict with the proper discharge of his duties under sections 22a-285d to 22a-285h, inclusive, the appointing authority shall appoint a substitute member for proceedings on such proposal. An appointee shall report any substantial financial or employment interest which might conflict with the proper discharge of his duties under said sections to the appointing authority who shall determine if such conflict exists. If any state agency is the applicant, an appointee shall not be deemed to have a substantial employment conflict of interest because of employment with the state unless such appointee is directly employed by the state agency making the application.

(e) The chairman of the council shall be appointed by the Governor from among the five public members appointed by him, with the advice and consent of the House or Senate, and shall serve as chairman at the pleasure of the Governor.

(f) The public members of the council, including the chairman, the members appointed by the speaker of the House and president pro tempore of the Senate and the four ad hoc members specified in subsection (c) of this section, shall be compensated for their attendance at public hearings, executive sessions, or other council business as may require their attendance at the rate of two hundred dollars, provided in no case shall the daily compensation exceed two hundred dollars.

(g) The council shall, in addition to its other duties prescribed in this chapter, adopt, amend, or rescind suitable regulations to carry out the provisions of this chapter and the policies and practices of the council in connection therewith, and appoint and prescribe the duties of such staff as may be necessary to carry out the provisions of this chapter.

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The chairman of the council, with the consent of five or more other members of the council, may appoint an executive director, who shall be the chief administrative officer of the Connecticut Siting Council. The executive director shall be exempt from classified service.

(h) Prior to commencing any hearing pursuant to section 16-50m, the council shall consult with and solicit written comments from the Department of Energy and Environmental Protection, the Department of Public Health, the Council on Environmental Quality, the Department of Agriculture, the [Department of Public Utility Control] Public Utilities Regulatory Authority, the Office of Policy and Management, the Department of Economic and Community Development and the Department of Transportation. In addition, the Department of Energy and Environmental Protection shall have the continuing responsibility to investigate and report to the council on all applications which prior to October 1, 1973, were within the jurisdiction of [said] the Department of Environmental Protection with respect to the granting of a permit. Copies of such comments shall be made available to all parties prior to the commencement of the hearing. Subsequent to the commencement of the hearing, said departments and council may file additional written comments with the council within such period of time as the council designates. All such written comments shall be made part of the record provided by section 16-50o. Said departments and council shall not enter any contract or agreement with any party to the proceedings or hearings described in this section or section 16-50p, that requires said departments or council to withhold or retract comments, refrain from participating in or withdraw from said proceedings or hearings.

Sec. 33. Section 16-245m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) (1) On and after January 1, 2000, the [Department of Public Utility Control] Public Utilities Regulatory Authority shall assess or

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cause to be assessed a charge of three mills per kilowatt hour of electricity sold to each end use customer of an electric distribution company to be used to implement the program as provided in this section for conservation and load management programs but not for the amortization of costs incurred prior to July 1, 1997, for such conservation and load management programs.

(2) Notwithstanding the provisions of this section, receipts from such charge shall be disbursed to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005, unless the [department] authority shall, on or before October 30, 2003, issue a financing order for each affected electric distribution company in accordance with sections 16-245e to 16-245k, inclusive, to sustain funding of conservation and load management programs by substituting an equivalent amount, as determined by the [department] authority in such financing order, of proceeds of rate reduction bonds for disbursement to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005. The [department] authority may authorize in such financing order the issuance of rate reduction bonds that substitute for disbursement to the General Fund for receipts of both the charge under this subsection and under subsection (b) of section 16-245n and also may, in its discretion, authorize the issuance of rate reduction bonds under this subsection and subsection (b) of section 16-245n that relate to more than one electric distribution company. The [department] authority shall, in such financing order or other appropriate order, offset any increase in the competitive transition assessment necessary to pay principal, premium, if any, interest and expenses of the issuance of such rate reduction bonds by making an equivalent reduction to the charge imposed under this subsection, provided any failure to offset all or any portion of such increase in the competitive transition assessment shall not affect the need to implement the full amount of such increase as required by this subsection and by sections 16-245e to 16-245k, inclusive. Such

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financing order shall also provide if the rate reduction bonds are not issued, any unrecovered funds expended and committed by the electric distribution companies for conservation and load management programs, provided such expenditures were approved by the [department] authority after August 20, 2003, and prior to the date of determination that the rate reduction bonds cannot be issued, shall be recovered by the companies from their respective competitive transition assessment or systems benefits charge but such expenditures shall not exceed four million dollars per month. All receipts from the remaining charge imposed under this subsection, after reduction of such charge to offset the increase in the competitive transition assessment as provided in this subsection, shall be disbursed to the Energy Conservation and Load Management Fund commencing as of July 1, 2003. Any increase in the competitive transition assessment or decrease in the conservation and load management component of an electric distribution company's rates resulting from the issuance of or obligations under rate reduction bonds shall be included as rate adjustments on customer bills.

(3) In the financing order authorizing the economic recovery revenue bonds, or other appropriate order, the [department] authority shall reduce the charge assessed by subdivision (1) of this subsection by thirty-five per cent. Such reduction shall become effective on April 4, 2012, or such earlier date set by the [department] authority in the financing order. An amount equivalent to such reduction shall constitute a portion of the competitive transition assessment in respect of the economic recovery revenue bonds, provided any failure to offset all or any portion of such competitive transition assessment shall not affect the requirement to implement the full amount of such competitive transition assessment, as required by sections 16-245e to 16-245k, inclusive. All receipts from the remaining charge, after reduction of such charge as provided in this subsection, shall be disbursed to the Energy Conservation and Load Management Fund.

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The competitive transition assessment in respect to the economic recovery revenue bonds or the decrease in the conservation and load management component of an electric distribution company's rates resulting from the issuance of or obligations under the economic recovery revenue bonds shall be included as rate adjustments on customer bills.

(b) The electric distribution company shall establish an Energy Conservation and Load Management Fund which shall be held separate and apart from all other funds or accounts. Receipts from the charge imposed under subsection (a) of this section shall be deposited into the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fiscal year next succeeding. Disbursements from the fund by electric distribution companies to carry out the plan developed under subsection (d) of this section shall be authorized by the [Department of Public Utility Control] Public Utilities Regulatory Authority upon its approval of such plan.

(c) The [Department of Public Utility Control] Commissioner of Energy and Environmental Protection shall appoint and convene an Energy Conservation Management Board which shall include representatives of: (1) An environmental group knowledgeable in energy conservation program collaboratives; (2) a representative of the Office of Consumer Counsel; (3) the Attorney General; [(4) the Department of Environmental Protection; (5)] (4) the electric distribution companies in whose territories the activities take place for such programs; [(6)] (5) a state-wide manufacturing association; [(7)] (6) a chamber of commerce; [(8)] (7) a state-wide business association; [(9)] (8) a state-wide retail organization; [(10)] (9) a representative of a municipal electric energy cooperative created pursuant to chapter 101a; [(11)] (10) two representatives selected by the gas companies in this state; and [(12)] (11) residential customers. Such members shall serve for a period of five years and may be reappointed.

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Representatives of [the] gas companies, [shall not vote on matters unrelated to gas conservation. Representatives of the] electric distribution companies and the municipal electric energy cooperative shall [not vote on matters unrelated to electricity conservation] be nonvoting members of the board. The commissioner shall serve as the chair of the board.

(d) (1) The Energy Conservation Management Board shall advise and assist the electric distribution companies in the development and implementation of a comprehensive plan, which plan shall be approved by the Department of [Public Utility Control] Energy and Environmental Protection, to implement cost-effective energy conservation programs and market transformation initiatives. Such plan shall include steps that would be needed to achieve the goal of weatherization of eighty per cent of the state's residential units by 2030. Each program contained in the plan shall be reviewed by the electric distribution company and either accepted or rejected by the Energy Conservation Management Board prior to submission to the department for approval. The Energy Conservation Management Board shall, as part of its review, examine opportunities to offer joint programs providing similar efficiency measures that save more than one fuel resource or otherwise to coordinate programs targeted at saving more than one fuel resource. Any costs for joint programs shall be allocated equitably among the conservation programs. The Energy Conservation Management Board shall give preference to projects that maximize the reduction of federally mandated congestion charges. The Department of [Public Utility Control] Energy and Environmental Protection shall, in an uncontested proceeding during which the department may hold a public hearing, approve, modify or reject the comprehensive plan prepared pursuant to this subsection.

(2) There shall be a joint committee of the Energy Conservation Management Board and the [Renewable Energy Investments Board]

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board of directors of the Clean Energy Finance and Investment Authority. The board and the advisory committee shall each appoint members to such joint committee. The joint committee shall examine opportunities to coordinate the programs and activities funded by the [Renewable] Clean Energy [Investment] Fund pursuant to section 16-245n, as amended by this act, with the programs and activities contained in the plan developed under this subsection to reduce the long-term cost, environmental impacts and security risks of energy in the state. Such joint committee shall hold its first meeting on or before August 1, 2005.

(3) Programs included in the plan developed under subdivision (1) of this subsection shall be screened through cost-effectiveness testing [which] that compares the value and payback period of program benefits to program costs to ensure that programs are designed to obtain energy savings and system benefits, including mitigation of federally mandated congestion charges, whose value is greater than the costs of the programs. [Cost-effectiveness testing shall utilize available information obtained from real-time monitoring systems to ensure accurate validation and verification of energy use. Such testing shall include an analysis of the effects of investments on increasing the state's load factor.] Program cost-effectiveness shall be reviewed annually, or otherwise as is practicable, and shall incorporate the results of the evaluation process set forth in subdivision (4) of this subsection. If a program is determined to fail the cost-effectiveness test as part of the review process, it shall either be modified to meet the test or shall be terminated. On or before March 1, 2005, and on or before March first annually thereafter, the board shall provide a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment [(A)] that documents (A) expenditures and fund balances and evaluates the cost-effectiveness of such programs conducted in the preceding year, and (B) [that

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documents] the extent to and manner in which the programs of such board collaborated and cooperated with programs, established under section 7-233y, of municipal electric energy cooperatives. To maximize the reduction of federally mandated congestion charges, programs in the plan may allow for disproportionate allocations between the amount of contributions to the Energy Conservation and Load Management Funds by a certain rate class and the programs that benefit such a rate class. Before conducting such evaluation, the board shall consult with the [Renewable Energy Investments Board] board of directors of the Clean Energy Finance and Investment Authority. The report shall include a description of the activities undertaken during the reporting period jointly or in collaboration with the [Renewable] Clean Energy [Investment] Fund established pursuant to subsection (c) of section 16-245n, as amended by this act.

(4) The Department of Energy and Environmental Protection shall adopt an independent, comprehensive program evaluation, measurement and verification process to ensure the Energy Conservation Management Board's programs are administered appropriately and efficiently, comply with statutory requirements, programs and measures are cost effective, evaluation reports are accurate and issued in a timely manner, evaluation results are appropriately and accurately taken into account in program development and implementation, and information necessary to meet any third-party evaluation requirements is provided. An annual schedule and budget for evaluations as determined by the board shall be included in the plan filed with the department pursuant to subdivision (1) of this subsection. The electric distribution and gas company representatives and the representative of a municipal electric energy cooperative may not vote on board plans, budgets, recommendations, actions or decisions regarding such process or its program evaluations and their implementation. Program and measure evaluation, measurement and verification shall be conducted on an

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ongoing basis, with emphasis on impact and process evaluations, programs or measures that have not been studied, and those that account for a relatively high percentage of program spending. Evaluations shall use statistically valid monitoring and data collection techniques appropriate for the programs or measures being evaluated. All evaluations shall contain a description of any problems encountered in the process of the evaluation, including, but not limited to, data collection issues, and recommendations regarding addressing those problems in future evaluations. The board shall contract with one or more consultants not affiliated with the board members to act as an evaluation administrator, advising the board regarding development of a schedule and plans for evaluations and overseeing the program evaluation, measurement and verification process on behalf of the board. Consistent with board processes and approvals and department decisions regarding evaluation, such evaluation administrator shall implement the evaluation process by preparing requests for proposals and selecting evaluation contractors to perform program and measure evaluations and by facilitating communications between evaluation contractors and program administrators to ensure accurate and independent evaluations. In the evaluation administrator's discretion and at his or her request, the electric distribution and gas companies shall communicate with the evaluation administrator for purposes of data collection, vendor contract administration, and providing necessary factual information during the course of evaluations. The evaluation administrator shall bring unresolved administrative issues or problems that arise during the course of an evaluation to the board for resolution, but shall have sole authority regarding substantive and implementation decisions regarding any evaluation. Board members, including electric distribution and gas company representatives, may not communicate with an evaluation contractor about an ongoing evaluation except with the express permission of the evaluation administrator, which may only be granted if the administrator believes the communication will

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not compromise the independence of the evaluation. The evaluation administrator shall file evaluation reports with the board and with the department in its most recent uncontested proceeding pursuant to subdivision (1) of this subsection and the board shall post a copy of each report on its Internet web site. The board and its members, including electric distribution and gas company representatives, may file written comments regarding any evaluation with the department or for posting on the board's Internet web site. Within fourteen days of the filing of any evaluation report, the department, members of the board or other interested persons may request in writing, and the department shall conduct, a transcribed technical meeting to review the methodology, results and recommendations of any evaluation. Participants in any such transcribed technical meeting shall include the evaluation administrator, the evaluation contractor and the Office of Consumer Counsel at its discretion. On or before November 1, 2011, and annually thereafter, the board shall report to the joint standing committee of the General Assembly having cognizance of matters relating to energy, annually, with the results and recommendations of completed program evaluations.

[(4)] (5) Programs included in the plan developed under subdivision (1) of this subsection may include, but not be limited to: (A) Conservation and load management programs, including programs that benefit low-income individuals; (B) research, development and commercialization of products or processes which are more energy-efficient than those generally available; (C) development of markets for such products and processes; (D) support for energy use assessment, real-time monitoring systems, engineering studies and services related to new construction or major building renovation; (E) the design, manufacture, commercialization and purchase of energy-efficient appliances and heating, air conditioning and lighting devices; (F) program planning and evaluation; (G) indoor air quality programs relating to energy conservation; (H) joint fuel conservation initiatives

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programs targeted at reducing consumption of more than one fuel resource; (I) public education regarding conservation; and (J) [the demand-side technology programs recommended by the [procurement] integrated resources plan approved by the Department of [Public Utility Control] Energy and Environmental Protection pursuant to section 16a-3a. The board shall periodically review contractors to determine whether they are qualified to conduct work related to such programs. Such support may be by direct funding, manufacturers' rebates, sale price and loan subsidies, leases and promotional and educational activities. The plan shall also provide for expenditures by the Energy Conservation Management Board for the retention of expert consultants and reasonable administrative costs provided such consultants shall not be employed by, or have any contractual relationship with, an electric distribution company. Such costs shall not exceed five per cent of the total revenue collected from the assessment.

[(e) Notwithstanding the provisions of subsections (a) to (d), inclusive, of this section, the Department of Public Utility Control shall authorize the disbursement of a total of one million dollars in each month, commencing with July, 2003, and ending with July, 2005, from the Energy Conservation and Load Management Funds established pursuant to said subsections. The amount disbursed from each Energy Conservation and Load Management Fund shall be proportionately based on the receipts received by each fund. Such disbursements shall be deposited in the General Fund.]

[(f)] (e) No later than December 31, 2006, and no later than December thirty-first every five years thereafter, the Energy Conservation Management Board shall, after consulting with the [Renewable Energy Investments Board] Clean Energy Finance and Investment Authority, conduct an evaluation of the performance of the programs and activities of the fund and submit a report, in accordance

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with the provisions of section 11-4a, of the evaluation to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

[(g)] (f) Repealed by P.A. 06-186, S. 91, effective July 1, 2006.

Sec. 34. Section 16-245y of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Not later than October 1, 1999, and annually thereafter, each electric company and electric distribution company, as defined in section 16-1, shall report to the [Department of Public Utility Control] Public Utilities Regulatory Authority its system average interruption duration index (SAIDI) and its system average interruption frequency index (SAIFI) for the preceding twelve months. For purposes of this section: (1) Interruptions shall not include outages attributable to major storms, scheduled outages and outages caused by customer equipment, each as determined by the department; (2) SAIDI shall be calculated as the sum of customer interruptions in the preceding twelve-month period, in minutes, divided by the average number of customers served during that period; and (3) SAIFI shall be calculated as the total number of customers interrupted in the preceding twelve-month period, divided by the average number of customers served during that period. Not later than January 1, 2000, and annually thereafter, the [department] authority shall report on the SAIDI and SAIFI data for each electric company and electric distribution, and all state-wide SAIDI and SAIFI data to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

(b) Not later than October 1, [1999] 2011, and annually thereafter, each electric supplier, as defined in section 16-1, shall report to the Department of [Public Utility Control and the Department of] Energy and Environmental Protection and the Public Utilities Regulatory Authority the following information regarding the preceding twelve-

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month period or any part thereof that the supplier has been licensed pursuant to section 16-245: (1) Total megawatt hours of electricity produced from generating facilities owned by the supplier or under long-term contract to the supplier that are sold to end use customers in the state; (2) total megawatt hours of electricity purchased by the supplier from other sources and sold to end use customers in the state; (3) the proportion of such production from facilities listed under subdivision (1) of this subsection that use nuclear fuels, oil, coal, natural gas, hydropower and other fuels as the principal generation fuel; and (4) the amount of emissions from facilities listed under subdivision (1) of this subsection of the pollutants identified by the Department of Energy and Environmental Protection, which shall include, but not be limited to: (A) Volatile organic compounds; (B) nitrogen oxides; (C) sulfur oxides; (D) carbon dioxide; (E) carbon monoxide; (F) particulates; and (G) heavy metals. Not later than January 1, 2000, and annually thereafter, the Department of Energy and Environmental Protection, in consultation with the [Department of Public Utility Control] Public Utilities Regulatory Authority, shall report state-wide data for these variables to the joint standing committees of the General Assembly having cognizance of matters relating to the environment and energy.

[(c) Not later than January 1, 1999, and annually thereafter until January 1, 2005, the Department of Public Utility Control shall report to the joint standing committees of the General Assembly having cognizance of matters relating to energy and labor the number of dislocated workers contained on the roster established pursuant to section 16-245v and the number of such workers hired by electric suppliers in the preceding twelve months.]

[(d)] (c) Not later than January 1, [1999] 2011, and annually thereafter, the Department of [Public Utility Control] Energy and Environmental Protection shall report to the joint standing committee

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of the General Assembly having cognizance of matters relating to energy the number of applicants for licensure pursuant to section 16-245 during the preceding twelve months, the number of applicants licensed by the department and the average period of time taken to process a license application.

Sec. 35. (*Effective from passage*) On or before August 1, 2011, the Department of Energy and Environmental Protection shall initiate a study to identify the impact on Connecticut ratepayers and the New England and state wholesale electric power market of the operation of the regional independent system operator, as defined in section 16-1 of the general statutes, and of Market Rule 1 as promulgated by said regional independent system operator. Such study shall include, but not be limited to, (1) a review of the accountability of said independent system operator to Connecticut ratepayers and energy policymakers, (2) consideration of strategies and mechanisms that may mitigate any adverse impacts Market Rule 1 may have on wholesale generation prices in Connecticut and New England and may reduce Connecticut's reliance on the wholesale power market, including, but not limited to, long-term contracts, (3) consideration of the costs and benefits associated with participating in said independent system operator and any potential benefits of joining another independent system operator or operating outside of the existing independent operator systems, (4) an examination of the framework within the Federal Energy Regulatory Commission that has contributed to the state's high rates, and (5) consideration of methods to foster greater transparency in any such system. On or before January 1, 2012, the department shall report, in accordance with the provisions of section 11-4a of the general statutes, its findings to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

Sec. 36. Section 16a-2 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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As used in this chapter: [and sections 16a-45a, 16a-46, 16a-46a and 16a-46b:]

(a) "Office" means the Office of Policy and Management;

(b) "Board" means the Connecticut Energy Advisory Board;

(c) "Secretary" means the Secretary of the Office of Policy and Management;

(d) "Energy" means work or heat that is, or may be, produced from any fuel or source whatsoever;

(e) "Energy emergency" means a situation where the health, safety or welfare of the citizens of the state is threatened by an actual or impending acute shortage in usable energy resources;

(f) "Energy resource" means natural gas, petroleum products, coal and coal products, wood fuels, geothermal sources, radioactive materials and any other resource yielding energy;

(g) "Person" means any individual, firm, partnership, association, syndicate, company, trust, corporation, limited liability company, municipality, agency or political or administrative subdivision of the state, or other legal entity of any kind;

(h) "Service area" means any geographic area serviced by the same energy-producing public service company, as defined in section 16-1;

(i) "Renewable resource" means solar, wind, water, wood or other biomass source of energy and geothermal energy;

(j) "Energy-related products" means (1) energy systems and equipment that utilize renewable resources to provide space heating or cooling, water heating, electricity or other useful energy, (2) insulation materials, and (3) equipment designed to conserve energy or increase

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the efficiency of its use, including that used for residential, commercial, industrial and transportation purposes;

(k) "Energy-related services" means (1) the design, construction, installation, inspection, maintenance, adjustment or repair of energy-related products, (2) inspection, adjustment, maintenance or repair of any conventional energy system, (3) the performance of energy audits or the provision of energy management consulting services, and (4) weatherization activities carried out under any federal, state or municipal program;

(l) "Conventional energy system" means any system for supplying space heating or cooling, ventilation or domestic or commercial hot water which is not included in subdivision (1) of subsection (j) of this section;

(m) "Energy supply" means any energy resource capable of being used to perform useful work and any form of energy such as electricity produced or derived from energy resources which may be so used; and

(n) "Energy facility" means a structure that generates, transmits or stores electricity, natural gas, refined petroleum products, renewable fuels, coal and coal products, wood fuels, geothermal sources, radioactive material and other resources yielding energy.

Sec. 37. Section 16a-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There is established a Connecticut Energy Advisory Board consisting of [fifteen] nine members, including [the Commissioner of Environmental Protection, the chairperson of the Public Utilities Control Authority, the Commissioner of Transportation,] the Office of Consumer Counsel, [the Commissioner of Agriculture, and the Secretary of the Office of Policy and Management, or their respective

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designees. The Governor] The president pro tempore of the Senate shall appoint a representative of an environmental organization knowledgeable in energy efficiency programs, a representative of a consumer advocacy organization and a representative of a state-wide business association. [The president pro tempore of the Senate shall appoint a representative of a chamber of commerce, a representative of a state-wide manufacturing association and a member of the public considered to be an expert in electricity, generation, procurement or conservation programs.] The speaker of the House of Representatives shall appoint a representative of low-income ratepayers, [a representative of state residents, in general, with expertise in energy issues] a representative of academia who has knowledge of energy related issues and a member of the public considered to be an expert in electricity, generation, renewable energy, procurement or conservation programs. The minority leader of the Senate shall appoint a representative of a municipality. The minority leader of the House of Representatives shall appoint a member of the public considered to be an expert in electricity, generation, renewable energy, procurement or conservation. All appointed members shall serve in accordance with section 4-1a. No appointee may be employed by, or a consultant of, a public service company, as defined in section 16-1, or an electric supplier, as defined in section 16-1, or an affiliate or subsidiary of such company or supplier.

(b) The board shall (1) [represent the state in regional energy system planning processes conducted by the regional independent system operator, as defined in section 16-1; (2) encourage representatives from the municipalities that are affected by a proposed project of regional significance to participate in regional energy system planning processes conducted by the regional independent system operator; (3) participate in a forecast proceeding conducted pursuant to subsection (a) of section 16-50r; (4) participate in a life-cycle proceeding conducted pursuant to subsection (b) of section 16-50r; and (5) review the

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procurement plan submitted by the electric distribution companies pursuant to section 16a-3a] report to the General Assembly on the status of programs administered by the Department of Energy and Environmental Protection, (2) consult with the Commissioner of Energy and Environmental Protection regarding the integrated resource plan developed pursuant to section 16a-3a, and (3) review, within available resources, requests from the General Assembly.

(c) The board shall elect a chairman and a vice-chairman from among its members and shall adopt such rules of procedure as are necessary to carry out its functions.

(d) The board shall convene its first meeting not later than September 1, [2003] 2011. A quorum of the board shall consist of two-thirds of the members currently serving on the board.

(e) The board shall employ such staff as is required for the proper discharge of its duties. The board may also retain any third-party consultants it deems necessary to accomplish the goals set forth in subsection (b) of this section. The board shall annually submit to the Department of [Public Utility Control] Energy and Environmental Protection a proposal regarding the level of funding required for the discharge of its duties, which proposal shall be approved by the department either as submitted or as modified by the department, provided the total funding for the board, including, but not limited to, staff and third-party consultants, shall not exceed one million five hundred thousand dollars in any fiscal year.

(f) The Connecticut Energy Advisory Board shall be within the [Office of Policy and Management] Department of Energy and Environmental Protection for administrative purposes only.

Sec. 38. Section 16-19ss of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(a) The [Department of Public Utility Control] Public Utilities Regulatory Authority may, from July 1, 2003, to January 1, 2008, inclusive, determine, by an affirmative vote of four [commissioners] directors of the [Public Utilities Control Authority] authority, that (1) safe, adequate and reasonably priced electricity is not available on the wholesale market; (2) additional temporary electric generation facilities will result in reductions in federally mandated congestion costs for which the ratepayers of the state are responsible; and (3) the prices and costs specified in subdivision (2) of this subsection will exceed the cost of investment in temporary electric generation facilities. Such determination shall be in writing and shall state the reasons supporting the determination.

(b) Upon issuing a determination pursuant to subsection (a) of this section, the [department] authority shall hold a contested case proceeding, in accordance with the provisions of chapter 54, to develop a request for proposal to solicit the provision of such additional temporary electric generation facilities, containing such terms and conditions that will best serve the interests of the public. The request for proposal process shall be designed to ensure fairness and full participation by all qualified responders.

(c) The [department] authority may negotiate for terms and conditions necessary to conclude a transaction with one or more entities responding to a request for proposal, after notice to all entities that responded. The [department] authority shall base its decision to conclude a transaction on the best interest of the public and ratepayers.

(d) Nothing in this section shall be construed to allow an electric distribution company to own, operate, lease or control any facility or asset that generates electricity, or retain any interest in such facility or asset as part of any transaction concluded pursuant to this section, except as provided in subsection (e) of section 16-244e and sections 16-43d, 16-243m, 16-243u, 16a-3b and 16a-3c.

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Sec. 39. Section 16a-3b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The [Department of Public Utility Control] Public Utilities Regulatory Authority shall oversee the implementation of the [procurement] integrated resources plan approved by the [Department of Public Utility Control] Commissioner of Energy and Environmental Protection pursuant to section 16a-3a, as amended by this act. The electric distribution companies shall implement the demand-side measures, including, but not limited to, energy efficiency, load management, demand response, combined heat and power facilities, distributed generation and other emerging energy technologies, specified in said [procurement] plan through the comprehensive conservation and load management plan prepared pursuant to section 16-245m, as amended by this act, for review by the Energy Conservation Management Board. The electric distribution companies shall submit proposals to appropriate regulatory agencies to address transmission and distribution upgrades as specified in said [procurement] plan.

(b) If the [procurement] integrated resources plan specifies the construction of a generating facility, the [department] authority shall develop and issue a request for proposals, shall publish such request for proposals in one or more newspapers or periodicals, as selected by the [department] authority, and shall post such request for proposals on its web site. Pursuant to a nondisclosure agreement, the [department] authority shall make available to the Office of Consumer Counsel and the Attorney General all confidential bid information it receives pursuant to this subsection, provided the bids and any analysis of such bids shall not be subject to disclosure under the Freedom of Information Act. Three months after the [department] authority issues a final decision, it shall make available all financial bid information, provided such information regarding the bidders not

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selected be presented in a manner that conceals the identities of such bidders.

(1) On and after July 1, 2008, an electric distribution company may submit proposals in response to a request for proposals on the same basis as other respondents to the solicitation. A proposal submitted by an electric distribution company shall include its full projected costs such that any project costs recovered from or defrayed by ratepayers are included in the projected costs. An electric distribution company submitting any such bid shall demonstrate to the satisfaction of the [department] authority that its bid is not supported in any form of cross subsidization by affiliated entities. If the [department] authority approves such electric distribution company's proposal, the costs and revenues of such proposal shall not be included in calculating such company's earning for purposes of, or in determining whether its rates are just and reasonable under, sections 16-19, 16-19a and 16-19e. An electric distribution company shall not recover more than the full costs identified in any approved proposal. Affiliates of the electric distribution company may submit proposals pursuant to section 16-244h, regulations adopted pursuant to section 16-244h, as amended by this act, and other requirements the [department] authority may impose.

(2) If the [department] authority selects a nonelectric distribution company proposal, an electric distribution company shall, within thirty days of the selection of a proposal by the [department] authority, negotiate in good faith the final terms of a contract with a generating facility and shall apply to the [department] authority for approval of such contract. Upon [department] authority approval, the electric distribution company shall enter into such contract.

(3) The [department] authority shall determine the appropriate manner of cost recovery for proposals selected pursuant to this section.

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(4) The [department] authority may retain the services of a third-party entity with expertise in the area of energy procurement to oversee the development of the request for proposals and to assist the [department] authority in its approval of proposals pursuant to this section. The reasonable and proper expenses for retaining such third-party entity shall be recoverable through the generation services charge.

(c) The electric distribution companies shall issue requests for proposals to acquire any other resource needs not identified in subsection (a) or (b) of this section but specified in the [procurement] integrated resources plan approved by the [Department of Public Utility Control] Commissioner of Energy and Environmental Protection pursuant to section 16a-3a, as amended by this act. Such requests for proposals shall be subject to approval by the [department] authority.

Sec. 40. Section 16a-3c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On and after July 1, [2009] 2011, if the [Department of Public Utility Control] Public Utilities Regulatory Authority does not receive and approve proposals pursuant to the requests for proposals processes, pursuant to section 16a-3b, sufficient to reach the goal set by the integrated resources plan approved pursuant to section 16a-3a, the [department] authority may order an electric distribution company to submit for the [department's] authority's review in a contested case proceeding, in accordance with chapter 54, a proposal to build and operate an electric generation facility in the state. An electric distribution company shall be eligible to recover its prudently incurred costs consistent with the principles set forth in section 16-19e for any generation project approved pursuant to this section.

(b) On or before January 1, 2008, the [department] authority shall

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initiate a contested case proceeding to determine the costs and benefits of the state serving as the builder of last resort for the shortfall of megawatts from said request for proposal process.

Sec. 41. Section 16a-4 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Secretary of the Office of Policy and Management shall employ, subject to the provisions of chapter 67, such staff as is required for the proper discharge of duties of the office as set forth in this chapter and sections 4-5, as amended by this act, 4-124l, [4-124p,] 8-3b, 8-32a, 8-33a, 8-35a, 8-189, subsection (b) of section 8-206, sections 16a-20, 16a-102, 22a-352 and 22a-353. The secretary may adopt, pursuant to chapter 54, such regulations as are necessary to carry out the purposes of this chapter.

Sec. 42. Subsection (b) of section 16a-7b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) No municipality other than a municipality operating a plant pursuant to chapter 101 or any special act and acting for purposes thereto may take an action to condemn, in whole or in part, or restrict the operation of any existing and currently operating energy facility, if such facility is first determined by the Department of [Public Utility Control] Public Utilities Regulatory Authority, following a contested case proceeding, held in accordance with the provisions of chapter 54, to comprise a critical, unique and unmovable component of the state's energy infrastructure, unless the municipality first receives written approval from the department, [the Office of Policy and Management,] the Connecticut Energy Advisory Board and the Connecticut Siting Council that such taking would not have a detrimental impact on the state's or region's ability to provide a particular energy resource to its citizens.

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Sec. 43. Subsection (a) of section 16a-7c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Not later than fifteen days after receiving information pursuant to subsection (e) of section 16-50l, the Connecticut Energy Advisory Board shall publish such information in one or more newspapers or periodicals, as selected by the [board] Department of Energy and Environmental Protection.

Sec. 44. Section 16a-22c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

For the purposes of sections 16a-15 and 16a-22c to 16a-22g, inclusive:

(1) "Company" means any corporation, partnership, proprietorship or any other business, firm or commercial entity;

(2) "Petroleum products" means middle distillate, residual fuel oil, liquefied petroleum gas, motor gasoline, aviation gasoline or aviation turbine fuel, as defined in regulations which the [secretary] commissioner shall adopt in accordance with the provisions of chapter 54. Notwithstanding any provision of this subdivision to the contrary, "petroleum products" shall not include gasoline other than aviation gasoline, which is sold at retail in accordance with the provisions of chapter 250;

(3) ["Secretary" means the Secretary of the Office of Policy and Management, or his designee.] "Commissioner" means the Commissioner of Energy and Environmental Protection, or the commissioner's designee.

Sec. 45. Subsection (f) of section 16a-23t of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July*

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1, 2011):

(f) The [chairperson of the Public Utilities Control Authority, or the chairperson's designee, the] Commissioner of Social Services, or the commissioner's designee, the chairperson of the Connecticut Energy Advisory Board, and the Secretary of the Office of Policy and Management, or the secretary's designee, shall constitute a Home Heating Oil Planning Council to address issues involving the supply, delivery and costs of home heating oil and state policies regarding the future of the state's home heating oil supply. The Secretary of the Office of Policy and Management shall convene the first meeting of the council.

Sec. 46. Subsection (b) of section 16a-38k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) Not later than January 1, 2007, the [Secretary of the Office of Policy and Management] Commissioner of Energy and Environmental Protection, in consultation with the Commissioner of Public Works [, the Commissioner of Environmental Protection] and the Commissioner of Public Safety, shall adopt regulations, in accordance with the provisions of chapter 54, to adopt state building construction standards that are consistent with or exceed the silver building rating of the Leadership in Energy and Environmental Design's rating system for new commercial construction and major renovation projects, as established by the United States Green Building Council, including energy standards that exceed those set forth in the 2004 edition of the American Society of Heating, Ventilating and Air Conditioning Engineers (ASHRAE) Standard 90.1 by no less than twenty per cent, or an equivalent standard, including, but not limited to, a two-globe rating in the Green Globes USA design program, and thereafter update such regulations as the [secretary] Commissioner of Energy and Environmental Protection deems necessary.

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Sec. 47. Section 16a-39 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) As used in this section:

(1) "Public building" means any building or portion thereof, other than an "exempted building", which is open to the public during normal business hours, including (A) any building which provides facilities or shelter for public assembly, (B) any inn, hotel, motel, sports arena, supermarket, transportation terminal, retail store, restaurant, or other commercial establishment which provides services or retails merchandise, and (C) any building owned or leased by the state of Connecticut or any political subdivision thereof, or by another state or political subdivision thereof and located in Connecticut, including libraries, museums, schools, hospitals, auditoriums, sports arenas and university buildings;

(2) "Exempted building" means (A) any building whose peak design rate of energy usage for all purposes is less than one watt per square foot of floor area for all purposes, (B) any building with neither a heating nor cooling system, and (C) any building owned or leased in whole or in part by the United States;

(3) "Commissioner" means the Commissioner of Public Works or his designee; and

[(4) "Secretary" means the Secretary of the Office of Policy and Management or his designee; and]

[(5)] (4) "Eligible building" means a building owned by a municipality, located within the state and not used for public education purposes.

(b) The commissioner, after consultation with the [secretary]

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Commissioner of Energy and Environmental Protection and with such advisory board as [said secretary] the Commissioner of Energy and Environmental Protection may appoint, shall adopt, in accordance with chapter 54, regulations establishing lighting standards for all public buildings. The members of any such advisory board shall receive neither compensation nor expenses for the performance of their duties.

(c) The lighting standards adopted pursuant to subsection (b) of this section shall provide for the maximum feasible energy efficiency of lighting equipment commensurate with other factors relevant to lighting levels and equipment, including, but not limited to, the purposes of the lighting, reasonable economic considerations in terms both of initial capital costs and of operating costs including nonenergy operating costs, reasonable budgetary considerations in terms of the feasibility of implementing changes which require a significant capital expenditure in a given time period, any constraints imposed on lighting equipment by the nature of the activities being carried out in the facility involved, considerations involving historic preservation or unusual architectural features, the amount of remaining useful lifetime which a particular structure would be expected to enjoy and the size of the building or portion of the building involved.

(d) The commissioner shall, upon the adoption of the regulations required by subsection (b) of this section, make random inspections of public buildings to monitor compliance with the standards established by such regulations. The commissioner may also inspect any public buildings against which complaints alleging violation of such standards have been received. The operator of a public building or portion thereof shall provide access to such inspectors at any reasonable time, including all times during which the facility is open to the public. If an inspector is denied access to a public building for the purposes of making an inspection in accordance with the provisions of

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this section, the commissioner may apply to the superior court for the judicial district wherein such building is located for injunctive or other equitable relief. If upon inspection it is determined that the lighting levels in a public building do not conform to such standards, the inspector shall make available to the owner or operator of such building, information regarding such standards and the economic and energy savings expected to result from compliance therewith. The owner or operator of a public building may, after having taken appropriate measures to render such building in compliance with such standards request a reinspection of such building by the commissioner. The commissioner may, upon such request or at his own discretion, conduct such reinspection and determine whether or not such building has been brought into compliance with such standards.

(e) The commissioner shall maintain a listing of all public buildings found to be in compliance with the lighting standards adopted pursuant to subsection (c) of this section.

(f) The [secretary] Commissioner of Energy and Environmental Protection may award lighting grants to municipalities for the purpose of improving the energy efficiency of lighting equipment in eligible buildings. All lighting grants shall be awarded based on an application, submitted by a municipality, which sets forth the lighting conservation measures to be implemented. Such measures shall meet the standards established pursuant to subsection (b) of this section and be consistent with the state energy policy, as set forth in section 16a-35k. When evaluating the applications submitted pursuant to this section and determining the amount of a lighting grant, the [secretary] Commissioner of Energy and Environmental Protection shall consider the energy savings and the payback period for the measures to be implemented and any other information which the [secretary] Commissioner of Energy and Environmental Protection deems relevant. The funds for lighting grants shall be provided from proceeds

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of bonds issued for such purpose. The amount of each grant shall be not less than five thousand dollars but not more than fifty thousand dollars, provided the [secretary] Commissioner of Energy and Environmental Protection may award grants of less than five thousand dollars or more than fifty thousand dollars if the [secretary] Commissioner of Energy and Environmental Protection finds good cause to do so. All public service company incentive payments contributed to any energy conservation project at an eligible building shall be applied to pay the principal cost of that project.

Sec. 48. Section 16a-41b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There shall be a Low-Income Energy Advisory Board which shall consist of the following members: The Secretary of the Office of Policy and Management or the secretary's designee; the Commissioner of Social Services or the commissioner's designee; the executive director of the Commission on Aging; a representative of each electric and gas public service company designated by each such company; the chairperson of the [Department of Public Utility Control or a commissioner of the Department of Public Utility Control designated by the chairperson; the] Public Utilities Regulatory Authority, or the chairperson's designee; the Consumer Counsel or the counsel's designee; the executive director of Operation Fuel; the executive director of Infoline; the director of the Connecticut Local Administrators of Social Services; the executive director of Legal Assistance Resource Center of Connecticut; the Connecticut president of AARP; a designee of the Norwich Public Utility; a designee of the Connecticut Petroleum Dealers Association; and a representative of the community action agencies administering energy assistance programs under contract with the Department of Social Services, designated by the Connecticut Association for Community Action.

(b) The Low-Income Energy Advisory Board shall advise and assist

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the Office of Policy and Management and the Department of Social Services in the planning, development, implementation and coordination of energy-assistance-related programs and policies and low-income weatherization assistance programs and policies, shall advise the Department of [Public Utility Control] Energy and Environmental Protection regarding the impact of utility rates and policies, and shall make recommendations to the General Assembly regarding (1) legislation and plans subject to legislative approval, and (2) administration of the block grant program authorized under the Low-Income Energy Assistance Act, as described in section 16a-41a, to ensure affordable access to residential energy services to low-income state residents.

(c) The Secretary of the Office of Policy and Management or the person designated by the secretary pursuant to subsection (a) of this section shall be the chairperson of the board.

(d) The Secretary of the Office of Policy and Management shall convene the first meeting of the board not later than August 1, 2005. The secretary shall provide notice of meetings to the members of Low-Income Energy Advisory Board, provide space for such meetings, maintain minutes and publish reports of the board.

Sec. 49. (NEW) (*Effective July 1, 2011*) (a) There is established a Fuel Oil Conservation Board consisting of thirteen members, including:

(1) One member representing dealers with retail oil heat sales in excess of fifteen million gallons in the state, appointed by the president pro tempore of the Senate;

(2) One member representing dealers with retail oil heat sales of less than fifteen million gallons in the state, appointed by the speaker of the House of Representatives;

(3) One member representing the heating, ventilation and air-

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conditioning trades licensed under chapter 393 of the general statutes, appointed by the majority leader of the Senate;

(4) One member representing wholesale heating distributors operating within the state, appointed by the majority leader of the House of Representatives;

(5) One member representing a state-wide environmental advocacy group, appointed by the minority leader of the Senate;

(6) The chairperson of the Heating, Piping, Cooling and Sheet Metal Work Board established under chapter 393 of the general statutes;

(7) One member from a state-wide retail oil dealer trade association, appointed by the minority leader of the House of Representatives;

(8) Six members of the public appointed by the Governor, one of whom shall be a representative of an environmental organization knowledgeable in energy efficiency programs, one of whom shall be a representative of an in-state biodiesel distributor, one of whom shall be a representative of a consumer advocacy organization, one of whom shall be a representative of the business community, one of whom shall be a representative of low-income ratepayers and one of whom shall be a representative of state residents, in general, and all of whom shall have expertise in energy issues; and

(9) All appointed members of the board shall serve in accordance with section 4-1a of the general statutes.

(b) The Fuel Oil Conservation Board shall be within the Department of Energy and Environmental Protection for administrative purposes only.

Sec. 50. Subsection (b) of section 17b-801 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July*

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1, 2011):

(b) The commissioner shall administer a state-appropriated weatherization assistance program to provide, within available appropriations, weatherization assistance in accordance with the provisions of the state plan implementing the weatherization assistance block grant program authorized by the federal Low-Income Home Energy Assistance Act of 1981, and programs of fuel assistance and weatherization assistance with funds authorized by the federal Low-Income Home Energy Assistance Act of 1981 and by the U.S. Department of Energy in accordance with 10 CFR Part 440 promulgated under Title IV of the Energy Conservation and Production Act, as amended, and oil settlement funds in accordance with subsections (b) and (c) of section 4-28. The commissioner shall adopt regulations in accordance with the provisions of chapter 54, (1) establishing priorities for determining which households shall receive such weatherization assistance, [(2) requiring that such weatherization assistance for energy conservation measures other than the retrofitting of heating systems be provided only for any dwelling unit for which an energy audit has been conducted in accordance with the provisions of sections 16a-45a to 16a-46c, inclusive, (3)] (2) requiring that the only criterion for determining which energy conservation measures shall be implemented pursuant to this subsection in any such dwelling unit shall be the simple payback calculated for each energy conservation measure recommended in the energy audit conducted for such unit, [(4)] (3) establishing the maximum allowable payback period for such energy conservation measures, and [(5)] (4) establishing conditions for the waiver of the provisions of subdivisions (1) to [(4)] (3), inclusive, of this subsection in the event of emergencies. The programs provided for under this subsection shall include a program of fuel and weatherization assistance for emergency shelters for homeless individuals and victims of domestic violence. The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to

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implement and administer the program of fuel and weatherization assistance for emergency shelters.

Sec. 51. (NEW) (*Effective July 1, 2011*) (a) On or before July 1, 2012, and every three years thereafter, the Commissioner of Energy and Environmental Protection, in consultation with the Connecticut Energy Advisory Board shall prepare a Comprehensive Energy Plan. Such plan shall reflect the legislative findings and policy stated in section 16a-35k of the general statutes, as amended by this act, and shall incorporate, (1) an assessment and plan for all energy needs in the state, including, but not limited to, electricity, heating, cooling, and transportation, (2) the findings of the integrated resources plan, (3) the findings of the plan for energy efficiency adopted pursuant to section 16-245m of the general statutes, as amended by this act, and (4) the findings of the plan for renewable energy adopted pursuant to section 16-245n of the general statutes. Such plan shall further include, but not be limited to, (A) an assessment of current energy supplies, demand and costs, (B) identification and evaluation of the factors likely to affect future energy supplies, demand and costs, (C) a statement of progress made toward achieving the goals and milestones set in the preceding Comprehensive Energy Plan, (D) a statement of energy policies and long-range energy planning objectives and strategies appropriate to achieve, among other things, a sound economy, the least-cost mix of energy supply sources and measures that reduce demand for energy, giving due regard to such factors as consumer price impacts, security and diversity of fuel supplies and energy generating methods, protection of public health and safety, environmental goals and standards, conservation of energy and energy resources and the ability of the state to compete economically, (E) recommendations for administrative and legislative actions to implement such policies, objectives and strategies, (F) an assessment of the potential costs savings and benefits to ratepayers, including, but not limited to, carbon dioxide emissions reductions or voluntary joint ventures to

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repower some or all of the state's coal-fired and oil-fired generation facilities built before 1990, and (G) the benefits, costs, obstacles and solutions related to the expansion and use and availability of natural gas in Connecticut. If the department finds that such expansion is in the public interest, it shall develop a plan to increase the use and availability of natural gas for transportation purposes.

(b) In adopting the Comprehensive Energy Plan, the Commissioner of Energy and Environmental Protection, or the commissioner's designee, shall conduct a proceeding and such proceeding shall not be considered a contested case under chapter 54 of the general statutes, provided a hearing pursuant to chapter 54 of the general statutes shall be held. The commissioner shall give not less than fifteen days notice of such proceeding by electronic publication on the department's Internet web site. Notice of such hearing may also be published in one or more newspapers if deemed necessary by the commissioner. Such notice shall state the date, time, and place of the meeting, the subject matter of the meeting, the statutory authority for the proposed plan and the location where a copy of the proposed plan may be obtained or examined in addition to posting the plan on the department's Internet web site. The Public Utilities Regulatory Authority shall comment on the plan's impact on ratepayers and any other person may comment on the proposed plan. The commissioner shall provide a time period of not less than forty-five days from the date the notice is published on the department's Internet web site for public review and comment. The commissioner shall consider fully, after all public meetings, all written and oral comments concerning the proposed plan and shall post on the department's Internet web site and notify by electronic mail each person who requests such notice. The commissioner shall make available the electronic text of the final plan or an Internet web site where the final plan is posted, and a report summarizing (1) all public comments, and (2) the changes made to the final plan in response to such comments and the reasons therefore.

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(c) The commissioner shall submit the final plan electronically to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment.

(d) The commissioner may, in consultation with the Connecticut Energy Advisory Board, modify the Comprehensive Energy Plan in accordance with the procedures outlined in subsections (b) and (c) of this section. The commissioner may approve or reject such plan with comments.

(e) The decisions of the Public Utilities Regulatory Authority shall be guided by the goals of the Department of Energy and Environmental Protection, as listed in section 1 of this act, and by the goals of the comprehensive plan and the integrated resource plan approved pursuant to section 16a-3a of the general statutes, as amended by this act, and shall be based on the evidence in the record of each proceeding.

(f) All electric distribution companies' reasonable costs associated with the development of the resource assessment shall be recoverable through the systems benefits charge.

Sec. 52. Section 21a-86a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On or before October 1, 1990, the Commissioner of Consumer Protection, in consultation with [the Secretary of the Office of Policy and Management, the chairperson of the Public Utilities Control Authority,] the State Building Inspector and the Commissioners of Public Health and Energy and Environmental Protection, shall adopt regulations in accordance with the provisions of chapter 54 establishing minimum efficiency standards for plumbing fixtures and other water-using devices, as appropriate.

(b) The maximum water use allowed in the regulations adopted

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under subsection (a) of this section for showerheads, urinals, faucets and replacement aerators manufactured or sold on or after October 1, 1990, shall be as follows: For showerheads, 2.5 gallons per minute; for urinals, 1.0 gallons per flush; for bathroom sinks, lavatory and kitchen faucets and replacement aerators, 2.5 gallons per minute, except that lavatories in restrooms of public facilities shall be equipped with outlet devices which limit the flow rate to a maximum of 0.5 gallons per minute. The maximum water use allowed in the regulations adopted under subsection (a) of this section for tank-type toilets, flushometer-valve toilets, flushometer-tank toilets and electromechanical hydraulic toilets manufactured or sold on or after January 1, 1992, shall be 1.6 gallons per flush, unless and until equivalent standards for similar types of toilets are adopted by the American National Standards Institute, Inc.

(c) Notwithstanding the provisions of subsection (b) of this section, the Commissioner of Consumer Protection, after consultation with [the Secretary of the Office of Policy and Management, the chairperson of the Public Utilities Control Authority,] the State Building Inspector and the Commissioners of Public Health and Energy and Environmental Protection, may increase the level of efficiency for plumbing fixtures upon determination that such increase would promote the conservation of water and energy and be cost-effective for consumers who purchase and use such fixtures. Any increased efficiency standard shall be effective one year after its adoption.

(d) The Commissioner of Consumer Protection, in consultation with the Secretary of the Office of Policy and Management, [the chairperson of the Public Utilities Control Authority,] the State Building Inspector and the Commissioners of Public Health and Energy and Environmental Protection, shall adopt regulations in accordance with the provisions of chapter 54 necessary to implement the provisions of sections 21a-86 to 21a-86g, inclusive. Such regulations shall provide for

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(1) the sale of plumbing fixtures which do not meet the standards if the commissioner determines that compliance is not feasible or an unnecessary hardship exists and (2) the sale of plumbing fixtures, including, but not limited to, antique reproduction plumbing fixtures, which do not meet the standards, provided such plumbing fixtures were in stock in a store located in the state before October 1, 1990, if a showerhead, urinal, faucet or replacement aerator or before January 1, 1992, if a tank-type toilet, flushometer-valve toilet, flushometer-tank toilet or electromechanical hydraulic toilet.

Sec. 53. Subsection (a) of section 21a-86c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Consumer Protection, in consultation with [the Secretary of the Office of Policy and Management, the chairperson of the Public Utilities Control Authority,] the State Building Inspector and the Commissioners of Public Health and Energy and Environmental Protection, shall establish procedures for testing the efficiency of plumbing fixtures offered for retail sale if such procedures are not established in the State Building Code adopted pursuant to section 29-252.

Sec. 54. Section 22-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Said board shall have the general management of the institution and shall appoint a director, who shall have the general management and oversight of experiments and investigations. It may own such real and personal estate as may be necessary for carrying on its work and may receive title to the same by deed, devise or bequest. It shall expend all money appropriated by the state in the prosecution of the work for which said institution is established, shall use for the same purpose the income from all funds and endowments which it may

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receive from other sources and may sue and be sued by the name of the Connecticut Agricultural Experiment Station. It may seek and obtain patents, trademarks and licensing agreements relating to inventions and discoveries of any employee of the Connecticut Agricultural Experiment Station. It may pursue any opportunity to receive funds for research available from the federal government or from private sources. It shall make an annual report to the joint standing committee of the General Assembly having cognizance of matters relating to the Department of Agriculture and the Department of Energy and Environmental Protection, including a statement of the activities of the station and the sources and amounts of funds available to the station. It shall make an annual report to the Governor, as provided in section 4-60, including therein a report upon adulterated food products and a report of the work done and results obtained under the provisions of section 22-84.

(b) Notwithstanding the provisions of any general statute or special act to the contrary, the selection, appointment, assignment of duties, amount of compensation, sick leave, vacation, leaves of absence, termination of service, rank and status of the individual members of the station staff shall be under the sole jurisdiction of the board of control of the station within available funds. Said board shall determine who constitutes the professional staff of the station and shall establish a compensation and classification schedule for the professional staff. Said board shall annually submit to the Commissioner of Administrative Services a list of the positions which it has included within the professional staff.

(c) The board shall cause the station to (1) make scientific inquiries and perform experiments including, but not limited to, inquiries and experiments regarding plants, insects and the pests of plants, soil and water, which inquiries and experiments shall include, but not be limited to, consideration of the effects of any climate change which

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may result from increased levels of carbon dioxide or other "greenhouse" gases in the atmosphere and what effects such change may have on agriculture in this state; (2) make scientific inquiries for the General Assembly and conduct such analyses as required by any state agency including, but not limited to, the Departments of Administrative Services, Agriculture, Consumer Protection and Energy and Environmental Protection; and (3) distribute reports of any analyses, investigations or experiments by correspondence, lectures or published matter. The board may cause the station to charge a fee for any testing services which it may provide to the public. The station shall not conduct any testing of ticks for Lyme disease except at the request of a state or municipal health official or for scientific research purposes.

Sec. 55. Section 22a-2 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

[(a) There shall be a Department of Environmental Protection which shall have jurisdiction over all matters relating to the preservation and protection of the air, water and other natural resources of the state. Said department shall be under the direction of a Commissioner of Environmental Protection who shall be appointed in accordance with the provisions of sections 4-5 to 4-8, inclusive.]

[(b)] (a) As used in this title and chapters 263, 268, 348, 360, 447, 448, 449, 452, 462, 474, 476, 477, 478, 479, 490 and 495, except where otherwise provided, "commissioner" means the Commissioner of Energy and Environmental Protection or his or her designated agent. The Commissioner of Energy and Environmental Protection shall have the authority to designate as his or her agent (1) any deputy commissioner to exercise all or part of the authority, powers and duties of said commissioner in his or her absence, (2) any deputy commissioner or any employee, assistant or agent employed pursuant to section 22a-4 to exercise such authority of the Commissioner of

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Energy and Environmental Protection as he or she delegates for the administration or enforcement of any applicable statute, regulation, permit or order, (3) the Commissioner of Public Safety and any local air pollution control official or agency to exercise such authority as the Commissioner of Energy and Environmental Protection delegates for the enforcement of any applicable statute, regulation, order or permit pertaining to air pollution, except the authority to render a final decision, after a hearing, assessing a civil penalty under said section 22a-6b, and (4) any municipal police department the authority to enforce the provisions of chapters 268 and 490.

[(c)] (b) As used in this chapter, and chapters 263, 268, 348, 360, 440, 446d, 446i, 446k, 447, 448, 449, 452, 462, 474, 476, 477, 478, 479, 490 and 495, except where otherwise provided, "person" means any individual, firm, partnership, association, syndicate, company, trust, corporation, limited liability company, municipality, agency or political or administrative subdivision of the state, or other legal entity of any kind.

Sec. 56. Section 22a-5 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The commissioner shall carry out the energy and environmental policies of the state and shall have all powers necessary and convenient to faithfully discharge this duty. In addition to, and consistent with the environment policy of the state, the commissioner shall [(a)] (1) promote and coordinate management of water, land and air resources to assure their protection, enhancement and proper allocation and utilization; [(b)] (2) provide for the protection and management of plants, trees, fish, shellfish, wildlife and other animal life of all types, including the preservation of endangered species; [(c)] (3) provide for the protection, enhancement and management of the public forests, parks, open spaces and natural area preserves; [(d)] (4) provide for the protection, enhancement and management of inland,

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marine and coastal water resources, including, but not limited to, wetlands, rivers, estuaries and shorelines; [(e)] (5) provide for the prevention and abatement of all water, land and air pollution including, but not limited to, that related to particulates, gases, dust, vapors, noise, radiation, odors, nutrients and cooled or heated liquids, gases and solids; [(f)] (6) provide for control of pests and regulate the use, storage and disposal of pesticides and other chemicals which may be harmful to man, sea life, animals, plant life or natural resources; [(g)] (7) regulate the disposal of solid waste and liquid waste, including but not limited to, domestic and industrial refuse, junk motor vehicles, litter and debris, which methods shall be consistent with sound health, scenic environmental quality and land use practices; [(h)] (8) regulate the storage, handling and transportation of solids, liquids and gases which may cause or contribute to pollution; [and (i)] (9) provide for minimum state-wide standards for the mining, extraction, excavation or removal of earth materials of all types; (10) develop a comprehensive energy plan for the state; (11) transition the state to cleaner, more diverse and sustainable sources of energy; and (12) create opportunities for innovation and technological advances in conserving energy and reducing costs.

Sec. 57. Subsection (a) of section 22a-66k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Each electric company, as defined in section 16-1, shall submit a utilities pesticide management plan to the Commissioner of Energy and Environmental Protection for approval with the concurrence of the Public Utilities [Control] Regulatory Authority. A plan shall be revised at such time as the electric company filing the plan or the commissioner determines provided such plan shall be revised not less than once every five years.

Sec. 58. Section 22a-113m of the general statutes is repealed and the

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following is substituted in lieu thereof (*Effective July 1, 2011*):

The commission, in consultation with the Commissioners of Energy and Environmental Protection and Transportation, shall prepare or cause to be prepared a management plan for the most desirable use of the harbor for recreational, commercial, industrial and other purposes. For those towns in the coastal area as defined in section 22a-94, the plan shall provide for the preservation and use of the coastal resources of the harbor in a manner consistent with the provisions of sections 22a-90 to 22a-111, inclusive, and any municipal coastal plan adopted pursuant to section 22a-101 by any municipality that is a member of the commission. A copy of the plan shall be forwarded to the U.S. Army Corps of Engineers for review, comments and recommendations. Such plan shall be submitted for approval to the Commissioners of Energy and Environmental Protection and Transportation. Said commissioners shall act on the plan not more than sixty days after submission of such plan. Upon approval by said commissioners, the plan may be adopted by ordinance by the legislative body of each municipality establishing the commission. The ordinance shall specify the effective date of the plan. A modification to the plan may be proposed at any time and shall be approved in the same manner as the plan. The plan shall be reviewed annually by the commission and the Commissioners of Energy and Environmental Protection and Transportation.

Sec. 59. Subsection (e) of section 22a-119 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(e) Prior to commencing any hearing pursuant to this section the council shall consult with and solicit written comments from the Departments of Energy and Environmental Protection, Public Health, [Public Utility Control,] Economic and Community Development, Public Safety and Transportation, the Office of Policy and

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Management and the Council on Environmental Quality. Copies of comments submitted by such agencies shall be available to all parties prior to commencement of the public hearing. Agencies consulted may file additional comments within thirty days of the conclusion of the hearing and such additional comments shall be a part of the record.

Sec. 60. Section 22a-134q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Energy and Environmental Protection shall compile an inventory of contaminated wells and leaking underground storage tanks known to him and shall submit such inventory to the joint standing committee of the General Assembly having cognizance of matters relating to the environment not later than February 1, 1990, and annually thereafter. As used in this section, "contaminated well" means any well that exceeds maximum levels for substances established in the Public Health Code or action levels determined jointly by the Commissioners of Public Health and Energy and Environmental Protection.

Sec. 61. Section 22a-174l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Not later than sixty days after June 4, 2007, the Commissioner of Energy and Environmental Protection shall issue notice of intent to issue a general permit regarding the construction and operation of new or existing emergency engines and distributed generation resources that (1) generate no more than two megawatts of electricity; and (2) are approved by the [Department of Public Utility Control] Public Utilities Regulatory Authority to participate in the markets administered by the regional independent system operator in accordance with subsection (b) of section 16-246g. Before issuing such permit, the sources to be covered by such permit shall provide the Commissioner of Energy and Environmental Protection with any information said commissioner

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deems necessary for the issuance of such permit. Any such general permit shall be issued in accordance with the provisions of subsection (k) of section 22a-174 and the general permit, and any authorization to operate under such permit, shall expire on the later of December 31, 2010, or ninety days after the energizing of the Middletown-Norwalk 345 kv transmission line approved by the Connecticut Siting Council. Notwithstanding this section, the Commissioner of Energy and Environmental Protection may, in consultation with the chairperson of the Public Utilities [Control] Regulatory Authority, renew such general permit in accordance with the provisions of subsection (k) of section 22a-174 provided the Commissioner of Energy and Environmental Protection determines that renewal of such general permit is consistent with the requirements of subsection (b) of this section. The provisions of the general permit shall include, but not be limited to: Minimum setback provisions, limitations on hours of operation, requirements for air pollution controls certified to achieve a minimum reduction in emissions of nitrogen oxides of ninety per cent, directionally correct offsets at a ratio to be determined by the Commissioner of Energy and Environmental Protection, required control equipment, requirements for monitoring, reporting and recordkeeping, and any other requirement that said commissioner deems necessary. The provisions of this section are in addition to any other authority provided by law to said commissioner.

(b) When issuing or renewing the general permit pursuant to this section, the Commissioner of Energy and Environmental Protection shall [, in consultation with the chairperson of the Public Utilities Control Authority,] consider energy generation that will maximize the savings to the state's electric ratepayers and benefit the state's economy as a whole, but shall ensure that any emission increases resulting from the operation of sources covered by the general permit are offset by emission decreases from sources in Connecticut consistent with Connecticut's air quality attainment planning needs and requirements.

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The sources of decreases in emissions may include, but not be limited to, electric generation sources and demand response.

[(c) On or before February 1, 2008, the Department of Environmental Protection, in consultation with the Department of Public Utility Control, shall report to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment regarding the economic and environmental benefits of the general permit issued pursuant to this section and the actions and measures taken pursuant to section 16-246g.]

Sec. 62. Section 22a-354i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On or before July 1, 1991, the Commissioner of Energy and Environmental Protection shall publish notice of intent to adopt regulations in accordance with chapter 54 for land use controls in aquifer protection areas. The regulations shall establish (1) best management practice standards for existing regulated activities located entirely or in part within aquifer protection areas and a schedule for compliance of nonconforming regulated activities with such standards, (2) best management practice standards for and prohibitions of regulated activities proposed to be located entirely or in part within aquifer protection areas, (3) procedures for exempting regulated activities in aquifer protection areas upon determination solely by the commissioner that such regulated activities do not pose a threat to any existing or potential drinking water supply and (4) requirements for design and installation of groundwater monitoring within aquifer protection areas. In addition, the commissioner may adopt such other regulations as deemed necessary to carry out the purposes of sections 22a-354b, 22a-354c, 22a-354h, this section, sections 22a-354m, 22a-354n, subsection (e) of section 22a-354p and subsection (d) of section 22a-451, including but not limited to regulations which provide for the manner in which the boundaries of aquifer protection areas shall be established

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and amended; criteria and procedures for submission and review of applications to construct or begin regulated activities; procedures for granting, denying, limiting, revoking, suspending, transferring and modifying permits for regulated activities; controls regarding the expansion of nonconforming regulated activities, including procedures for offsetting impacts from the expansion or modification of nonconforming regulated activities or procedures for modifying permits of regulated activities by the removal of other potential pollution sources within the subject well field, procedures for the granting of permits for such expansion or modification based on the certification of a qualified person that such expansion meets criteria established by the commissioner; registration requirements for existing regulated activities and procedures for transferring registrations; procedures for landowners to notify a municipality or the commissioner of a change in use and other provisions for administration of the aquifer protection program.

(b) In adopting such regulations, the commissioner shall consider the guidelines for aquifer protection areas recommended in the report prepared pursuant to special act 87-63, as amended, and shall avoid duplication and inconsistency with other state or federal laws and regulations affecting aquifers. The regulations shall be developed in consultation with an advisory committee appointed by the commissioner. The advisory committee shall include the Commissioners of Public Works and Public Health and the chairperson of the Public Utilities [Control] Regulatory Authority, or their designees, members of the public, and representatives of businesses affected by the regulations, agriculture, environmental groups, municipal officers and water companies.

Sec. 63. Section 22a-198 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On and after January 1, 2005, the owner or operator of a Title IV

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source that is also an affected unit or units shall:

(1) Combust liquid fuel, gaseous fuel, solid fuel or a combination of each provided that each fuel possesses a fuel sulfur limit equal to or less than 0.3 per cent sulfur, by weight (dry basis); or

(2) Meet an average emission rate equal to or less than 0.33 pounds SO₂ per MMBtu for each calendar quarter for an affected unit at the premises; or

(3) Meet an average emission rate equal to or less than 0.3 pounds SO₂ per MMBtu calculated for each calendar quarter, if such owner or operator averages the emissions from two or more affected units at the premises.

(b) On and after January 1, 2005, no owner or operator of a Title IV source that is also an affected unit or units may use SO₂ DERCs or SO₂ allowances to comply with the requirements of subsection (a) of this section except if the Commissioner of Energy and Environmental Protection requires the owner or operator of an affected unit or units using a low-sulfur fuel to comply with subdivision (1) of subsection (a) of this section to offset excess SO₂ emissions that were emitted during a suspension period, as described in subsection (c) of this section, through the purchase or retirement of such SO₂ DERCs or SO₂ allowances.

(c) The Commissioner of Energy and Environmental Protection may suspend the requirements of subdivision (1) of subsection (a) of this section for the owner or operator of any affected unit using a low-sulfur fuel, including a low-sulfur solid fuel. Such suspension shall be made only when the commissioner finds that the availability of fuel that complies with such requirements is inadequate to meet the needs of residential, commercial and industrial users in this state and that such inadequate supply constitutes an emergency, provided such

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suspension shall not exceed the period that the inadequate supply constitutes an emergency. Any such suspension by the commissioner shall not suspend or alter the sulfur dioxide average emission rate requirements that are in effect as of May 2, 2002. The Commissioner of Energy and Environmental Protection shall specify in writing the period of time that such suspension shall be in effect and shall provide notice of such suspension to the joint standing committees of the General Assembly having cognizance of matters relating to the environment and energy and technology. No later than thirty days after the termination of such suspension, the owner or operator of an affected unit or units shall report to the commissioner, in writing, the amount of SO₂ emissions in excess of those that would have occurred if the use of compliant fuel at such affected unit or units had not been interrupted. If such excess SO₂ emissions from any premises exceed fifty tons, the commissioner shall require that the owner or operator of such affected unit or units offset such SO₂ emissions through the purchase or retirement of SO₂ DERCS or SO₂ allowances.

(d) The provisions of subsections (c) and (f) of this section, when implemented by the Commissioner of Energy and Environmental Protection, shall not suspend any underlying procedures or requirements in the Regulations of Connecticut State Agencies adopted by the Department of Energy and Environmental Protection pertaining to SO₂ emissions.

(e) No provision of section 22a-197, this section or subsection (a) of section 16-245/ shall be construed to prohibit the Commissioner of Energy and Environmental Protection from waiving or suspending any applicable sulfur dioxide emissions standard as may be allowed under current federal or state laws or regulations, or other permit limits of a must run Title IV source, as ordered by the Independent System Operator, as may be allowed under current federal or state laws or regulations. The commissioner may attach any conditions to

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such suspension or waiver, as the commissioner deems necessary to mitigate any adverse environmental or public health impacts.

(f) The Commissioner of Energy and Environmental Protection, in consultation with the chairperson of the Public Utilities [Control] Regulatory Authority, may suspend the prohibition of subsection (b) of this section for a Title IV source if it is determined that the application of the prohibition established under subsection (b) of this section adversely affects the ability to meet the reliability standards, as defined by the New England Power Pool or its successor organization, and the suspension thereof is intended to mitigate such reliability problems. The Commissioner of Energy and Environmental Protection, in consultation with the chairperson of the Public Utilities [Control] Regulatory Authority, shall specify in writing the reasons for such suspension and the period of time that such suspension shall be in effect and shall provide notice of such suspension at the time of issuance, or the next business day, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment and energy and technology. No such waiver shall last more than thirty days. The commissioner may reissue additional waivers for such source after said initial waiver has expired. Within ten days of receipt of the commissioner's notice of suspension, the committees having cognizance of matters relating to the environment and energy and technology may hold a joint public hearing and meeting of the committees to either modify or reject the commissioner's suspension by a majority vote. If the committees do not meet, the commissioner's suspension shall be deemed approved.

Sec. 64. Subsections (a) and (b) of section 22a-200c of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Energy and Environmental Protection shall adopt regulations, in accordance with chapter 54, to implement

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the Regional Greenhouse Gas Initiative.

(b) The Department of Energy and Environmental Protection [, in consultation with the Department of Public Utility Control,] shall auction all emissions allowances and invest the proceeds, which shall be deposited into a Regional Greenhouse Gas account established by the Comptroller as a separate, nonlapsing account within the General Fund, on behalf of electric ratepayers in energy conservation, load management and Class I renewable energy programs. In making such investments, the Commissioner of Energy and Environmental Protection shall consider strategies that maximize cost effective reductions in greenhouse gas emission. Allowances shall be auctioned under the oversight of the [Department of Public Utility Control and the] Department of Energy and Environmental Protection by a contractor or trustee on behalf of the electric ratepayers.

Sec. 65. Section 22a-354m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Energy and Environmental Protection may, in accordance with regulations adopted pursuant to subsection (d) of this section, require any person engaged in agriculture on land located within an aquifer protection area and whose annual gross sales from agricultural products during the preceding calendar year were two thousand five hundred dollars or more to submit a farm resources management plan.

(b) The soil and water conservation district where the aquifer protection area is located shall establish and coordinate a technical team to develop each plan. Such team shall include a representative of the municipality in which the land is located and a representative of any affected water company upon request of such municipality or water company. For the purposes of developing the plan required pursuant to this section, if a farm is located in two or more soil and

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water conservation districts, the district in which the greater part of such farm is located shall be deemed to be the district in which the entire farm is located. In developing a plan, a district shall consult with the Commissioners of Energy and Environmental Protection and Agriculture, the College of Agriculture and Natural Resources at The University of Connecticut, the Connecticut Agricultural Experiment Station, the Soil Conservation Service, the state Agricultural and Conservation Committee and any other person or agency the district deems appropriate.

(c) The plan shall include a schedule for implementation and shall be periodically updated as required by the commissioner. In developing a schedule for implementation, the technical team shall consider technical and economic factors including, but not limited to, the availability of state and federal funds. Any person engaged in agriculture in substantial compliance with a plan approved under this section shall be exempt from regulations adopted under section 22a-354o by a municipality in which the land is located. No plan shall be required to be submitted to the commissioner before July 1, 1992, or six months after completion of level B mapping where the farm is located, whichever is later.

(d) On or before July 1, 1999, the Commissioner of Energy and Environmental Protection, in consultation with the Commissioner of Agriculture, the United States Soil Conservation Service, the Cooperative Extension Service at The University of Connecticut and the Council for Soil and Water Conservation, shall publish notice of intent to adopt regulations in accordance with chapter 54 for farm resources management plans. Such regulations shall include, but not be limited to, a priority system and procedures for determining if a farm management plan is required and the priority that is assigned to the preparation of such a plan, best management practices, restrictions and prohibitions for manure management, storage and handling of

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pesticides, reduced use of pesticides through pest management practices, integrated pest management, fertilizer management and underground and above-ground storage tanks and criteria and procedures for submission and review of farm resources management plans and amendments of such plans. In adopting such best management practices, restrictions and prohibitions, the commissioner shall consider existing state and federal guidelines or regulations affecting aquifers and agricultural resources management.

Sec. 66. Subsection (b) of section 22a-449d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) The board shall consist of the Commissioners of Energy and Environmental Protection and Revenue Services, the Secretary of the Office of Policy and Management and the State Fire Marshal, or their designees; one member representing the Connecticut Petroleum Council, appointed by the speaker of the House of Representatives; one member representing the Service Station Dealers Association, appointed by the majority leader of the Senate; one member of the public, appointed by the majority leader of the House of Representatives; one member representing the Independent Connecticut Petroleum Association, appointed by the president pro tempore of the Senate; one member representing the Gasoline and Automotive Service Dealers of America, Inc., appointed by the minority leader of the House of Representatives; one member representing a municipality with a population greater than one hundred thousand, appointed by the Governor; one member representing a municipality with a population of less than one hundred thousand, appointed by the minority leader of the Senate; one member representing a small manufacturing company which employs fewer than seventy-five persons, appointed by the speaker of the House of Representatives; one member experienced in the delivery,

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installation, and removal of residential underground petroleum storage tanks and remediation of contamination from such tanks, appointed by the president pro tempore of the Senate; and one member who is an environmental professional licensed under section 22a-133v and is experienced in investigating and remediating contamination attributable to underground petroleum storage tanks, appointed by the Governor. The board shall annually elect one of its members to serve as chairperson.

Sec. 67. Section 22a-604 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioners of Energy and Environmental Protection and Public Safety shall enter into an interagency agreement providing for the exchange of information and the coordination of their duties and responsibilities pursuant to the provisions of sections 22a-600 to 22a-603, inclusive.

Sec. 68. Section 22a-354i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On or before July 1, 1991, the Commissioner of Energy and Environmental Protection shall publish notice of intent to adopt regulations in accordance with chapter 54 for land use controls in aquifer protection areas. The regulations shall establish (1) best management practice standards for existing regulated activities located entirely or in part within aquifer protection areas and a schedule for compliance of nonconforming regulated activities with such standards, (2) best management practice standards for and prohibitions of regulated activities proposed to be located entirely or in part within aquifer protection areas, (3) procedures for exempting regulated activities in aquifer protection areas upon determination solely by the commissioner that such regulated activities do not pose a threat to any existing or potential drinking water supply, and (4) requirements for

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design and installation of groundwater monitoring within aquifer protection areas. In addition, the commissioner may adopt such other regulations as deemed necessary to carry out the purposes of sections 22a-354b, 22a-354c, 22a-354h, this section, sections 22a-354m, 22a-354n, subsection (e) of section 22a-354p and subsection (d) of section 22a-451, including, but not limited to, regulations which provide for the manner in which the boundaries of aquifer protection areas shall be established and amended; criteria and procedures for submission and review of applications to construct or begin regulated activities; procedures for granting, denying, limiting, revoking, suspending, transferring and modifying permits for regulated activities; controls regarding the expansion of nonconforming regulated activities, including procedures for offsetting impacts from the expansion or modification of nonconforming regulated activities or procedures for modifying permits of regulated activities by the removal of other potential pollution sources within the subject well field, procedures for the granting of permits for such expansion or modification based on the certification of a qualified person that such expansion meets criteria established by the commissioner; registration requirements for existing regulated activities and procedures for transferring registrations; procedures for landowners to notify a municipality or the commissioner of a change in use and other provisions for administration of the aquifer protection program.

(b) In adopting such regulations, the commissioner shall consider the guidelines for aquifer protection areas recommended in the report prepared pursuant to special act 87-63, as amended, and shall avoid duplication and inconsistency with other state or federal laws and regulations affecting aquifers. The regulations shall be developed in consultation with an advisory committee appointed by the commissioner. The advisory committee shall include the Commissioners of Public Works and Public Health, [and the chairperson of the Public Utilities Control Authority,] or their

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designees, members of the public, and representatives of businesses affected by the regulations, agriculture, environmental groups, municipal officers and water companies.

Sec. 69. Section 22a-354w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Energy and Environmental Protection, in consultation with the Commissioner of Public Health and the chairperson of the Public Utilities [Control] Regulatory Authority, shall prepare guidelines for acquisition of lands surrounding existing or proposed public water supply well fields. In preparing such guidelines the commissioner shall consider economic implications for mandating land acquisition including, but not limited to, the effect on land values and the ability of small water companies to absorb the cost of acquisition.

Sec. 70. Subsection (d) of section 22a-371 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(d) Upon notifying the applicant in accordance with subsection (c) of this section that the application is complete, the commissioner shall immediately provide notice of the application and a concise description of the proposed diversion to the Governor, the Attorney General, the speaker of the House of Representatives, the president pro tempore of the Senate, the Secretary of the Office of Policy and Management, the Commissioners of Public Health and Economic and Community Development, the chairperson of the Public Utilities [Control] Regulatory Authority, chief executive officer and chairmen of the conservation commission and wetlands agency of the municipality or municipalities in which the proposed diversion will take place or have effect, and to any person who has requested notice of such activities.

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Sec. 71. Section 23-8 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Energy and Environmental Protection shall have power, acting by himself or with local authorities, to acquire, maintain and make available to the public open spaces for recreation. Said commissioner may take, in the name of the state and for the benefit of the public, by purchase, gift or devise, lands and rights in land and personal estate for public open spaces, or take bonds for the conveyance thereof, or may lease the same for a period not exceeding five years, with an option to buy, and may preserve and care for such public reservations, and, in his discretion and upon such terms as he may approve, such other open spaces within this state as may be entrusted, given or devised to the state by the United States or by cities, towns, corporations or individuals for the purposes of public recreation, or for the preservation of natural beauty or historical association, provided said commissioner shall not take or contract to take by purchase or lease any land or other property for an amount or amounts beyond such sum or sums as have been appropriated or contributed therefor. No provision of this section shall be construed to set aside any terms or conditions under which gifts or bequests of land have been accepted by the commissioner.

(b) Twenty-one per cent of the state's land area shall be held as open space land. The goal of the state's open space acquisition program shall be to acquire land such that ten per cent of the state's land area is held by the state as open space land and not less than eleven per cent of the state's land area is held by municipalities, water companies or nonprofit land conservation organizations as open space land consistent with the provisions of sections 7-131d to 7-131g, inclusive. Such program shall not affect the ability of any water company to reclassify or sell any land, or interest in land, which was not acquired, in whole or in part, with funds made available under the program

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established under sections 7-131d to 7-131g, inclusive. The goal for state open space acquisition shall be three thousand acres acquired in 1999, four thousand acres acquired in 2000, four thousand acres acquired in 2001 and five thousand acres acquired in 2002 provided such acquisition program shall continue until the overall state goal of open space acquisition is achieved. The commissioner, in consultation with the Council on Environmental Quality established under section 22a-11 and private nonprofit land conservation organizations, shall prepare, and update as necessary, a comprehensive strategy for achieving the state goal and shall set an appropriate additional goal for increasing the amount of land held as open space by municipalities or by private nonprofit land conservation organizations and shall include in such strategy provisions for achieving such goal. Such strategy shall include, but not be limited to, recommendations regarding: (1) Timetables for acquisition of land by the state, (2) management of such land, (3) resources to be used for acquisition and management of such land, and (4) acquisition and maintenance of open space land by municipalities and by private entities. On or before January 1, 1998, and annually thereafter, the commissioner shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to the environment regarding the strategy and the progress being made towards the goals.

(c) To further the efforts to preserve open space in the state and to help realize the goal established in subsection (b) of this section to have at least twenty-one per cent of the state's land held by the state, municipalities, land conservation organizations and water utilities as open space, the Department of Energy and Environmental Protection shall conduct an evaluation of lands of class A water companies, as defined in section 16-1, as amended by this act, to determine the resource value and potential desirability of such lands for purchase for open space or public outdoor recreation or natural resource conservation or preservation. The water companies and land

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conservation organizations shall work cooperatively with the department and provide maps and other information to assist the Department of Energy and Environmental Protection in the evaluation of these properties and said department shall develop strategies for alternative methods of funding the preservation of water company lands in perpetuity as open space.

Sec. 72. Section 23-102 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There shall be a Connecticut Greenways Council which shall be within the Department of Energy and Environmental Protection for administrative purposes only. The council shall consist of eleven members, five to be appointed by the Governor, one to be appointed by the speaker of the House of Representatives, one to be appointed by the majority leader of the House of Representatives, one to be appointed by the president pro tempore of the Senate, one to be appointed by the majority leader of the Senate, one to be appointed by the minority leader of the House of Representatives and one to be appointed by the minority leader of the Senate. All appointments to the council shall be made on or before October 1, 1995. Three of the members initially appointed by the Governor shall serve a term of two years and two of the members appointed by the Governor shall serve a term of four years. All members appointed by the Governor thereafter shall serve a term of four years. The terms of all members appointed by members of the General Assembly shall be coterminous with the terms of members of the General Assembly. The appointing authority shall fill any vacancy by appointment for the unexpired portion of the term vacated. The chairman of said council shall be selected by the Governor. Members of said council shall receive no compensation for their services on the council. The council shall hold one meeting each quarter and such additional meetings as may be prescribed by council rules. Special meetings may be called by the chairman or by any three

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members upon delivery of forty-eight hours' written notice to each member. The council may employ an executive director, exclusive of the provisions of chapter 67, and such additional staff and contractors and consultants as may be necessary to carry out its duties and may share the personnel and resources of the council on environmental quality, within available appropriations. The council may receive aid or contributions from any source, including grants-in-aid from any state agency.

(b) The duties of the council shall be: (1) To advise and assist in the coordination of state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in voluntarily planning and implementing a system of greenways; (2) to operate a greenways help center to advise state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in the technical aspects of planning, designing and implementing greenways, including advice on securing state, federal and nongovernmental grants; (3) to establish criteria for designation of greenways; (4) to maintain an inventory of greenways in the state which shall include the location of greenways transportation projects which have received grants under sections 23-101, 32-6a, 32-9qq and 32-328; (5) to advise the Commissioner of Economic and Community Development on the distribution of grants for greenways transportation projects pursuant to sections 32-6a, 32-9qq and 32-328; and (6) to advise the Commissioner of Energy and Environmental Protection on the distribution of grants pursuant to section 23-101.

Sec. 73. Section 25-32b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Public Health, in consultation with the Commissioner of Energy and Environmental Protection and the Public Utilities [Control] Regulatory Authority, may declare a public drinking

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water supply emergency upon receipt of information that a public water supply emergency exists or is imminent. Notwithstanding any other provision of the general statutes or regulations adopted thereunder, or special act or municipal ordinance, the Commissioner of Public Health may authorize or order the sale, supply or taking of any waters, including waters into which sewage is discharged, or the temporary interconnection of water mains for the sale or transfer of water among water companies. The Public Utilities [Control] Regulatory Authority shall determine the terms of the sale of any water sold pursuant to this section if the water companies that are party to the sale cannot determine such terms or if one of such water companies is regulated by the authority. The authorization or order may be implemented prior to such determination. Any authorization or order shall be for an initial period of not more than thirty days but may be extended for additional periods of thirty days up to one hundred fifty days, consistent with the contingency procedures for a public drinking water supply emergency in the plan approved pursuant to section 25-32d to the extent the Commissioner of Public Health deems appropriate. Upon request by the Commissioner of Public Health, the Commissioner of Energy and Environmental Protection, pursuant to section 22a-378, shall suspend a permit issued pursuant to section 22a-368 or impose conditions on a permit held pursuant to said section. The time for such suspension or conditions shall be established in accordance with subdivision (1) of subsection (a) of section 22a-378. As used in this section and section 22a-378, "public drinking water supply emergency" includes the contamination of water, the failure of a water supply system or the shortage of water.

Sec. 74. Section 25-32d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Each water company, as defined in section 25-32a, and supplying water to one thousand or more persons or two hundred fifty or more

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consumers and any other water company as defined in said section requested by the Commissioner of Public Health shall submit a water supply plan to the Commissioner of Public Health for approval in accordance with the requirements of this section and with the concurrence of the Commissioner of Environmental Protection. The concurrence of the Public Utilities [Control] Regulatory Authority shall be required for approval of a plan submitted by a water company regulated by the authority. The Commissioner of Public Health shall consider the comments of the Public Utilities [Control] Regulatory Authority on any plan which may impact any water company regulated by the authority. The Commissioner of Public Health shall distribute a copy of the plan to the Commissioner of Energy and Environmental Protection and the Public Utilities [Control] Regulatory Authority. A copy of the plan shall be sent to the Secretary of the Office of Policy and Management for information and comment. A plan shall be revised at such time as the water company filing the plan or the Commissioner of Public Health determines, or at intervals of not less than six years nor more than nine years after the date of the most recently approved plan. Unless the Commissioner of Public Health requests otherwise, any water company that fails to meet public drinking water supply quality and quantity obligations, as prescribed in state law or regulation, shall be required to file plan revisions six years after the date of the most recently approved plan. On and after October 1, 2009, upon the approval of a water supply plan, any subsequent revisions to such plan shall minimally consist of updates to those elements described in subsection (b) of this section that have changed after the date of the most recently approved plan provided the Commissioner of Public Health has not otherwise requested submission of an entire water supply plan.

(b) Any water supply plan submitted pursuant to this section shall evaluate the water supply needs in the service area of the water company submitting the plan and propose a strategy to meet such

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needs. The plan shall include: (1) A description of existing water supply systems; (2) an analysis of future water supply demands; (3) an assessment of alternative water supply sources which may include sources receiving sewage and sources located on state land; (4) contingency procedures for public drinking water supply emergencies, including emergencies concerning the contamination of water, the failure of a water supply system or the shortage of water; (5) a recommendation for new water system development; (6) a forecast of any future land sales, an identification which includes the acreage and location of any land proposed to be sold, sources of public water supply to be abandoned and any land owned by the company which it has designated, or plans to designate, as class III land; (7) provisions for strategic groundwater monitoring; (8) an analysis of the impact of water conservation practices and a strategy for implementing supply and demand management measures; (9) on and after January 1, 2004, an evaluation of source water protection measures for all sources of the water supply, based on the identification of critical lands to be protected and incompatible land use activities with the potential to contaminate a public drinking water source; and (10) a brief summary of the water company's underground infrastructure replacement practices, which may include current and future infrastructure needs, methods by which projects are identified and prioritized for rehabilitation and replacement and funding needs.

(c) For security and safety reasons, procedures for sabotage prevention and response shall be provided separately from the water supply plan as a confidential document to the Department of Public Health. Such procedures shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200. Additionally, procedures for sabotage prevention and response that are established by municipally-owned water companies shall not be subject to disclosure under the Freedom of Information Act, as defined in section 1-200.

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(d) The Commissioner of Public Health, in consultation with the Commissioner of Energy and Environmental Protection and the Public Utilities [Control] Regulatory Authority, shall adopt regulations in accordance with the provisions of chapter 54. Such regulations shall include a method for calculating safe yield, the contents of emergency contingency plans and water conservation plans, the contents of an evaluation of source water protection measures, a process for approval, modification or rejection of plans submitted pursuant to this section, a schedule for submission of the plans and a mechanism for determining the completeness of the plan. The plan shall be deemed complete if the commissioner does not request additional information within ninety days after the date on which the plan was submitted or, in the event that additional information has been requested, within forty-five days after the submission of such information, except that the commissioner may request an additional thirty days beyond the time in which the application is deemed complete to further determine completeness. In determining whether the water supply plan is complete, the commissioner may request only information that is specifically required by regulation. The Department of Energy and Environmental Protection and the [Department of Public Utility Control] Public Utilities Regulatory Authority, in the case of any plan which may impact any water company regulated by that agency, shall have ninety days upon notice that a plan is deemed complete to comment on the plan.

(e) Any water company, when submitting any plan or revision or amendment of a plan after July 1, 1998, which involves a forecast of land sales, abandonment of any water supply source, sale of any lands, or land reclassification, shall provide notice, return receipt requested, to the chief elected official of each municipality in which the land or source is located, the Nature Conservancy, the Trust for Public Land and the Land Trust Service Bureau and any organization on the list prepared under subsection (b) of section 16-50c. Such notice shall

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specify any proposed abandonment of a source of water supply, any proposed changes to land sales forecasts or any land to be designated as class III land in such plan. Such notice shall specify the location and acreage proposed for sale or reclassification as class III land and identify sources to be abandoned and shall be provided no later than the date of submission of such plan or revision. Such notice shall indicate that public comment on such plan or revision shall be received by the Commissioners of Public Health and Energy and Environmental Protection not later than sixty days after the date of notice. The Commissioner of Public Health shall take such comment into consideration in making any determination or approval under this section.

Sec. 75. Section 25-32i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

There is created a Residential Water-Saving Advisory Board to advise the Commissioner of Public Health on educational materials or information on water conservation. The board shall consist of eight members as follows: The Commissioners of Energy and Environmental Protection and Public Health, the Secretary of the Office of Policy and Management, the chairperson of the Public Utilities [Control] Regulatory Authority, and the Consumer Counsel, or their respective designees; a representative of a small investor-owned water company, who shall be appointed by the minority leader of the Senate; a representative of a large investor-owned water company, who shall be appointed by the minority leader of the House of Representatives; and a representative of a municipal or regional water authority, who shall be jointly appointed by the president pro tempore of the Senate and the speaker of the House of Representatives. The Governor shall designate the chairman of the board.

Sec. 76. Section 25-33o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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(a) The chairperson of the Public Utilities [Control] Regulatory Authority, or the chairperson's designee, the Commissioner of Energy and Environmental Protection, or the commissioner's designee, the Secretary of the Office of Policy and Management, or the secretary's designee, and the Commissioner of Public Health, or the commissioner's designee, shall constitute a Water Planning Council to address issues involving the water companies, water resources and state policies regarding the future of the state's drinking water supply. On or after July 1, 2007, and each year thereafter, the chairperson of the Water Planning Council shall be elected by the members of the Water Planning Council.

(b) The Water Planning Council shall conduct a study, in consultation with representatives of water companies, municipalities, agricultural groups, environmental groups and other water users, that shall include the following issues: (1) The financial viability, market structure, reliability of customer service and managerial competence of water companies; (2) fair and reasonable water rates; (3) protection and appropriate allocation of the state's water resources while providing for public water supply needs; (4) the adequacy and quality of the state's drinking water supplies to meet current and future needs; (5) an inventory of land and land use by water companies; (6) the status of current withdrawals, projected withdrawals, river flows and the future needs of water users; (7) methods for measurement and estimations of natural flows in Connecticut waterways in order to determine standards for stream flows that will protect the ecology of the state's rivers and streams; (8) the status of river flows and available data for measuring river flows; (9) the streamlining of the water diversion permit process; (10) coordination between the Departments of Energy and Environmental Protection [,] and Public Health [and Public Utility Control] in review of applications for water diversion; and (11) the procedure for coordination of planning of public water supply systems established in sections 25-33c to 25-33j, inclusive. Such study shall be

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conducted on both a regional and state-wide level.

(c) The council may establish an advisory group that shall serve at the pleasure of the council. The advisory group shall be balanced between consumptive and nonconsumptive interests. The advisory group may include representatives of (1) regional and municipal water utilities, (2) investor-owned water utilities, (3) a wastewater system, (4) agricultural interests, (5) electric power generation interests, (6) business and industry interests, (7) environmental land protection interests, (8) environmental river protection interests, (9) boating interests, (10) fisheries interests, (11) recreational interests, (12) endangered species protection interests, and (13) members of academia with expertise in stream flow, public health and ecology.

(d) The council shall, not later than January 1, 2002, and annually thereafter, report its preliminary findings and any proposed legislative changes to the joint standing committees of the General Assembly having cognizance of matters relating to public health, the environment and public utilities in accordance with section 11-4a, except that not later than February 1, 2004, the council shall report its recommendations in accordance with this subsection with regard to (1) a water allocation plan based on water budgets for each watershed, (2) funding for water budget planning, giving priority to the most highly stressed watersheds, and (3) the feasibility of merging the data collection and regulatory functions of the Department of Energy and Environmental Protection's inland water resources program and the Department of Public Health's water supplies section.

Sec. 77. Section 25-157 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

Notwithstanding any other provision of the general statutes, no state agency, including, but not limited to, the Department of Energy and Environmental Protection and the Connecticut Siting Council

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within such department, shall consider or render a final decision for any applications relating to electric power line crossings, gas pipeline crossings or telecommunications crossings of Long Island Sound that have required or will require a certificate issued pursuant to section 16-50k or approval by the Federal Energy Regulatory Commission including, but not limited to, electrical power line, gas pipeline or telecommunications applications that are pending or received after June 3, 2002, for a period of three years after June 3, 2002. Such moratorium shall not apply to applications relating solely to the maintenance, repair or replacement necessary for repair of electrical power lines, gas pipelines or telecommunications facilities currently used to provide service to customers located on islands or peninsulas off the Connecticut coast or harbors, embayments, tidal rivers, streams or creeks. An applicant may seek a waiver of such moratorium by submitting a petition to the following: The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment, the chairman of the Connecticut Siting Council, [the chairperson of the Public Utilities Control Authority,] the Commissioner of Energy and Environmental Protection, and any other state agency head with jurisdiction over the subject of the petition. Such persons may grant a petition for a waiver by unanimous consent. Nothing in section 16-244j, this section or sections 25-157a to 25-157c, inclusive, shall be construed to affect the project in the corridor across Long Island Sound, from Norwalk to Northport, New York, to replace the existing electric cables that cross the sound.

Sec. 78. Section 25-33g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Each water utility coordinating committee, in consultation with the Commissioners of Public Health and Energy and Environmental Protection, the Secretary of the Office of Policy and Management and

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the [Department of Public Utility Control] Public Utilities Regulatory Authority, shall develop a preliminary assessment of water supply conditions and problems within the public water supply management area. The committee shall solicit comments on the preliminary assessment from municipalities, regional planning agencies, state agencies and other interested parties and respond to any comment received. The committee shall thereafter prepare a final assessment.

(b) The committee shall establish preliminary exclusive service area boundaries, based on the final assessment, for each public water system within the management area, and may change such boundaries. In establishing exclusive service area boundaries the committee shall solicit comments on such boundaries from municipalities, regional planning agencies, the Commissioners of Energy and Environmental Protection and Public Health, the [Department of Public Utility Control] Public Utilities Regulatory Authority, the Secretary of the Office of Policy and Management and other interested persons within the management area and respond to any comment received. If there is no agreement by the committee on such boundaries, or on a change to such boundaries, the committee shall consult with the [Department of Public Utility Control] Public Utilities Regulatory Authority. If there is no agreement by the committee after such consultation, the Commissioner of Public Health shall establish or may change such exclusive service area boundaries taking into consideration any water company rights established by statute, special act or administrative decisions. In establishing such boundaries the commissioner shall maintain existing service areas and consider the orderly and efficient development of public water supplies. In considering any change to exclusive service area boundaries, the commissioner shall maintain existing service areas, consider established exclusive service areas, and consider the orderly and efficient development of public water supplies.

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Sec. 79. Section 25-33h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Each water utility coordinating committee shall prepare a coordinated water system plan in the public water supply management area. Such plan shall be submitted to the Commissioner of Public Health for his approval not more than two years after the first meeting of the committee. The plan shall promote cooperation among public water systems and include, but not be limited to, provisions for (1) integration of public water systems, consistent with the protection and enhancement of public health and well-being; (2) integration of water company plans; (3) exclusive service areas; (4) joint management or ownership of services; (5) satellite management services; (6) interconnections between public water systems; (7) integration of land use and water system plans; (8) minimum design standards; (9) water conservation; (10) the impact on other uses of water resources; and (11) acquisition of land surrounding wells proposed to be located in stratified drifts.

(b) The plan shall be adopted in accordance with the provisions of this section. The committee shall prepare a draft of the plan and solicit comments thereon from the Commissioners of Public Health and Energy and Environmental Protection, the [Department of Public Utility Control] Public Utilities Regulatory Authority, the Secretary of the Office of Policy and Management and any municipality, regional planning agency or other interested party within the management area. The municipalities and regional planning agencies shall comment on, but shall not be limited to commenting on, the consistency of the plan with local and regional land use plans and policies. The [Department of Public Utility Control] Public Utilities Regulatory Authority shall comment on, but shall not be limited to commenting on, the cost-effectiveness of the plan. The Secretary of the Office of Policy and Management shall comment on, but shall not be limited to

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commenting on, the consistency of the plan with state policies. The Commissioner of Energy and Environmental Protection shall comment on, but shall not be limited to commenting on, the availability of water for any proposed diversion. The Commissioner of Public Health shall comment on, but shall not be limited to commenting on, the availability of pure and adequate water supplies, potential conflicts over the use of such supplies, and consistency with the goals of sections 25-33c to 25-33j, inclusive.

(c) The Commissioner of Public Health shall adopt regulations in accordance with the provisions of chapter 54 establishing the contents of a plan and a procedure for approval or amendment to the plan.

Sec. 80. Section 25-37d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

Within two years after June 26, 1977, the commissioner shall adopt regulations in accordance with chapter 54 for the review of permit applications. Such procedure shall include a standard application form, a public hearing and enforcement provisions. A permit application shall be deemed complete if the commissioner does not request additional information within forty-five days after the date on which the application was submitted or, in the event that additional information has been requested, upon the submission of such information. The commissioner may request further information after the application has been deemed complete if the need for such information was not apparent within forty-five days after submission of the application. If, in the judgment of the commissioner, the proposed sale, lease, assignment or change in use of class II land may have a significant adverse impact upon the applicant's water supply, said commissioner may, within thirty days of his receipt of a complete permit application, refer such application for detailed review to a consultant chosen by the commissioner, with skills in the fields of water supply, hydrology, aquatic biology, forestry, geology, planning

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or other related fields. The commissioner shall notify the applicant of such referral. The fee for such consultant shall be paid by the applicant. If the commissioner does not refer the application to a consultant pursuant to the provisions of this section, the commissioner shall refer such application to a professional review team appointed by said commissioner, consisting of a [professional water supply engineer from the staff of the Department of Public Utility Control; a] professional from the staff of the Department of Energy and Environmental Protection with expertise in one of the following areas: Water supply, hydrology, aquatic biology, forestry, geology or other related fields; a professional planner recommended by the chief executive officer of the town or towns in which the land proposed for disposition is located; a professional planner from the staff of the Office of Policy and Management; an appointee from the staff of the Department of Public Health and up to three other experts in the public health field, provided nothing in this section shall be construed to prevent the commissioner from referring such application to both a consultant and a professional review team. No appointee or consultant shall serve at the time of his appointment in the employ of the applicant. Such team or consultant shall evaluate the impact of the proposed sale, lease, assignment or change in use of land upon the purity and adequacy of the water supply under the most severe climatic conditions and its ability to meet current drinking water standards adopted by the Department of Public Health.

Sec. 81. Section 25-102m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Commissioner of Energy and Environmental Protection shall select two harbor management commissions, established pursuant to section 22a-113k, from the member towns of the Connecticut River Gateway Commission, established pursuant to section 25-102e, to jointly recommend standards and criteria for the

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construction and location of private residential docks and piers and standards and criteria for the management of scenic resources and visual impacts within the limits of navigable waters, as defined in subsection (b) of section 15-3a.

(b) The standards and criteria recommended pursuant to subsection (a) of this section shall be jointly submitted for approval to the Commissioners of Energy and Environmental Protection and Transportation. The commissioners shall approve or reject each recommendation not more than one hundred twenty days after submission.

(c) A harbor management commission established pursuant to section 22a-113k from a member town of the Connecticut River Gateway Commission established pursuant to section 25-102e may adopt any standard or criterion approved pursuant to subsection (b) of this section as part of its harbor management plan adopted pursuant to chapter 444a.

Sec. 82. Subsection (a) of section 25-203 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The commissioner shall establish a river committee to plan for designation and protection and preservation of eligible river corridors and to perform such other functions as are specified in sections 25-200 to 25-210, inclusive, if (1) one or more municipalities within any such corridor request such action or (2) the legislative body of any such municipality provides for a referendum at a regular election held in such municipality on the question of whether such municipality shall request the commissioner to establish a river committee and a majority of the electors in such municipality approve such action. A request under this subsection shall be accompanied by a list of persons who may appropriately serve on such committee. Such persons shall

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include (A) an official representative of each requesting municipality, (B) all persons or representatives thereof who have such a legal or management interest in or responsibility for the river corridor that the river committee could not properly function without their participation, and (C) persons having substantial relevant expertise in the areas of engineering or land or water use management. The commissioner shall appoint the members of the river committee from among the persons included on such list and from among such other persons as he deems necessary or appropriate to carry out the purposes of sections 25-200 to 25-210, inclusive, including at least one representative each of the Departments of Energy and Environmental Protection and Public Health. Vacancies on the river committee shall be filled in the same manner as original appointments.

Sec. 83. Section 26-141b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The Commissioner of Energy and Environmental Protection shall, on or before December 31, 2006, and after consultation and cooperation with the Department of Public Health, the [Department of Public Utility Control] Public Utilities Regulatory Authority, an advisory group convened by the Commissioner of Energy and Environmental Protection, and any other agency, board or commission of the state with which said commissioner shall deem it advisable to consult and after recognizing and providing for the needs and requirements of public health, flood control, industry, public utilities, water supply, public safety, agriculture and other lawful uses of such waters and further recognizing and providing for stream and river ecology, the requirements of natural aquatic life, natural wildlife and public recreation, and after considering the natural flow of water into an impoundment or diversion, and being reasonably consistent therewith, shall adopt regulations, in accordance with the provisions of chapter 54, establishing flow regulations for all river and stream systems. Such

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flow regulations shall: (1) Apply to all river and stream systems within this state; (2) preserve and protect the natural aquatic life, including anadromous fish, contained within such waters; (3) preserve and protect the natural and stocked wildlife dependent upon the flow of such water; (4) promote and protect the usage of such water for public recreation; (5) be based, to the maximum extent practicable, on natural variation of flows and water levels while providing for the needs and requirements of public health, flood control, industry, public utilities, water supply, public safety, agriculture and other lawful uses of such waters; and (6) be based on the best available science, including, but not limited to, natural aquatic habitat, biota, subregional basin boundaries, areas of stratified drift, stream gages and flow data, locations of registered, permitted, and proposed diversions and withdrawal data reported pursuant to section 22a-368a, locations where any dams or other structures impound or divert the waters of a river or stream and any release made therefrom, and any other data for developing such regulations or individual management plans. Such flow regulations may provide special conditions or exemptions including, but not limited to, an extreme economic hardship or other circumstance, an agricultural diversion, a water quality certification related to a license issued by the Federal Energy Regulatory Commission or as necessary to allow a public water system, as defined in subsection (a) of section 25-33d, to comply with the obligations of such system as set forth in the regulations of Connecticut state agencies. Any flow management plan contained in a resolution, agreement or stipulated judgment to which the state, acting through the Commissioner of Energy and Environmental Protection, is a party, or the management plan developed pursuant to section 3 of public act 00-152, is exempt from any such flow regulations. Flow regulations that were adopted pursuant to this section and sections 26-141a and 26-141c prior to October 1, 2005, shall remain in effect until the Commissioner of Energy and Environmental Protection adopts new regulations pursuant to this section.

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Sec. 84. Section 26-157f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There is established a Lobster Restoration Advisory Committee to advise the Commissioner of Energy and Environmental Protection on matters relating to the development of a lobster v-notch conservation program to enhance recovery and rebuilding of lobster stock in Long Island Sound.

(b) The committee shall be comprised of the following eleven members: (1) The Commissioner of Energy and Environmental Protection, or the commissioner's designee, (2) the Commissioner of Agriculture, or the commissioner's designee, (3) the state's administrative commissioner to the Atlantic States Marine Fisheries Commission, (4) the state's legislative commissioner to the Atlantic States Marine Fisheries Commission, (5) the state's commissioner who has been appointed by the Governor to the Atlantic States Marine Fisheries Commission, (6) a representative of the Southern New England Fishermen's and Lobsterman's Association, (7) a representative of the Connecticut Commercial Lobstermen's Association, (8) a representative of the Long Island Western End Lobstermen's Association, (9) a representative of the state vocational aquaculture school known as the Sound School in New Haven, (10) a representative of a state vocational aquaculture school in Bridgeport, and (11) a representative of the Connecticut Seafood Council.

(c) The committee shall be appointed jointly by the Commissioners of Energy and Environmental Protection and Agriculture, after receiving appointment nominations from each group listed in subsection (b) of this section, not more than thirty days after May 26, 2006. The committee shall elect its own chairman and such other officers and adopt such rules of procedure as it may deem appropriate. Members of said committee shall receive no compensation for their services but shall be reimbursed for necessary expenses in the

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performance of their duties.

Sec. 85. Section 28-24 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There is established an Office of State-Wide Emergency Telecommunications which shall be in the Division of Fire, Emergency and Building Services within the Department of Public Safety. The Office of State-Wide Emergency Telecommunications shall be responsible for developing and maintaining a state-wide emergency service telecommunications policy. In connection with said policy the office shall:

(1) Develop a state-wide emergency service telecommunications plan specifying emergency police, fire and medical service telecommunications systems needed to provide coordinated emergency service telecommunications to all state residents, including the physically disabled;

(2) Pursuant to the recommendations of the task force established by public act 95-318 to study enhanced 9-1-1 telecommunications services, and in accordance with regulations adopted by the Commissioner of Public Safety pursuant to subsection (b) of this section, develop and administer, by July 1, 1997, an enhanced emergency 9-1-1 program, which shall provide for: (A) The replacement of existing 9-1-1 terminal equipment for each public safety answering point; (B) the subsidization of regional public safety emergency telecommunications centers, with enhanced subsidization for municipalities with a population in excess of forty thousand; (C) the establishment of a transition grant program to encourage regionalization of public safety telecommunications centers; and (D) the establishment of a regional emergency telecommunications service credit in order to support regional dispatch services;

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(3) Provide technical telecommunications assistance to state and local police, fire and emergency medical service agencies;

(4) Provide frequency coordination for such agencies;

(5) Coordinate and assist in state-wide planning for 9-1-1 and E 9-1-1 systems;

(6) Review and make recommendations concerning proposed legislation affecting emergency service telecommunications; and

(7) Review and make recommendations to the General Assembly concerning emergency service telecommunications funding.

(b) The Commissioner of Public Safety shall adopt regulations, in accordance with chapter 54, establishing eligibility standards for state financial assistance to local or regional police, fire and emergency medical service agencies providing emergency service telecommunications. Not later than April 1, 1997, the commissioner shall adopt regulations, in accordance with chapter 54, in order to carry out the provisions of subdivision (2) of subsection (a) of this section.

(c) Within a time period determined by the commissioner to ensure the availability of funds for the fiscal year beginning July 1, 1997, to the regional public safety emergency telecommunications centers within the state, and not later than April first of each year thereafter, the commissioner shall determine the amount of funding needed for the development and administration of the enhanced emergency 9-1-1 program. The commissioner shall specify the expenses associated with (1) the purchase, installation and maintenance of new public safety answering point terminal equipment, (2) the implementation of the subsidy program, as described in subdivision (2) of subsection (a) of this section, (3) the implementation of the transition grant program, described in subdivision (2) of subsection (a) of this section, (4) the

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implementation of the regional emergency telecommunications service credit, as described in subdivision (2) of subsection (a) of this section, provided, for the fiscal year ending June 30, 2001, and each fiscal year thereafter, such credit for coordinated medical emergency direction services as provided in regulations adopted under this section shall be based upon the factor of thirty cents per capita and shall not be reduced each year, (5) the training of personnel, as necessary, (6) recurring expenses and future capital costs associated with the telecommunications network used to provide emergency 9-1-1 service and the public safety services data networks, (7) for the fiscal year ending June 30, 2001, and each fiscal year thereafter, the collection, maintenance and reporting of emergency medical services data, as required under subparagraphs (A) and (B) of subdivision (8) of section 19a-177, provided the amount of expenses specified under this subdivision shall not exceed two hundred fifty thousand dollars in any fiscal year, (8) for the fiscal year ending June 30, 2001, and each fiscal year thereafter, the initial training of emergency medical dispatch personnel, the provision of an emergency medical dispatch priority reference card set and emergency medical dispatch training and continuing education pursuant to subdivisions (3) and (4) of subsection (g) of section 28-25b, and (9) the administration of the enhanced emergency 9-1-1 program by the Office of State-Wide Emergency Telecommunications, as the commissioner determines to be reasonably necessary. The commissioner shall communicate the commissioner's findings to the [chairperson of the Public Utilities Control Authority] Public Utilities Regulatory Authority not later than April first of each year.

(d) The office may apply for, receive and distribute any federal funds available for emergency service telecommunications. The office shall deposit such federal funds in the Enhanced 9-1-1 Telecommunications Fund established by section 28-30a.

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(e) The office shall work in cooperation with the [Department of Public Utility Control] Public Utilities Regulatory Authority to carry out the purposes of this section.

Sec. 86. Subsection (a) of section 32-1o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On or before July 1, 2009, and every five years thereafter, the Commissioner of Economic and Community Development, within available appropriations, shall prepare an economic strategic plan for the state in consultation with the Secretary of the Office of Policy and Management, the Commissioners of Energy and Environmental Protection and Transportation, the Labor Commissioner, the executive directors of the Connecticut Housing Finance Authority, the Connecticut Development Authority, Connecticut Innovations, Incorporated, the Commission on Culture and Tourism and the Connecticut Health and Educational Facilities Authority, and the president of the Office of Workforce Competitiveness, or their respective designees, and any other agencies the Commissioner of Economic and Community Development deems appropriate.

Sec. 87. Section 32-9cc of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) There is established, within the Department of Economic and Community Development, an Office of Brownfield Remediation and Development.

(b) The office shall:

(1) Develop procedures and policies for streamlining the process for brownfield remediation and development;

(2) Identify existing and potential sources of funding for brownfield

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remediation and develop procedures for expediting the application for and release of such funds;

(3) Establish an office to provide assistance and information concerning the state's technical assistance, funding, regulatory and permitting programs;

(4) Provide a single point of contact for financial and technical assistance from the state and quasi-public agencies;

(5) Develop a common application to be used by all state and quasi-public entities providing financial assistance for brownfield assessment, remediation and development;

(6) Identify and prioritize state-wide brownfield development opportunities; and

(7) Develop and execute a communication and outreach program to educate municipalities, economic development agencies, property owners and potential property owners and other organizations and individuals with regard to state policies and procedures for brownfield remediation.

(c) Subject to the availability of funds, there shall be a state-funded pilot program to identify brownfield remediation economic opportunities in five Connecticut municipalities, one of which shall have a population of less than fifty thousand, one of which shall have a population of more than fifty thousand but less than one hundred thousand, two of which shall have populations of more than one hundred thousand and one of which shall be selected without regard to population. The Commissioner of Economic and Community Development shall designate five pilot municipalities in which untreated brownfields hinder economic development and shall make grants under such pilot program to these municipalities or economic development agencies associated with each of the five municipalities

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that are likely to produce significant economic development benefit for the designated municipality.

(d) The Department of Energy and Environmental Protection, the Connecticut Development Authority and the Department of Public Health shall each designate one or more staff members to act as a liaison between their offices and the Office of Brownfield Remediation and Development. The Commissioners of Economic and Community Development, Energy and Environmental Protection and Public Health and the executive director of the Connecticut Development Authority shall enter into a memorandum of understanding concerning each entity's responsibilities with respect to the Office of Brownfield Remediation and Development. The Office of Brownfield Remediation and Development may develop and recruit two volunteers from the private sector, including a person from the Connecticut chapter of the National Brownfield Association, with experience in different aspects of brownfield remediation and development. Said volunteers may assist the Office of Brownfield Remediation and Development in achieving the goals of this section.

(e) The Office of Brownfield Remediation and Development may call upon any other department, board, commission or other agency of the state to supply such reports, information and assistance as said office determines is appropriate to carry out its duties and responsibilities. Each officer or employee of such office, department, board, commission or other agency of the state is authorized and directed to cooperate with the Office of Brownfield Remediation and Development and to furnish such reports, information and assistance.

(f) Brownfield sites identified for funding under the pilot program established in subsection (c) of this section shall receive priority review status from the Department of Energy and Environmental Protection. Each property funded under this program shall be investigated in accordance with prevailing standards and guidelines and remediated

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in accordance with the regulations established for the remediation of such sites adopted by the Commissioner of Energy and Environmental Protection or pursuant to section 22a-133k and under the supervision of the department or in accordance with the voluntary remediation program established in section 22a-133x. In either event, the department shall determine that remediation of the property has been fully implemented upon submission of a report indicating that remediation has been verified by an environmental professional licensed in accordance with section 22a-133v. Not later than ninety days after submission of the verification report, the Commissioner of Energy and Environmental Protection shall notify the municipality or economic development agency as to whether the remediation has been performed and completed in accordance with the remediation standards or whether any additional remediation is warranted. For purposes of acknowledging that the remediation is complete, the commissioner may indicate that all actions to remediate any pollution caused by any release have been taken in accordance with the remediation standards and that no further remediation is necessary to achieve compliance except postremediation monitoring, natural attenuation monitoring or the recording of an environmental land use restriction.

(g) All relevant terms in this subsection, subsection (h) of this section, sections 32-9dd to 32-9ff, inclusive, and section 11 of public act 06-184 shall be defined in accordance with the definitions in chapter 445. For purposes of subdivision (12) of subsection (a) of section 32-9t, this subsection, subsection (h) of this section, sections 32-9dd to 32-9gg, inclusive, and section 11 of public act 06-184, "brownfields" means any abandoned or underutilized site where redevelopment and reuse has not occurred due to the presence of pollution in the soil or groundwater that requires remediation prior to or in conjunction with the restoration, redevelopment and reuse of the property.

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(h) The Departments of Economic and Community Development and Energy and Environmental Protection shall administer the provisions of subdivision (1) of section 22a-134, section 32-1m, subdivision (12) of subsection (a) of section 32-9t, sections 32-9cc to 32-9gg, inclusive, and section 11 of public act 06-184 within available appropriations and any funds allocated pursuant to sections 4-66c, 22a-133t and 32-9t.

Sec. 88. (*Effective July 1, 2011*) Not later than January 2, 2012, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and energy and the environment concerning (1) the status of the merger of the Departments of Public Utility Control and Environmental Protection in accordance with the provisions of this act, and (2) any recommendations for further legislative action concerning such merger.

Sec. 89. Section 16a-3a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The [electric distribution companies, in consultation with the Connecticut Energy Advisory Board, established pursuant to section 16a-3] Department of Energy and Environmental Protection, in consultation with the Connecticut Energy Advisory Board and the electric distribution companies, shall review the state's energy and capacity resource assessment and develop [a comprehensive] an integrated resources plan for the procurement of energy resources, including, but not limited to, conventional and renewable generating facilities, energy efficiency, load management, demand response, combined heat and power facilities, distributed generation and other emerging energy technologies to meet the projected requirements of their customers in a manner that minimizes the cost of such resources

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to customers over time and maximizes consumer benefits consistent with the state's environmental goals and standards. Such integrated resources plan shall seek to lower the cost of electricity.

(b) On or before January 1, [2008] 2012, and biennially thereafter, the Department of Energy and Environmental Protection, in consultation with the Connecticut Energy Advisory Board and the electric distribution companies, shall [submit to the Connecticut Energy Advisory Board] prepare an assessment of (1) the energy and capacity requirements of customers for the next three, five and ten years, (2) the manner of how best to eliminate growth in electric demand, (3) how best to level electric demand in the state by reducing peak demand and shifting demand to off-peak periods, (4) the impact of current and projected environmental standards, including, but not limited to, those related to greenhouse gas emissions and the federal Clean Air Act goals and how different resources could help achieve those standards and goals, (5) energy security and economic risks associated with potential energy resources, and (6) the estimated lifetime cost and availability of potential energy resources.

(c) Resource needs shall first be met through all available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible. The projected customer cost impact of any demand-side resources considered pursuant to this subsection shall be reviewed on an equitable bases with nondemand-side resources. The [procurement] integrated resources plan shall specify (1) the total amount of energy and capacity resources needed to meet the requirements of all customers, (2) the extent to which demand-side measures, including efficiency, conservation, demand response and load management can cost-effectively meet these needs in a manner that ensures equity in benefits and cost reduction to all classes and subclasses of consumers, (3) needs for generating capacity and transmission and distribution improvements, (4) how the development

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of such resources will reduce and stabilize the costs of electricity to each class and subclass of consumers, and (5) the manner in which each of the proposed resources should be procured, including the optimal contract periods for various resources.

(d) The [procurement] integrated resources plan shall consider: (1) Approaches to maximizing the impact of demand-side measures; (2) the extent to which generation needs can be met by renewable and combined heat and power facilities; (3) the optimization of the use of generation sites and generation portfolio existing within the state; (4) fuel types, diversity, availability, firmness of supply and security and environmental impacts thereof, including impacts on meeting the state's greenhouse gas emission goals; (5) reliability, peak load and energy forecasts, system contingencies and existing resource availabilities; (6) import limitations and the appropriate reliance on such imports; [and] (7) the impact of the procurement plan on the costs of electric customers; and (8) the effects on participants and nonparticipants. Such plan shall include options for lowering the rates and cost of electricity. The Department of Energy and Environmental Protection shall hold a public hearing on such integrated resource plan pursuant to chapter 54. The commissioner may approve or reject such plan with comments.

(e) The [board, in consultation with the regional independent system operator, shall review and approve or review, modify and approve] procurement manager of the Public Utilities Regulatory Authority, in consultation with the electric distribution companies, the regional independent system operator, and the Connecticut Energy Advisory Board, shall develop a procurement plan and hold public hearings on the proposed [procurement] plan. [as submitted not later than one hundred twenty days after receipt. For calendar years 2009 and thereafter, the board shall conduct such review not later than sixty days after receipt. For the purpose of reviewing the plan, the

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Commissioners of Transportation and Agriculture and the chairperson of the Public Utilities Control Authority, or their respective designees, shall not participate as members of the board. The electric distribution companies shall provide any additional information requested by the board that is relevant to the consideration of the procurement plan. In the course of conducting such review, the board shall conduct a public hearing, may retain the services of a third-party entity with experience in the area of energy procurement and may consult with the regional independent system operator. The board shall submit the reviewed procurement plan, together with a statement of any unresolved issues, to the Department of Public Utility Control. The department shall consider the procurement plan in an uncontested proceeding and shall conduct a hearing and provide an opportunity for interested parties to submit comments regarding the procurement plan. Not later than one hundred twenty days after submission of the procurement plan, the department shall approve, or modify and approve, the procurement plan.] Such hearings shall not constitute a contested case and shall be held in accordance with chapter 54. The Public Utilities Regulatory Authority shall give not less than fifteen days notice of such proceeding by electronic publication on the department's Internet web site. Notice of such hearing may also be published in one or more newspapers if deemed necessary by the commissioner. Such notice shall state the date, time, and place of the hearing, the subject matter of the hearing, the statutory authority for the proposed integrated resources plan and the location where a copy of the proposed integrated resources plan may be obtained or examined in addition to posting the plan on the department's Internet web site. The commissioner shall provide a time period of not less than forty-five days from the date the notice is published on the department's web site for public review and comment. The commissioner shall consider fully, after all public meetings, all written and oral comments concerning the proposed integrated resources plan and shall post on the department's Internet web site and notify by electronic mail each person who

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requests such notice. The commissioner shall make available the electronic text of the final integrated resources plan or an Internet web site where the final integrated resources plan is posted, and a report summarizing (1) all public comments, and (2) the changes made to the final integrated resources plan in response to such comments and the reasons therefore. The commissioner shall submit the final integrated resources plan by electronic means, or as requested, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment. The department's Bureau of Energy shall, after the public hearing, make recommendations to the Commissioner of Energy and Environmental Protection regarding plan modifications. Said commissioner shall approve or reject the plan with comments.

(f) On or before [September 30, 2009] March 1, 2012, and every two years thereafter, the Department of [Public Utility Control] Energy and Environmental Protection shall report to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment regarding goals established and progress toward implementation of the [procurement] integrated resources plan established pursuant to this section, as well as any recommendations for the process.

(g) All [electric distribution companies'] costs associated with the development of the resource assessment and the development of the [procurement] integrated resources plan and the procurement plan shall be recoverable through the [systems benefits charge] assessment in section 16-49, as amended by this act.

(h) The decisions of the Public Utilities Regulatory Authority shall be guided by the goals of the Department of Energy and Environmental Protection, as described in section 1 of this act, and with the goals of the comprehensive energy plan and the integrated resource plan approved pursuant to this section developed pursuant to

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section 51 of this act and shall be based on the evidence in the record of each proceeding.

Sec. 90. (NEW) (*Effective July 1, 2011*) (a) The integrated resources plan developed, pursuant to section 16a-3a of the general statutes, as amended by this act, to be adopted in 2012 and annually thereafter, shall (1) indicate specific options to reduce the price of electricity. Such options may include the procurement of new sources of generation. In the review of new sources of generation, the integrated resources plan shall indicate whether the private wholesale market can supply such additional sources or whether state financial assistance, long-term purchasing of electricity contracts or other interventions are needed to achieve the goal; (2) analyze in-state renewable sources of electricity in comparison to transmission line upgrades or new projects and out-of-state renewable energy sources, provided such analysis also considers the benefits of additional jobs and other economic impacts and how they are created and subsidized; (3) include an examination of average consumption and other states' best practices to determine why electricity rates are lower elsewhere in the region; (4) assess and compare the cost of transmission line projects, new power sources, renewable sources of electricity, conservation and distributed generation projects to ensure the state pursues only the least-cost alternative projects; (5) continually monitor supply and distribution systems to identify potential need for transmission line projects early enough to identify alternatives; and (6) assess the least cost alternative to address reliability concerns, including, but not limited to, lowering electricity demand through conservation and distributed generation projects before an electric distribution company submits a proposal for transmission lines or transmission line upgrades to the independent system operator or the Federal Energy Regulatory Commission, provided no provision of such plan shall be deemed to prohibit an electric distribution company from making any filing required by law or regulation.

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(b) If, on and after July 1, 2012, the 2012 integrated resources plan or any subsequent plan contains an option to procure new sources of generation, the Department of Energy and Environmental Protection shall pursue the most cost-effective approach. If the department seeks new sources of generation, it shall issue a notice of interest for generation without any financial assistance, including, but not limited to, long-term contract financing or ratepayer guarantees. If the department fails to receive any responsive cost effective proposal, it shall issue a request for proposals that may include such financial assistance.

(c) On or before February 1, 2012, the department shall report to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding state policy and legislative changes the department feels would most likely lower the state's electricity rates.

Sec. 91. Section 16-244c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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

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generation services through any of its generation entities or affiliates, provided such entities or affiliates are licensed pursuant to section 16-245, as amended by this act.

(2) Not later than October 1, 1999, the Department of [Public Utility Control] Energy and Environmental Protection shall establish the standard offer for each electric distribution company, effective January 1, 2000, which shall allocate the costs of such company among electric transmission and distribution services, electric generation services, the competitive transition assessment and the systems benefits charge. The department shall hold a hearing that shall be conducted as a contested case in accordance with chapter 54 to establish the standard offer. The standard offer shall provide that the total rate charged under the standard offer, including electric transmission and distribution services, the conservation and load management program charge described in section 16-245m, as amended by this act, the renewable energy investment charge described in section 16-245n, as amended by this act, electric generation services, the competitive transition assessment and the systems benefits charge shall be at least ten per cent less than the base rates, as defined in section 16-244a, in effect on December 31, 1996. The standard offer shall be adjusted to the extent of any increase or decrease in state taxes attributable to sections 12-264 and 12-265 and any other increase or decrease in state or federal taxes resulting from a change in state or federal law and shall continue to be adjusted during such period pursuant to section 16-19b. Notwithstanding the provisions of section 16-19b, the provisions of said section 16-19b shall apply to electric distribution companies. The standard offer may be adjusted, by an increase or decrease, to the extent approved by the department, in the event that (A) the revenue requirements of the company are affected as the result of changes in (i) legislative enactments other than public act 98-28, (ii) administrative requirements, or (iii) accounting standards occurring after July 1, 1998, provided such accounting standards are adopted by entities

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independent of the company that have authority to issue such standards, or (B) an electric distribution company incurs extraordinary and unanticipated expenses required for the provision of safe and reliable electric service to the extent necessary to provide such service. Savings attributable to a reduction in taxes shall not be shifted between customer classes.

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

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

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(B) The [department] authority shall conduct a proceeding to determine whether a practical, effective, and cost-effective process exists under which an electric customer, when initiating electric service, may receive information regarding selecting electric generating services from a qualified entity. The [department] authority shall complete such proceeding on or before December 1, 2005, and shall implement the resulting decision on or before March 1, 2006, or on such later date that the [department] authority considers appropriate. An electric distribution company's costs of participating in the proceeding and implementing the results of the [department's] authority's decision shall be recoverable by the company as generation services costs through an adjustment mechanism as approved by the [department] authority.

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

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

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

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

(D) The transitional standard offer (i) shall be adjusted to the extent of any increase or decrease in state taxes attributable to sections 12-264 and 12-265 and any other increase or decrease in state or federal taxes resulting from a change in state or federal law, (ii) shall be adjusted to provide for the cost of contracts under subdivision (2) of subsection (j) of this section and the administrative costs for the procurement of such contracts, and (iii) shall continue to be adjusted during such period

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pursuant to section 16-19b. Savings attributable to a reduction in taxes shall not be shifted between customer classes. Notwithstanding the provisions of section 16-19b, the provisions of section 16-19b shall apply to electric distribution companies.

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

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

(4) (A) In addition to its costs received pursuant to subsection (h) of this section, as compensation for providing transitional standard offer service, each electric distribution company shall receive an amount equal to five-tenths of one mill per kilowatt hour. Revenues from such compensation shall not be included in calculating the electric distribution company's earnings for purposes of, or in determining whether its rates are just and reasonable under, sections 16-19, 16-19a and 16-19e, including an earnings sharing mechanism. In addition, each electric distribution company may earn compensation for

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mitigating the prices of the contracts for the provision of electric generation services, as provided in subdivision (2) of this subsection.

(B) The [department] authority shall conduct a contested case proceeding pursuant to the provisions of chapter 54 to establish an incentive plan for the procurement of long-term contracts for transitional standard offer service by an electric distribution company. The incentive plan shall be based upon a comparison of the actual average firm full requirements service contract price for electricity obtained by the electric distribution company compared to the regional average firm full requirements service contract price for electricity, adjusted for such variables as the [department] authority deems appropriate, including, but not limited to, differences in locational marginal pricing. If the actual average firm full requirements service contract price obtained by the electric distribution company is less than the actual regional average firm full requirements service contract price for the previous year, the [department] authority shall split five-tenths of one mill per kilowatt hour equally between ratepayers and the company. Revenues from such incentive plan shall not be included in calculating the electric distribution company's earnings for purposes of, or in determining whether its rates are just and reasonable under sections 16-19, 16-19a and 16-19e. The [department] authority may, as it deems necessary, retain a third party entity with expertise in energy procurement to assist with the development of such incentive plan.

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

(2) Not later than October 1, 2006, and periodically as required by subdivision (3) of this subsection, but not more often than every

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calendar quarter, the [Department of Public Utility Control] Public Utilities Regulatory Authority shall establish the standard service price for such customers pursuant to subdivision (3) of this subsection. Each electric distribution company shall recover the actual net costs of procuring and providing electric generation services pursuant to this subsection, provided such company mitigates the costs it incurs for the procurement of electric generation services for customers who are no longer receiving service pursuant to this subsection.

(3) An electric distribution company providing electric generation services pursuant to this subsection shall [mitigate the variation of the price of the service offered to its customers by procuring] cooperate with the procurement manager of the Department of Energy and Environmental Protection and comply with the procurement plan for electric generation services contracts. [in the manner prescribed in a plan approved by the department. Such plan shall require the procurement of a portfolio of service contracts sufficient to meet the projected load of the electric distribution company.] Such plan shall require that the portfolio of service contracts be procured [in an overlapping pattern of fixed periods at such times and] in such manner and duration as the [department] authority determines to be most likely to produce just, reasonable and reasonably stable retail rates while reflecting underlying wholesale market prices over time. The portfolio of contracts shall be assembled in such manner as to invite competition; guard against favoritism, improvidence, extravagance, fraud and corruption; and secure a reliable electricity supply while avoiding unusual, anomalous or excessive pricing. [The portfolio of contracts procured under such plan shall be for terms of not less than six months, provided contracts for shorter periods may be procured under such conditions as the department shall prescribe to (A) ensure the lowest rates possible for end-use customers; (B) ensure reliable service under extraordinary circumstances; and (C) ensure the prudent management of the contract portfolio.] An affiliate of an electric

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distribution company may [receive a] bid for an electric generation services contract, [from any of its generation entities or affiliates,] provided such [generation entity or affiliate submits its bid the business day preceding the first day on which an unaffiliated electric supplier may submit its bid and further provided the] electric distribution company and [the generation entity or] affiliate are in compliance with the code of conduct established in section 16-244h.

(4) [The department, in consultation with the Office of Consumer Counsel, shall] The procurement manager of the Public Utilities Regulatory Authority may retain the services of [a third-party entity with expertise in the area of energy procurement to oversee the initial development of the request for proposals and the procurement of contracts by an electric distribution company for the provision] entities as it sees fit to assist with the procurement of electric generation services [offered pursuant to this subsection] for standard service. Costs associated with the retention of such third-party entity shall be included in the cost of [electric generation services that is included in such price] standard service.

(5) [Each] For standard service contracts procured prior to department approval of the plan developed pursuant to section 92 of this act, each bidder for a standard service contract shall submit its bid to the electric distribution company and the third-party entity who shall jointly review the bids and submit an overview of all bids together with a joint recommendation to the department as to the preferred bidders. The department may, within ten business days of submission of the overview, reject the recommendation regarding preferred bidders. In the event that the department rejects the preferred bids, the electric distribution company and the third-party entity shall rebid the service pursuant to this subdivision. The department shall review each bid in an uncontested proceeding that shall include a public hearing and in which the Consumer Counsel and

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Attorney General may participate.

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

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

(B) The [department] authority may reject some or all of the bids received pursuant to the bidding process.

(3) The [department] authority may require an electric supplier to

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provide forms of assurance to satisfy the [department] authority that the contracts resulting from the bidding process will be fulfilled.

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

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

(2) An electric distribution company shall procure electricity at least every calendar quarter to provide electric generation services to customers pursuant to this subsection. The [Department of Public Utility Control] Public Utilities Regulatory Authority shall determine a price for such customers that reflects the full cost of providing the electricity on a monthly basis. Each electric distribution company shall recover the actual net costs of procuring and providing electric generation services pursuant to this subsection, provided such company mitigates the costs it incurs for the procurement of electric generation services for customers that are no longer receiving service pursuant to this subsection.

(f) On and after January 1, 2000, and until such time the regional independent system operator implements procedures for the provision of back-up power to the satisfaction of the [Department of Public Utility Control] Public Utilities Regulatory Authority, each electric distribution company shall provide electric generation services to any customer who has entered into a service contract with an electric

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supplier that fails to provide electric generation services for reasons other than the customer's failure to pay for such services. Between January 1, 2000, and December 31, 2006, an electric distribution company may procure electric generation services through a competitive bidding process or through any of its generation entities or affiliates. On and after January 1, 2007, such company shall procure electric generation services through a competitive bidding process pursuant to a plan submitted by the electric distribution company and approved by the [department] authority. Such company may procure electric generation services through any of its generation entities or affiliates, provided such entity or affiliate is the lowest qualified bidder and provided further any such entity or affiliate is licensed pursuant to section 16-245, as amended by this act.

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

(h) The electric distribution company shall be entitled to recover reasonable costs incurred as a result of providing standard offer electric generation services pursuant to the provisions of subsection (a) of this section, transitional standard offer service pursuant to subsection (b) of this section, standard service pursuant to subsection (c) of this section or back-up electric generation service pursuant to subsection (f) of this section. The provisions of this section and section 16-244a shall satisfy the requirements of section 16-19a until January 1, 2007.

(i) The Department of [Public Utility Control] Energy and

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Environmental Protection shall establish, by regulations adopted pursuant to chapter 54, procedures for when and how a customer is notified that his electric supplier has defaulted and of the need for the customer to choose a new electric supplier within a reasonable period of time.

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

(2) Notwithstanding the provisions of subsection (d) of this section regarding an alternative transitional standard offer option or an alternative standard service option, an electric distribution company

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providing transitional standard offer service, standard service, supplier of last resort service or back-up electric generation service in accordance with this section shall, not later than July 1, 2008, file with the [Department of Public Utility Control] Public Utilities Regulatory Authority for its approval one or more long-term power purchase contracts from Class I renewable energy source projects with a preference for projects located in Connecticut that receive funding from the [Renewable] Clean Energy [Investment] Fund and that are not less than one megawatt in size, at a price that is either, at the determination of the project owner, (A) not more than the total of the comparable wholesale market price for generation plus five and one-half cents per kilowatt hour, or (B) fifty per cent of the wholesale market electricity cost at the point at which transmission lines intersect with each other or interface with the distribution system, plus the project cost of fuel indexed to natural gas futures contracts on the New York Mercantile Exchange at the natural gas pipeline interchange located in Vermillion Parish, Louisiana that serves as the delivery point for such futures contracts, plus the fuel delivery charge for transporting fuel to the project, plus five and one-half cents per kilowatt hour. In its approval of such contracts, the [department] authority shall give preference to purchase contracts from those projects that would provide a financial benefit to ratepayers [or] and would enhance the reliability of the electric transmission system of the state. Such projects shall be located in this state. The owner of a fuel cell project principally manufactured in this state shall be allocated all available air emissions credits and tax credits attributable to the project and no less than fifty per cent of the energy credits in the Class I renewable energy credits program established in section 16-245a attributable to the project. On and after October 1, 2007, and until September 30, 2008, such contracts shall be comprised of not less than a total, apportioned among each electric distribution company, of one hundred twenty-five megawatts; and on and after October 1, 2008, such contracts shall be comprised of not less than a total, apportioned

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among each electrical distribution company, of one hundred fifty megawatts. The Public Utilities Regulatory Authority shall not issue any order that results in the extension of any in-service date or contractual arrangement made as a part of Project 100 or Project 150 beyond the termination date previously approved by the authority established by the contract, provided any party to such contract may provide a notice of termination in accordance with the terms of, and to the extent permitted under, its contract. The cost of such contracts and the administrative costs for the procurement of such contracts directly incurred shall be eligible for inclusion in the adjustment to the transitional standard offer as provided in this section and any subsequent rates for standard service, provided such contracts are for a period of time sufficient to provide financing for such projects, but not less than ten years, and are for projects which began operation on or after July 1, 2003. Except as provided in this subdivision, the amount from Class I renewable energy sources contracted under such contracts shall be applied to reduce the applicable Class I renewable energy source portfolio standards. For purposes of this subdivision, the department's determination of the comparable wholesale market price for generation shall be based upon a reasonable estimate. On or before September 1, [2007] 2011, the [department] authority, in consultation with the Office of Consumer Counsel and the [Renewable] Clean Energy [Investments Advisory Council] Finance and Investment Authority, shall study the operation of such renewable energy contracts and report its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

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

(A) "Participating electric supplier" means an electric supplier that is licensed by the department to provide electric service, pursuant to this subsection, to residential or small commercial customers.

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

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

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

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

(3) Not later than September 1, 2007, the [department] authority shall establish terms and conditions under which a participating

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electric supplier can be included in the referral program described in subdivision (2) of this subsection. Such terms shall include, but not be limited to, requiring participating electrical suppliers to offer time-of-use and real-time use rates to residential customers.

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

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

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

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

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(n) The authority shall conduct a proceeding to determine the cost of billing, collection and other services provided by the electric distribution companies or the department solely for the benefit of participating electric suppliers and aggregators. The department shall order an equitable allocation of such costs among electric suppliers and aggregators. As part of this same proceeding, the department shall also determine the costs that the electric distribution companies incur solely for the benefit of standard service and last resort service customers. After such determination, the department shall allocate and provide for the equitable recovery of such costs from standard service or last resort service customers.

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

Sec. 92. (NEW) (*Effective July 1, 2011*) (a) On or before January 1, 2012, and annually thereafter, the procurement manager of the Department of Energy and Environmental Protection, in consultation with each electric distribution company and with others at the procurement manager's discretion, including, but not limited to, a municipal energy cooperative established pursuant to chapter 101a of the general statutes, other than entities, individuals and companies or their affiliates potentially involved in bidding on standard service, shall develop a plan for the procurement of electric generation services and related wholesale electricity market products that will enable each electric distribution company to manage a portfolio of contracts to reduce the average cost of standard service while maintaining standard service cost volatility within reasonable levels. Each procurement plan shall provide for the competitive solicitation for load-following electric service and may include a provision for the use of other contracts, including, but not limited to, contracts for

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generation or other electricity market products and financial contracts, and may provide for the use of varying lengths of contracts. If such plan includes the purchase of full requirements contracts, it shall include an explanation of why such purchases are in the best interests of standard service customers.

(b) The procurement manager shall, not less than quarterly, meet with the Commissioner of Energy and Environmental Protection and prepare a written report on the implementation of the plan. If the procurement manager finds that an interim amendment to the annual procurement plan might substantially further the goals of reducing the cost or cost volatility of standard service, the procurement manager may petition the Public Utilities Regulatory Authority for such an interim amendment. The Public Utilities Regulatory Authority shall provide notice of the proposed amendment to the Office of Consumer Counsel and the electric distribution companies. The Office of Consumer Counsel and the electric distribution companies shall have two business days from the date of said notice to request an uncontested proceeding and a technical meeting of the Public Utilities Regulatory Authority regarding the proposed amendment, which proceeding and meeting shall occur if requested. The Public Utilities Regulatory Authority may approve, modify or deny the proposed amendment, with such approval, modification or denial following the technical meeting if one is requested. The Public Utilities Regulatory Authority's ruling shall occur within three business days after the technical meeting, if one is requested, or within three business days of the expiration of the time for requesting a technical meeting if no technical meeting is requested. The Public Utilities Regulatory Authority may maintain the confidentiality of the technical meeting to the full extent allowed by law.

(c) The costs of procurement for standard service shall be borne solely by the standard service customers.

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(d) (1) The Department of Energy and Environmental Protection shall conduct an uncontested proceeding to approve, with any amendments it determines necessary, a procurement plan submitted pursuant to subsection (a) of this section.

(2) The Department of Energy and Environmental Protection shall report annually in accordance with the provisions of section 11-4a to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding the procurement plan and its implementation.

Sec. 93. (NEW) (*Effective July 1, 2011*) Upon the request of an electric distribution company, the Department of Energy and Environmental Protection Bureau of Public Utility Control shall initiate a docket to consider the buy down of an electric distribution company's current standard service contract to reduce ratepayer bills and conduct a cost benefit analysis of such a buydown. If the department, as a result of such docket, determines such a buydown is in the best interest of ratepayers, the company shall proceed with such buydown.

Sec. 94. (NEW) (*Effective July 1, 2011*) On or before January 1, 2012, and from time to time thereafter, as the Department of Energy and Environmental Protection determines to be in the best interests of Connecticut customers, the department shall initiate a generation evaluation and procurement process. The evaluation process shall entail a nonbinding prequalification process to identify potentially eligible new generators. Interested generators shall submit to the department information demonstrating how the generator will reduce electrical rates for Connecticut ratepayers while maintaining or improving reliability, improving environmental characteristics of the Connecticut generation fleet and providing economic benefit to Connecticut. A determination of eligibility shall be based on a showing of project attributes, including, but not limited to, ratepayer, environmental and economic benefits, as well as a demonstration of

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reasonable certainty of completion of development, construction and permitting activities. If the department makes a determination of eligibility of one or more generators, it shall issue a request for proposals to consider bilateral purchasing contracts from new generators by pricing such electricity on a cost-of-service basis, power purchase agreement or other mechanism the department determines to be in the best interest of Connecticut customers, which contracts shall directly or indirectly, or in combination with other initiatives, provide electricity at lower rates for Connecticut consumers. Such contracts shall be for a term of not less than five and not more than twenty years and shall provide that development, construction and operation risk be borne by the generator. Generators shall be awarded contracts based on criteria, including, but not limited to, reduction of rates, generator's heat rate, decrease in regulated pollution and cost-effectiveness.

Sec. 95. (NEW) (*Effective July 1, 2011*) A public service company, as defined in section 16-1 of the general statutes, a municipal waterworks system established under chapter 102 of the general statutes, a district, metropolitan district, municipal district or special services district established under chapter 105 or 105a of the general statutes, any other general statute or any public or special act, which is authorized to supply water, or any other waterworks system owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act, or a contractor of such entity, that cuts and permanently patches a public highway in the course of repairs or installations shall, one year after such permanent patch is made, (1) inspect such permanent patch, (2) make any additional repairs as may be necessary, and (3) certify to the municipality in which such patch is located that such patch meets generally accepted standards of repair. Any municipality may, by vote of its legislative body, elect not to enforce the requirements of this section.

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Sec. 96. (NEW) (*Effective July 1, 2011*) The Department of Energy and Environmental Protection shall review any proposed merchant transmission line project (1) in which a Connecticut electric distribution company may have a financial interest, or (2) that may be constructed in whole or in part in this state to determine whether to procure transmission services from such transmission lines at a rate that will lower electricity rates for Connecticut consumers.

Sec. 97. Subsection (a) of section 16-50r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) Every person engaged in electric transmission services, as defined in section 16-1, electric generation services, as defined in said section, or electric distribution services, as defined in said section generating electric power in the state utilizing a generating facility with a capacity greater than one megawatt, shall, annually, on or before March first, file a report on a forecast of loads and resources which may consist of an update of the previous year's report with the [council] siting council for its review. The report shall cover the ten-year forecast period beginning with the year of the report. Upon request, the report shall be made available to the public. The report shall include, as applicable: (1) A tabulation of estimated peak loads, resources and margins for each year; (2) data on energy use and peak loads for the five preceding calendar years; (3) a list of existing generating facilities in service; (4) a list of scheduled generating facilities for which property has been acquired, for which certificates have been issued and for which certificate applications have been filed; (5) a list of planned generating units at plant locations for which property has been acquired, or at plant locations not yet acquired, that will be needed to provide estimated additional electrical requirements, and the location of such facilities; (6) a list of planned transmission lines on which proposed route reviews are being undertaken or for

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which certificate applications have already been filed; (7) a description of the steps taken to upgrade existing facilities and to eliminate overhead transmission and distribution lines in accordance with the regulations and standards described in section 16-50t; and (8) for each private power producer having a facility generating more than one megawatt and from whom the person furnishing the report has purchased electricity during the preceding calendar year, a statement including the name, location, size and type of generating facility, the fuel consumed by the facility and the by-product of the consumption. On and after March 1, 2012, each such report from a person engaged in electric transmission services or electric distribution services, as defined in section 16-1, shall identify any potential reliability concerns during the forecast period and such person shall provide such information to the Commissioner of Energy and Environmental Protection. Confidential, proprietary or trade secret information provided under this section may be submitted under a duly granted protective order. The council may adopt regulations, in accordance with the provisions of chapter 54, that specify the expected filing requirements for persons that transmit electric power in the state, electric distribution companies, and persons that generate electric power in the state utilizing a generating facility with a capacity of greater than one megawatt. Until such regulations are adopted, persons that transmit electric power in the state shall file reports pursuant to this section that include the information requested in subdivisions (6) and (7) of this subsection; electric distribution companies in the state shall file reports pursuant to this section that include the information requested in subdivisions (1), (2), (7) and (8) of this subsection; persons that generate electric power in the state utilizing a generating facility with a capacity greater than one megawatt shall file reports pursuant to this section that include the information requested in subdivisions (3), (4), (5) and (8) of this subsection. The council shall hold a public hearing on such filed forecast reports annually. The council shall conduct a review in an

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executive session of any confidential, proprietary or trade secret information submitted under a protective order during such a hearing. At least one session of such hearing shall be held after six-thirty p.m. Upon reviewing such forecast reports, the council may issue its own report assessing the overall status of loads and resources in the state. If the council issues such a report, it shall be made available to the public and shall be furnished to each member of the joint standing committee of the General Assembly having cognizance of matters relating to energy and technology, any other member of the General Assembly making a written request to the council for the report and such other state and municipal bodies as the council may designate.

Sec. 98. (NEW) (*Effective July 1, 2011*) On or after March 1, 2012, and annually thereafter, not later than fifteen days after receiving a report of a reliability concern pursuant to section 16-50r of the general statutes, as amended by this act, the Commissioner of Energy and Environmental Protection may issue a request for proposal to seek alternative solutions to the concern. Such request for proposal shall, where relevant, solicit proposals that include energy efficiency measures or generation. The commissioner shall publish such request for proposal in one or more newspapers or periodicals. Notwithstanding the provisions of this section, the commissioner may determine that a request for proposal is unnecessary. Any determination that a request for proposal is not required shall include the commissioner's reasons for such determination.

Sec. 99. Section 16-245n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) For purposes of this section, ["renewable energy"] "clean energy" means solar photovoltaic energy, solar thermal, geothermal energy, wind, ocean thermal energy, wave or tidal energy, fuel cells, landfill gas, hydropower that meets the low-impact standards of the Low-Impact Hydropower Institute, hydrogen production and hydrogen

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conversion technologies, low emission advanced biomass conversion technologies, alternative fuels, used for electricity generation including ethanol, biodiesel or other fuel produced in Connecticut and derived from agricultural produce, food waste or waste vegetable oil, provided the Commissioner of Energy and Environmental Protection determines that such fuels provide net reductions in greenhouse gas emissions and fossil fuel consumption, usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, [and] other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, municipal solid waste or nuclear fission, financing of energy efficiency projects, and projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure and any related storage, distribution, manufacturing technologies or facilities.

(b) On and after July 1, 2004, the [Department of Public Utility Control] Public Utilities Regulatory Authority shall assess or cause to be assessed a charge of not less than one mill per kilowatt hour charged to each end use customer of electric services in this state which shall be deposited into the [Renewable] Clean Energy [Investment] Fund established under subsection (c) of this section. Notwithstanding the provisions of this section, receipts from such charges shall be disbursed to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005, unless the department shall, on or before October 30, 2003, issue a financing order for each affected distribution company in accordance with sections 16-245e to 16-245k, inclusive, to sustain funding of renewable energy investment programs by substituting an equivalent amount, as determined by the department in such financing order, of proceeds of rate reduction bonds for disbursement to the resources of the General Fund during the period from July 1, 2003, to June 30, 2005. The department may

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authorize in such financing order the issuance of rate reduction bonds that substitute for disbursement to the General Fund for receipts of both charges under this subsection and subsection (a) of section 16-245m and also may in its discretion authorize the issuance of rate reduction bonds under this subsection and subsection (a) of section 16-245m that relate to more than one electric distribution company. The department shall, in such financing order or other appropriate order, offset any increase in the competitive transition assessment necessary to pay principal, premium, if any, interest and expenses of the issuance of such rate reduction bonds by making an equivalent reduction to the charges imposed under this subsection, provided any failure to offset all or any portion of such increase in the competitive transition assessment shall not affect the need to implement the full amount of such increase as required by this subsection and sections 16-245e to 16-245k, inclusive. Such financing order shall also provide if the rate reduction bonds are not issued, any unrecovered funds expended and committed by the electric distribution companies for renewable resource investment through deposits into the [Renewable] Clean Energy [Investment] Fund, provided such expenditures were approved by the department following August 20, 2003, and prior to the date of determination that the rate reduction bonds cannot be issued, shall be recovered by the companies from their respective competitive transition assessment or systems benefits charge except that such expenditures shall not exceed one million dollars per month. All receipts from the remaining charges imposed under this subsection, after reduction of such charges to offset the increase in the competitive transition assessment as provided in this subsection, shall be disbursed to the [Renewable] Clean Energy [Investment] Fund commencing as of July 1, 2003. Any increase in the competitive transition assessment or decrease in the renewable energy investment component of an electric distribution company's rates resulting from the issuance of or obligations under rate reduction bonds shall be included as rate adjustments on customer bills.

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(c) There is hereby created a [Renewable] Clean Energy [Investment] Fund which shall be within [Connecticut Innovations, Incorporated for administrative purposes only] the Clean Energy Finance and Investment Authority. The fund may receive any amount required by law to be deposited into the fund and may receive any federal funds as may become available to the state for [renewable] clean energy investments. Upon authorization of the [Renewable Energy Investments Board] Clean Energy Finance and Investment Authority established pursuant to subsection (d) of this section, [Connecticut Innovations, Incorporated, may use] any amount in said fund may be used for expenditures that promote investment in [renewable] clean energy [sources] in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of [renewable] clean energy sources, related enterprises and stimulate demand for [renewable] clean energy and deployment of [renewable] clean energy sources that serve end use customers in this state and for the further purpose of supporting operational demonstration projects for advanced technologies that reduce energy use from traditional sources. Such expenditures may include, but not be limited to, providing low-cost financing and credit enhancement mechanisms for clean energy projects and technologies, reimbursement [for services provided by the administrator of the fund including a management fee,] of the operating expenses, including administrative expenses incurred by the authority and the corporation, and capital costs incurred by the authority in connection with the operation of the fund, the implementation of the plan developed pursuant to subsection (d) of this section or the other permitted activities of the authority, disbursements from the fund to develop and carry out the plan developed pursuant to subsection (d) of this section, grants, direct or equity investments, contracts or other actions which support research, development, manufacture, commercialization, deployment and installation of [renewable] clean energy technologies, and actions which expand the expertise of individuals, businesses and

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lending institutions with regard to [renewable] clean energy technologies.

(d) [There is hereby created a Renewable Energy Investments Board to act on matters related to the Renewable Energy Investment Fund, including, but not limited to, development of a comprehensive plan and expenditure of funds. The Renewable Energy Investments Board shall, in such plan, give preference to projects that maximize the reduction of federally mandated congestion charges. The Renewable Energy Investments Board shall make a draft of the comprehensive plan available for public comment for not less than thirty days. The board shall conduct three public hearings in three different regions of the state on the draft comprehensive plan and shall include a summarization of all public comments received at said public hearings in the final comprehensive plan approved by the board. The board shall provide a copy of the comprehensive plan, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce. The Department of Public Utility Control shall, in an uncontested proceeding, during which the department may hold a public hearing, approve, modify or reject the comprehensive plan prepared pursuant to this subsection.] (1) There is established the Clean Energy Finance and Investment Authority, which shall be deemed a quasi-public agency for purposes of chapters 5, 10 and 12 and within Connecticut Innovations, Incorporated, for administrative purposes only. The authority shall, (A) develop separate programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects and such others as the authority may determine; (B) support financing or other expenditures that promote investment in clean energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of clean energy sources and related enterprises; and (C) stimulate demand for clean energy

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and the deployment of clean energy sources within the state that serve end-use customers in the state. Such authority shall constitute a successor agency to the corporation for the purposes of administrating the clean energy fund in accordance with section 4-38d. Such authority shall have all the privileges, immunities, tax exemptions and other exemptions of the corporation. Such authority shall be subject to suit and liability solely from the assets, revenues and resources of the authority and without recourse to the general funds, revenues, resources or other assets of the corporation. Such authority may assume or take title to any real property, convey or dispose of its assets and pledge its revenues to secure any borrowing, convey or dispose of its assets and pledge its revenues to secure any borrowing, for the purpose of developing, acquiring, constructing, refinancing, rehabilitating or improving its assets or supporting its programs, provided each such borrowing or mortgage, unless otherwise provided by the board or the authority, shall be a special obligation of the authority, which obligation may be in the form of bonds, bond anticipation notes or other obligations which evidence an indebtedness to the extent permitted under this chapter to fund, refinance and refund the same and provide for the rights of holders thereof, and to secure the same by pledge of revenues, notes and mortgages of others, and which shall be payable solely from the assets, revenues and other resources of the authority and in no event shall such bonds be secured by a special capital reserve fund of any kind which is in any way contributed to by the state. The authority shall have the purposes as provided by resolution of the authority's board of directors, which purposes shall be consistent with this section. No further action is required for the establishment of the authority, except the adoption of a resolution for the authority.

(2) (A) The authority may seek to qualify as a Community Development Financial Institution under Section 4702 of the United States Code. If approved as a Community Development Financial

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Institution, the authority would be treated as a qualified community development entity for purposes of Section 45D and Section 1400N(m) of the Internal Revenue Code.

(B) Before making any loan, loan guarantee, or such other form of financing support or risk management for a clean energy project, the authority shall develop standards to govern the administration of the authority through rules, policies and procedures that specify borrower eligibility, terms and conditions of support, and other relevant criteria, standards or procedures.

(C) Funding sources specifically authorized include, but are not limited to:

(i) Funds repurposed from existing programs providing financing support for clean energy projects, provided any transfer of funds from such existing programs shall be subject to approval by the General Assembly and shall be used for expenses of financing, grants and loans;

(ii) Any federal funds that can be used for the purposes specified in subsection (c) of this section;

(iii) Charitable gifts, grants, contributions as well as loans from individuals, corporations, university endowments and philanthropic foundations;

(iv) Earnings and interest derived from financing support activities for clean energy projects backed by the authority;

(v) If and to the extent that the authority qualifies as a Community Development Financing Institution under Section 4702 of the United States Code, funding from the Community Development Financing Institution Fund administered by the United States Department of Treasury, as well as loans from and investments by depository

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institutions seeking to comply with their obligations under the United States Community Reinvestment Act of 1977; and

(vi) The authority may enter into contracts with private sources to raise capital. The average rate of return on such debt or equity shall be set by the authority's board of directors.

(D) The authority may provide financing support under this subsection if the authority determines that the amount to be financed by the authority and other nonequity financing sources do not exceed eighty per cent of the cost to develop and deploy a clean energy project or up to one hundred per cent of the cost of financing an energy efficiency project.

(E) The authority may assess reasonable fees on its financing activities to cover its reasonable costs and expenses, as determined by the board.

(F) The authority shall make information regarding the rates, terms and conditions for all of its financing support transactions available to the public for inspection, including formal annual reviews by both a private auditor conducted pursuant to subdivision (2) of subsection (f) of this section and the Comptroller, and providing details to the public on the Internet; provided public disclosure shall be restricted for patentable ideas, trade secrets, proprietary or confidential commercial or financial information, disclosure of which may cause commercial harm to a nongovernmental recipient of such financing support and for other information exempt from public records disclosure pursuant to section 1-210.

(3) No director, officer, employee or agent of the authority, while acting within the scope of his or her authority, shall be subject to any personal liability resulting from exercising or carrying out any of the authority's purposes or powers.

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(e) [The Renewable Energy Investments Board shall include not more than fifteen individuals with knowledge and experience in matters related to the purpose and activities of the Renewable Energy Investment Fund. The board shall consist of the following members: (1) One person with expertise regarding renewable energy resources appointed by the speaker of the House of Representatives; (2) one person representing a state or regional organization primarily concerned with environmental protection appointed by the president pro tempore of the Senate; (3) one person with experience in business or commercial investments appointed by the majority leader of the House of Representatives; (4) one person representing a state or regional organization primarily concerned with environmental protection appointed by the majority leader of the Senate; (5) one person with experience in business or commercial investments appointed by the minority leader of the House of Representatives; (6) the Commissioner of Emergency Management and Homeland Security or the commissioner's designee; (7) one person with expertise regarding renewable energy resources appointed by the Governor; (8) two persons with experience in business or commercial investments appointed by the board of directors of Connecticut Innovations, Incorporated; (9) a representative of a state-wide business association, manufacturing association or chamber of commerce appointed by the minority leader of the Senate; (10) the Consumer Counsel; (11) the Secretary of the Office of Policy and Management or the secretary's designee; (12) the Commissioner of Environmental Protection or the commissioner's designee; (13) a representative of organized labor appointed by the Governor; and (14) a representative of residential customers or low-income customers appointed by Governor. On a biennial basis, the board shall elect a chairperson and vice-chairperson from among its members and shall adopt such bylaws and procedures it deems necessary to carry out its functions. The board may establish committees and subcommittees as necessary to conduct its business.] The powers of the Clean Energy Finance and Investment Authority

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shall be vested in and exercised by a board of directors, which shall consist of eleven voting and two nonvoting members each with knowledge and expertise in matters related to the purpose and activities of the authority appointed as follows: The Treasurer or the Treasurer's designee, the Commissioner of Energy and Environmental Protection or the commissioner's designee and the Commissioner of Economic and Community Development or the commissioner's designee, each serving ex officio, one member who shall represent a residential or low-income group appointed by the speaker of the House of Representatives for a term of four years, one member who shall have experience in investment fund management appointed by the minority leader of the House of Representatives for a term of three years, one member who shall represent an environmental organization appointed by the president pro tempore of the Senate for a term of four years, and one member whom shall have experience in the finance or deployment of renewable energy appointed by the minority leader of the Senate for a term of four years. Thereafter, such members of the General Assembly shall appoint members of the board to succeed such appointees whose terms expire and each member so appointed shall hold office for a period of four years from the first day of July in the year of his or her appointment. The Governor shall appoint four members to the board as follows: Two for two years who shall have experience in the finance of renewable energy; one for four years who shall be a representative of a labor organization; and one who shall have experience in research and development or manufacturing of clean energy. Thereafter, the Governor shall appoint members of the board to succeed such appointees whose terms expire and each member so appointed shall hold office for a period of four years from the first day of July in the year of his or her appointment. The president of the authority and a member of the board of Connecticut Innovations, Incorporated, appointed by the chairperson of the corporation shall serve on the board in an ex-officio, nonvoting capacity. The Governor shall appoint the chairperson of the board.

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The board shall elect from its members a vice chairperson and such other officers as it deems necessary and shall adopt such bylaws and procedures it deems necessary to carry out its functions. The board may establish committees and subcommittees as necessary to conduct its business.

(f) (1) The board shall issue annually a report to the [Department of Public Utility Control] Department of Energy and Environmental Protection reviewing the activities of the [Renewable Energy Investment Fund] Clean Energy Finance and Investment Authority in detail and shall provide a copy of such report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce, [and the Office of Consumer Counsel.] The report shall include a description of the programs and activities undertaken during the reporting period jointly or in collaboration with the Energy Conservation and Load Management Funds established pursuant to section 16-245m, as amended by this act.

(2) The Clean Energy Fund shall be audited annually. Such audits shall be conducted with generally accepted auditing standards by independent certified public accountants certified by the Connecticut Board of Accountancy. Such accountants may be the accountants for the corporation.

(3) Any entity that receives financing for a clean energy project from the fund shall provide the board an annual statement, certified as correct by the chief financial officer of the recipient of such financing, setting forth all sources and uses of funds in such detail as may be required by the authority of such project. The authority shall maintain any such audits for not less than five years. Residential projects for buildings with one to four dwelling units are exempt from this and any other annual auditing requirements, except that residential projects may be required to grant their utility companies' permission to

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release their usage data to the authority.

(g) There shall be a joint committee of the Energy Conservation Management Board and the [Renewable Energy Investments Board] Clean Energy Finance and Investment Authority board of directors, as provided in subdivision (2) of subsection (d) of section 16-245m, as amended by this act.

[(h) No later than December 31, 2006, and no later than December thirty-first every five years thereafter, the board shall, after consulting with the Energy Conservation Management Board, conduct an evaluation of the performance of the programs and activities of the fund and submit a report, in accordance with the provisions of section 11-4a, of the evaluation to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce.]

Sec. 100. (NEW) (*Effective July 1, 2011*) (a) As used in this section:

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

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

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

(4) "Sustainable energy program" means a municipal program that

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authorizes a municipality to enter into contractual assessments on qualifying real property with property owners to finance the purchase and installation of energy improvements to qualifying real property within its municipal boundaries.

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

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

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

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

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

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

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

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

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

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

(4) Impose requirements and conditions on the financing to ensure timely repayment, including, but not limited to, procedures for placing a lien on a property for which an owner defaults on repayment.

(g) Prior to entering a contractual assessment, the municipality shall provide each property owner the following notice, which shall be set forth in at least fourteen-point bold type: **SEEK LEGAL ADVICE**

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BEFORE PARTICIPATING IN THIS LOAN PROGRAM TO ENSURE UNDERSTANDING OF POTENTIAL CONSEQUENCES, INCLUDING A POSSIBLE DEFAULT UNDER YOUR MORTGAGE.

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

(i) Assessments levied pursuant to this section and the interest and any penalties thereon shall constitute a lien against the qualifying real property on which they are made until they are paid. Such lien shall be levied and collected in the same manner as the general taxes of the municipality on real property, including, in the event of default or delinquency, with respect to any penalties and remedies and lien priorities, provided such lien shall not have priority over any prior mortgages.

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

Sec. 101. (NEW) (*Effective July 1, 2011*) Before approving any plan for energy conservation and load management and renewable energy projects issued to it by the Energy Conservation and Management Board, the board of directors of the Clean Energy Finance and Investment Authority or an electric distribution company, the Department of Energy and Environmental Protection shall determine that an equitable amount of the funds administered by each such board are to be deployed among small and large customers with a

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maximum average monthly peak demand of one hundred kilowatts in census tracts in which the median income is not more than sixty per cent of the state median income. The department shall determine such equitable share and such projects may include a mentoring component for such communities. On and after January 1, 2012, and annually thereafter, the department shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding the distribution of funds to such communities.

Sec. 102. Section 16a-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) As used in this section:

(1) ["Office" means the Office of Policy and Management] "Department" means the Department of Energy and Environmental Protection;

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

(3) "F40T12 lamp" means a tubular fluorescent lamp that is a nominal forty-watt lamp, with a forty-eight-inch tube length and one and one-half inches in diameter;

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

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

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

(7) ["Secretary" means the Secretary of the Office of Policy and Management] "Commissioner" means the Commissioner of Energy and Environmental Protection;

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

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

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

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

(12) "Low-voltage dry-type transformer" means a transformer that:
(A) Has an input voltage of six hundred volts or less; (B) is between

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fourteen kilovolt-amperes and two thousand five hundred one kilovolt-amperes in size; (C) is air-cooled; and (D) does not use oil as a coolant. "Low-voltage dry-type transformer" does not include such transformers excluded from the low-voltage dry-type distribution transformer definition contained in the California Code of Regulations, Title 20: Division 2, Chapter 4, Article 4: Appliance Efficiency Regulations;

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

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

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

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

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

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

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

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

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

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

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

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

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

(26) "Residential furnace or boiler" means a product that utilizes only single-phase electric current or single-phase electric current or DC current in conjunction with natural gas, propane or home heating oil

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and that (A) is designed to be the principal heating source for the living space of a residence; (B) is not contained within the same cabinet as a central air conditioner with a rated cooling capacity of not less than sixty-five thousand BTUs per hour; (C) is an electric central furnace, electric boiler, forced-air central furnace, gravity central furnace or low pressure steam or hot water boiler; and (D) has a heat input rate of less than three hundred thousand BTUs per hour for an electric boiler and low pressure steam or hot water boiler and less than two hundred twenty-five thousand BTUs per hour for a forced-air central furnace, gravity central furnace and electric central furnace;

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

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

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

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

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

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tube;

(32) "Single voltage external AC to DC power supply" means a device that (A) is designed to convert line voltage AC input into lower voltage DC output; (B) is able to convert to only one DC output voltage at a time; (C) is sold with, or intended to be used with, a separate end-use product that constitutes the primary power load; (D) is contained within a separate physical enclosure from the end-use product; (E) is connected to the end-use product in a removable or hard-wired male and female electrical connection, cable, cord or other wiring; (F) does not have batteries or battery packs, including those that are removable or that physically attach directly to the power supply unit; (G) does not have a battery chemistry or type selector switch and indicator light or a battery chemistry or type selector switch and a state of charge meter; and (H) has a nameplate output power less than or equal to two hundred fifty watts;

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

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

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

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

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

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

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

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

(41) "Central air conditioner" means a central air conditioning model

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that consists of one or more factory-made assemblies, which normally include an evaporator or cooling coil, compressor and condenser. Central air conditioning models may provide the function of air cooling, air cleaning, dehumidifying or humidifying;

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

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

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

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

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

(47) "Digital versatile disc player" means a commercially available electronic product encased in a single housing that includes an integral

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power supply and for which the sole purpose is the decoding of digitized video signals;

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

(49) "Television" means an analog or digital device designed primarily for the display and reception of a terrestrial, satellite, cable, internet protocol television or other broadcast or recorded transmission of analog or digital video and audio signals. "Television" includes combination televisions, television monitors, component televisions and any unit that is marketed to consumers as a television but does not include a computer monitor;

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

(b) The provisions of this section apply to the testing, certification and enforcement of efficiency standards for the following types of new products sold, offered for sale or installed in the state: (1) Commercial clothes washers; (2) commercial refrigerators and freezers; (3) illuminated exit signs; (4) large packaged air-conditioning equipment; (5) low voltage dry-type distribution transformers; (6) torchiere lighting fixtures; (7) traffic signal modules; (8) unit heaters; (9) residential furnaces and boilers; (10) residential pool pumps; (11) metal halide lamp fixtures; (12) single voltage external AC to DC power supplies; (13) state regulated incandescent reflector lamps; (14) bottle-type water dispensers; (15) commercial hot food holding cabinets; (16) portable electric spas; (17) walk-in refrigerators and walk-in freezers; (18) pool heaters; [and] (19) compact audio players; (20) televisions;

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(21) digital versatile disc players; (22) digital versatile disc recorders; and (23) any other products as may be designated by the [office] department in accordance with subdivision (3) of subsection (d) of this section.

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

(d) (1) The [office, in consultation with the Department of Public Utility Control,] department shall adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section and to establish minimum energy efficiency standards for the types of new products set forth in subsection (b) of this section. The regulations shall provide for the following minimum energy efficiency standards:

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

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

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

(D) Large packaged air-conditioning equipment having not more than seven hundred sixty thousand BTUs per hour of capacity shall meet a minimum energy efficiency ratio of 10.0 for units using both

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electric heat and air conditioning or units solely using electric air conditioning, and 9.8 for units using both natural gas heat and electric air conditioning;

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

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

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

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

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

(J) On or after January 1, 2009, residential furnaces and boilers purchased by the state shall meet or exceed the following annual fuel utilization efficiency: (i) For gas and propane furnaces, ninety per cent annual fuel utilization efficiency, (ii) for oil furnaces, eighty-three per cent annual fuel utilization efficiency, (iii) for gas and propane hot water boilers, eighty-four per cent annual fuel utilization efficiency,

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(iv) for oil-fired hot water boilers, eighty-four per cent annual fuel utilization efficiency, (v) for gas and propane steam boilers, eighty-two per cent annual fuel utilization efficiency, (vi) for oil-fired steam boilers, eighty-two per cent annual fuel utilization efficiency, and (vii) for furnaces with furnace air handlers, an electricity ratio of not more than 2.0, except air handlers for oil furnaces with a capacity of less than ninety-four thousand BTUs per hour shall have an electricity ratio of 2.3 or less;

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

(L) Single-voltage external AC to DC power supplies manufactured on or after January 1, 2008, shall meet the energy efficiency standards of table U-1 of section 1605.3 of the January 2006 California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance Efficiency Regulations. This standard applies to single voltage AC to DC power supplies that are sold individually and to those that are sold as a component of or in conjunction with another product. This standard shall not apply to single voltage external AC to DC power supplies sold with products subject to certification by the United States Food and Drug Administration. A single-voltage external AC to DC power supply that is made available by a manufacturer directly to a consumer or to a service or repair facility after and separate from the original sale of the product requiring the power supply as a service part or spare part shall not be required to meet the standards in said table U-1 until five years after the effective dates indicated in the table;

(M) On or after January 1, 2009, state regulated incandescent reflector lamps shall be manufactured to meet the minimum average lamp efficacy requirements for federally-regulated incandescent reflector lamps contained in 42 USC 6295(i)(1)(A). Each lamp shall

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indicate the date of manufacture;

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

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

(P) By January 1, 2014, compact audio players, digital versatile disc players and digital versatile disc recorders shall meet the requirements shown in Table V-1 of Section 1605.3 of the November 2009 amendments to the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4, unless the commissioner, in accordance with subparagraph (B) of subdivision (3) of this subsection, determines that such standards are unwarranted and may accept, reject or modify according to subparagraph (A) of subdivision (3) of this subsection;

(Q) On or after January 1, 2014, televisions manufactured on or after the effective date of this section shall meet the requirements shown in Table V-2 of Section 1605.3 of the November 2009 amendments to the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4, unless the commissioner, in accordance with subparagraph (B) of subdivision (3) of this subsection, determines that such standards are unwarranted and may accept, reject or modify according to subparagraph (A) of subdivision (3) of this subsection;

(R) In addition to the requirements of subparagraph (Q) of this

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subdivision, televisions manufactured on or after January 1, 2014, shall meet the efficiency requirements of Sections 1605.3(v)(3)(A), 1605.3(v)(3)(B) and 1605.3(v)(3)(C) of the November 2009 amendments to the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 4, unless the commissioner, in accordance with subparagraph (B) of subdivision (3) of this subsection, determines that such standards are unwarranted and may accept, reject or modify according to subparagraph (A) of subdivision (3) of this subsection.

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

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

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pursuant to this subdivision] (iii) would not impose an unreasonable burden on Connecticut businesses.

(B) The department, in consultation with the Multi-State Appliance Standards Collaborative, shall identify additional appliance and equipment efficiency standards. The commissioner shall review all California standards and may review standards from other states in such collaborative. The commissioner shall issue notice of such review in the Law Journal, allow for public comment and may hold a public hearing within six months of adoption of an efficiency standard by a cooperative member state regarding a product for which no equivalent Connecticut or federal standard currently exists, the department shall adopt regulations in accordance with the provisions of chapter 54 adopting such efficiency standard unless the department makes a specific finding that such standard does not meet the criteria in subparagraph (A) of this subdivision.

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

(f) The [office, in consultation with the Department of Public Utility Control,] department shall adopt procedures for testing the energy efficiency of the new products set forth in subsection (b) of this section or designated by the department if such procedures are not provided for in the State Building Code. The [office] department shall use United States Department of Energy approved test methods, or in the absence of such test methods, other appropriate nationally recognized test

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methods. The manufacturers of such products shall cause samples of such products to be tested in accordance with the test procedures adopted pursuant to this subsection or those specified in the State Building Code.

(g) Manufacturers of new products set forth in subsection (b) of this section or designated by the [office] department shall certify to the [secretary] commissioner that such products are in compliance with the provisions of this section, except that certification is not required for single voltage external AC to DC power supplies and walk-in refrigerators and walk-in freezers. All single voltage external AC to DC power supplies shall be labeled as described in the January 2006 California Code of Regulations, Title 20, Section 1607 (9). The [office, in consultation with the Department of Public Utility Control,] department shall promulgate regulations governing the certification of such products. The [secretary] commissioner shall publish an annual list of such products.

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

Sec. 103. (*Effective July 1, 2011*) (a) The Clean Energy Finance and Investment Authority shall on or before March 1, 2012, establish a three-year pilot program to promote the development of new combined heat and power projects in Connecticut that are below two megawatts in capacity size. The program established pursuant to this section shall not exceed fifty megawatts. The authority shall set one or more standardized grant amounts, loan amounts and power purchase agreements for such projects to limit the administrative burden of project approvals for the authority and the project proponent,

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including, but not limited to, a per kilowatt cost of up to three hundred fifty dollars. Such standardized provisions shall seek to minimize costs for the general class of ratepayers, ensuring that the project developer has a significant share of the financial burden and risk, while ensuring the development of projects that benefit Connecticut's economy, ratepayers, and environment. The authority may in its discretion decline to support a proposed project if the benefits of such project to Connecticut's ratepayers, economy and environment, including emissions reductions, are too meager to justify ratepayer or taxpayer investment.

(b) The Clean Energy Finance and Investment Authority shall establish a three-year pilot program to support through loans, grants or power purchase agreements sustainable practices and economic prosperity of Connecticut farms and other businesses by using organic waste with on-site anaerobic digestion facilities to generate electricity and heat. As part of the pilot program, the authority may approve no more than five projects, each of which shall have a maximum size of one thousand five hundred kilowatts at a cost of four hundred fifty dollars per kilowatt.

(c) On or before January 1, 2016, the authority shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding the program established pursuant to this section and whether such program should continue.

(d) The Clean Energy Finance and Investment Authority shall allocate four million dollars annually from the Clean Energy Fund, provided two million dollars shall be allocated for combined heat and power projects and two million dollars shall be allocated for anaerobic digestion projects.

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Sec. 104. Subsection (g) of section 16-245 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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

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(12) the licensee shall offer a time-of-use price option to customers. Such option shall include a two-part price that is designed to achieve an overall minimization of customer bills by encouraging the reduction of consumption during the most energy intense hours of the day. The licensee shall file its time-of-use rates with the Public Utilities Regulatory Authority; and [(12)] (13) the licensee shall acknowledge that it is subject to chapters 208, 212, 212a and 219, as applicable, and the licensee shall pay all taxes it is subject to in this state. Also as a condition of licensure, the department shall prohibit each licensee from declining to provide service to customers for the reason that the customers are located in economically distressed areas. The department may establish additional reasonable conditions to assure that all retail customers will continue to have access to electric generation services.

Sec. 105. (NEW) (*Effective July 1, 2011*) The Department of Energy and Environmental Protection shall require each electric distribution company to notify its customers on an ongoing basis regarding the availability of time-of-use meters, if applicable.

Sec. 106. (NEW) (*Effective July 1, 2011*) (a) The Clean Energy Finance and Investment Authority established pursuant to section 16-245n of the general statutes, as amended by this act, shall structure and implement a residential solar investment program established pursuant to this section, which shall result in a minimum of thirty megawatts of new residential solar photovoltaic installations located in this state on or before December 31, 2022, the annual procurement of which shall be determined by the authority and the cost of which shall not exceed one-third of the total surcharge collected annually pursuant to said section 16-245n.

(b) The Clean Energy Finance and Investment Authority shall offer direct financial incentives, in the form of performance-based incentives or expected performance-based buydowns, for the purchase or lease of

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qualifying residential solar photovoltaic systems. For the purposes of this section, "performance-based incentives" means incentives paid out on a per kilowatt-hour basis, and "expected performance-based buydowns" means incentives paid out as a one-time upfront incentive based on expected system performance. The authority shall consider willingness to pay studies and verified solar photovoltaic system characteristics, such as operational efficiency, size, location, shading and orientation, when determining the type and amount of incentive. Notwithstanding the provisions of subdivision (1) of subsection (j) of section 16-244c of the general statutes, as amended by this act, the amount of renewable energy produced from Class I renewable energy sources receiving tariff payments or included in utility rates under this section shall be applied to reduce the electric distribution company's Class I renewable energy source portfolio standard. Customers who receive expected performance-based buydowns under this section shall not be eligible for a credit pursuant to section 16-243b of the general statutes.

(c) Beginning with the comprehensive plan covering the period from July 1, 2011, to June 30, 2013, the Clean Energy Finance and Investment Authority shall develop and publish in each such plan a proposed schedule for the offering of performance-based incentives or expected performance-based buydowns over the duration of any such solar incentive program. Such schedule shall: (1) Provide for a series of solar capacity blocks the combined total of which shall be a minimum of thirty megawatts and projected incentive levels for each such block; (2) provide incentives that are sufficient to meet reasonable payback expectations of the residential consumer, taking into consideration the estimated cost of residential solar installations, the value of the energy offset by the system and the availability and estimated value of other incentives, including, but not limited to, federal and state tax incentives and revenues from the sale of solar renewable energy credits; (3) provide incentives that decline over time and will foster the

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sustained, orderly development of a state-based solar industry; (4) automatically adjust to the next block once the board has issued reservations for financial incentives provided pursuant to this section from the board fully committing the target solar capacity and available incentives in that block; and (5) provide comparable economic incentives for the purchase or lease of qualifying residential solar photovoltaic systems. The authority may retain the services of a third-party entity with expertise in the area of solar energy program design to assist in the development of the incentive schedule or schedules. The Department of Energy and Environmental Protection shall review and approve such schedule. Nothing in this subsection shall restrict the authority from modifying the approved incentive schedule before the issuance of its next comprehensive plan to account for changes in federal or state law or regulation or developments in the solar market when such changes would affect the expected return on investment for a typical residential solar photovoltaic system by twenty per cent or more.

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

(e) The Clean Energy Finance and Investment Authority shall maintain on its web site the schedule of incentives, solar capacity remaining in the current block and available funding and incentive

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estimators.

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

(g) The Clean Energy Finance and Investment Authority shall identify barriers to the development of a permanent Connecticut-based solar workforce and shall make provision for comprehensive training, accreditation and certification programs through institutions and individuals accredited and certified to national standards.

(h) On or before January 1, 2014, and every two years thereafter for the duration of the program, the Clean Energy Finance and Investment Authority shall report to the joint standing committee of the General Assembly having cognizance of matters relating to energy on progress toward the goals identified in subsection (a) of this section.

Sec. 107. (NEW) (*Effective July 1, 2011*) (a) Commencing on January 1, 2012, and within the period established in subsection (a) of section 108 of this act, each electric distribution company shall solicit and file with the Public Utilities Regulatory Authority for its approval, one or more long-term contracts with owners or developers of Class I generation projects that emit no pollutants and that are less than one thousand kilowatts in size, located on the customer side of the revenue meter and serve the distribution system of the electric distribution company. The authority may give a preference to contracts for technologies manufactured, researched or developed in the state.

(b) Solicitations conducted by the electric distribution company

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shall be for the purchase of renewable energy credits produced by eligible customer-sited generating projects over the duration of the long-term contract. For purposes of this section, a long-term contract is a contract for fifteen years.

(c) (1) The aggregate procurement of renewable energy credits by electric distribution companies pursuant to this section shall (A) be eight million dollars in the first year, and (B) increase by an additional eight million dollars per year in years two to four, inclusive.

(2) After year four, the authority shall review contracts entered into pursuant to this section and if the cost of the technologies included in such contracts have been reduced, the authority shall seek to enter new contracts for the total of six years.

(A) If the authority determines such costs have been reduced, the aggregate procurement of renewable energy credits by electric distribution companies pursuant to this subdivision shall (i) increase by an additional eight million dollars per year in years five and six, (ii) be forty-eight million dollars in years seven to fifteen, inclusive, and (iii) decline by eight million dollars per year in years sixteen to twenty-one, inclusive, provided any money not allocated in any given year may roll into the next year's available funds.

(B) If the authority determines such costs have not been reduced, the aggregate procurement of renewable energy credits by electric distribution companies pursuant to this subdivision shall (i) be thirty-two million dollars in years five to thirteen, inclusive, and (ii) decline by eight million dollars per year in years fourteen to nineteen, inclusive, provided any money not allocated in any given year may roll into the next year's available funds.

(3) The production of a megawatt hour of electricity from a Class I renewable energy source first placed in service on or after the effective

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date of this section shall create one renewable energy credit. A renewable energy credit shall have an effective life covering the year in which the credit was created and the following calendar year. The obligation to purchase renewable energy credits shall be apportioned to electric distribution companies based on their respective distribution system loads at the commencement of the procurement period, as determined by the authority. For contracts entered into in calendar year 2012, an electric distribution company shall not be required to enter into a contract that provides a payment of more than three hundred fifty dollars, per renewable energy credit in any year over the term of the contract. For contracts entered into in calendar years 2013 to 2017, inclusive, at least ninety days before each annual electric distribution company solicitation, the Public Utilities Regulatory Authority may lower the renewable energy credit price cap specified in this subsection by three to seven per cent annually, during each of the six years of the program over the term of the contract. In the course of lowering such price cap applicable to each annual solicitation, the authority shall, after notice and opportunity for public comment, consider such factors as the actual bid results from the most recent electric distribution company solicitation and reasonably foreseeable reductions in the cost of eligible technologies.

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

(e) Nothing in this section shall preclude the resale or other disposition of energy or associated renewable energy credits purchased by the electric distribution company, provided the distribution company shall net the cost of payments made to projects under the long-term contracts against the proceeds of the sale of

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energy or renewable energy credits and the difference shall be credited or charged to distribution customers through a reconciling component of electric rates as determined by the authority that is nonbypassable when switching electric suppliers.

Sec. 108. (NEW) (*Effective July 1, 2011*) (a) To procure the long-term contracts described in section 107 of this act, each electric distribution company shall, not later than one hundred eighty days after the effective date of this section, propose a six-year solicitation plan that shall include (1) a timetable and methodology for soliciting proposals for the long-term purchase of renewable energy credits from in-state generators of Class I technologies that emit no pollutants and are not more than one megawatt in size, and (2) declining annual incentives during each of the six years of the program. The electric distribution company's solicitation plan shall be subject to the review and approval of the Public Utilities Regulatory Authority.

(b) The electric distribution company's approved solicitation plan shall be designed to foster a diversity of project sizes and participation among all eligible customer classes subject to cost-effectiveness considerations. Separate procurement processes shall be conducted for (1) systems up to one hundred kilowatts; (2) systems greater than one hundred kilowatts but less than two hundred fifty kilowatts; and (3) systems between two hundred fifty and one thousand kilowatts. The Public Utilities Regulatory Authority shall give preference to competitive bidding for resources of more than one hundred kilowatts, with bids ranked in order on the basis of lowest net present value of required renewable energy credit price, unless the authority determines that an alternative methodology is in the best interests of the electric distribution company's customers and the development of a competitive and self-sustaining market. Systems up to one hundred kilowatts in size shall be eligible to receive, on an ongoing and continuous basis, a renewable energy credit offer price equivalent to

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the weighted average accepted bid price in the most recent solicitation for systems greater than one hundred kilowatts but less than two hundred fifty kilowatts, plus an additional incentive of ten per cent.

(c) Each electric distribution company shall execute its approved six-year solicitation plan and submit to the Public Utilities Regulatory Authority for review and approval of its preferred procurement plan comprised of any proposed contract or contracts with independent developers. If an electric distribution company's solicitation does not result in proposed contracts totaling the annual expenditure pursuant to subsection (a) of section 107 of this act and the Public Utilities Regulatory Authority has reduced the cap price by more than three per cent pursuant to subsection (c) of section 107 of this act, the authority shall, within ninety days, issue a request for proposals for additional contracts. The authority shall approve contract proposals submitted in response to such request on a least-cost basis, provided an electric distribution company shall not be required to enter into a contract that provides for a payment in any year of the contract that exceeds the renewable energy price cap for the prior year by less than three per cent.

(d) The Public Utilities Regulatory Authority shall hold a hearing that shall be conducted as an uncontested case, in accordance with the provisions of chapter 54 of the general statutes, to approve, reject or modify an application for approval of the electric distribution company's procurement plan. The authority shall only approve such proposed plan if the authority finds that (1) the solicitation and evaluation conducted by the electric distribution company was the result of a fair, open, competitive and transparent process; (2) approval of the procurement plan would result in the greatest expected ratepayer value from energy from Class I or renewable energy credits at the lowest reasonable cost; and (3) such procurement plan satisfies other criteria established in the approved solicitation plan. The

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authority shall not approve any proposal made under such plan unless it determines that the plan and proposals encompass all foreseeable sources of revenue or benefits and that such proposals, together with such revenue or benefits, would result in the greatest expected ratepayer value from energy technologies that emit no pollutants or renewable energy credits. The authority may, in its discretion, retain the services of an independent consultant with expertise in the area of energy procurement to assist in such determination. The independent consultant shall be unaffiliated with the electric distribution company or its affiliates and shall not, directly or indirectly, have benefited from employment or contracts with the electric distribution company or its affiliates in the preceding five years, except as an independent consultant. The electric distribution company shall provide the independent consultant immediate and continuing access to all documents and data reviewed, used or produced by the electric distribution company in its bid solicitation and evaluation process. The electric distribution company shall make all its personnel, agents and contractors used in the bid solicitation and evaluation available for interview by the consultant. The electric distribution company shall conduct any additional modeling requested by the independent consultant to test the assumptions and results of the bid evaluation process. The independent consultant shall not participate in or advise the electric distribution company with respect to any decisions in the bid solicitation or bid evaluation process. The authority's administrative costs in reviewing the electric distribution company's procurement plan and the costs of the consultant shall be recovered through a reconciling component of electric rates as determined by the authority.

(e) The electric distribution company shall be entitled to recover its reasonable costs and fees prudently incurred of complying with its approved procurement plan through a reconciling component of electric rates as determined by the authority. Nothing in this section

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shall preclude the resale or other disposition of energy or associated renewable energy credits purchased by the electric distribution company, provided the distribution company shall net the cost of payments made to projects under the long-term contracts against the proceeds of the sale of energy or renewable energy credits and the difference shall be credited or charged to distribution customers through a reconciling component of electric rates as determined by the authority that is nonbypassable when switching electric suppliers.

(f) Failure by the electric distribution company to execute its approved solicitation plan shall result in a noncompliance fee. Unless, upon petition by the electric distribution company, the authority grants the distribution company an extension not to exceed ninety days to correct this deficiency, the electric distribution company shall be assessed a noncompliance fee one hundred twenty-five per cent of the difference between the annual distribution company expenditures required pursuant to subsection (c) of section 107 of this act and the contractually committed expenditure for renewable energy credits from eligible zero emissions customer-sited generating projects in that year. The noncompliance fees associated with the procurement shortfall shall be collected by the distribution company, maintained in a separate interest-bearing account and disbursed to the department on a quarterly basis. Funds collected by the authority pursuant to this section shall be used to support the deployment of Class I zero emissions generating systems installed in the state with priority given to otherwise underserved market segments, including, but not limited to, low-income housing, schools and other public buildings and nonprofits. The authority may waive a noncompliance fee assessed pursuant to this section if the authority determines that meeting the requirements of this subsection would be commercially infeasible.

(g) Not later than sixty days after its approval of the distribution company procurement plans submitted on or before January 1, 2013,

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the Public Utilities Regulatory Authority shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to energy. The report shall document for each distribution company procurement plan: (1) The total number of renewable energy credits bid relative to the number of renewable energy credits requested by the distribution company; (2) the total number of bidders in each market segment; (3) the number and value of contracts awarded; (4) the total weighted average price of the renewable energy credits or energy so purchased; and (5) the extent to which the costs of the technology has been reduced. The authority shall not report individual bid information or other proprietary information.

Sec. 109. (NEW) (*Effective July 1, 2011*) The Public Utilities Regulatory Authority shall provide an additional incentive of up to five per cent of the then-applicable incentive provided pursuant to section 106 of this act for the use of major system components manufactured or assembled in Connecticut, and another additional incentive of up to five per cent of the then applicable incentive provided pursuant to section 106 of this act for the use of major system components manufactured or assembled in a distressed municipality, as defined in section 32-9p of the general statutes, or a targeted investment community, as defined in section 32-222 of the general statutes.

Sec. 110. (NEW) (*Effective July 1, 2011*) (a) Commencing on January 1, 2012, and within one hundred eighty days, each electric distribution company shall solicit and file with the Public Utilities Regulatory Authority for its approval one or more fifteen-year power purchase contracts with owners or developers of generation projects that are less than two megawatts in size, located on the customer side of the revenue meter, serve the distribution system of the electric distribution company, and use Class I technologies that have no emissions of no

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more than 0.07 pounds per megawatt-hour of nitrogen oxides, 0.10 pounds per megawatt-hour of carbon monoxide, 0.02 pounds per megawatt-hour of volatile organic compounds, and one grain per one hundred standard cubic feet. The authority may give a preference to contracts for technologies manufactured, researched or developed in the state.

(b) Solicitations conducted by the electric distribution company shall be for the purchase of renewable energy credits produced by eligible customer-sited generating projects over the duration of the contract.

(c) (1) The aggregate procurement of renewable energy credits by electric distribution companies pursuant to this section shall (A) be up to four million dollars in year one, and (B) increase by up to an additional four million dollars per year in years two and three. After year three, the authority shall review the contracts entered into pursuant to this section and if the cost of the technologies eligible for such contracts have been reduced, the authority shall seek to enter new contracts for the total of five years.

(2) If the authority determines that the cost of such technologies have been reduced, the authority shall seek to enter new contracts for a total of five years. The aggregate procurement of renewable energy credits pursuant to this subdivision shall (A) increase by an additional four million dollars per year in years four and five, (B) be twenty million dollars per year in years six through fifteen, and (C) decline by four million dollars per year in years sixteen through twenty.

(3) If the authority determines that such costs have not been reduced, the aggregate procurement of renewable energy credits pursuant to that subdivision shall (A) be twelve million dollars per year in years four through fifteen, and (B) decline by four million dollars per year in years sixteen through eighteen.

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(4) Any money not allocated in any given year may roll into the next year's available funds. The production of a megawatt hour of electricity from a Class I renewable energy source first placed in service on or after the effective date of this section shall create one renewable energy credit. A renewable energy credit shall have an effective life covering the year in which the credit was created and the following calendar year. The obligation to purchase renewable energy credits shall be apportioned to electric distribution companies based on their respective distribution system loads at the commencement of the procurement period, as determined by the authority. An electric distribution company shall not be required to enter into a contract that provides a payment of more than two hundred dollars per megawatt hour over the term of the contract.

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

(e) Nothing in this section shall preclude the resale or other disposition of energy or associated renewable energy credits purchased by the electric distribution company, provided the distribution company shall net the cost of payments made to projects under the contracts against the proceeds of the sale of energy or renewable energy credits and the difference shall be credited or charged to distribution customers through a reconciling component of electric rates as determined by the authority that is nonbypassable when switching electric suppliers.

Sec. 111. (NEW) (*Effective October 1, 2011*) The Clean Energy Finance and Investment Authority created pursuant to section 16-245n of the general statutes, as amended by this act, in consultation with the Department of Energy and Environmental Protection, shall establish a

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program to be known as the "condominium renewable energy grant program". Under such program, the board shall provide grants to residential condominium associations and residential condominium owners, within available funds, for purchasing clean energy sources, including solar energy, geothermal energy and fuel cells or other energy-efficient hydrogen-fueled energy.

Sec. 112. (NEW) (*Effective July 1, 2011*) (a) On or before June 30, 2012, the Department of Energy and Environmental Protection shall conduct a proceeding regarding development of low-income discounted rates for service provided by electric distribution and gas companies, as defined in section 16-1 of the general statutes, to low-income customers with an annual income that does not exceed sixty per cent of median income. Such proceeding shall include, but not be limited to, a review, for individuals who receive means-tested assistance administered by the state or federal governments, of the current and future availability of rate discounts through the department's electricity purchasing pool operated pursuant to section 16a-14e of the general statutes, energy assistance benefits available through any plan adopted pursuant to section 16a-41a of the general statutes, state funded or administered programs, conservation assistance available pursuant to section 16-245m of the general statutes, as amended by this act, assistance funded or administered by said department or the Department of Social Services, or matching payment program benefits available pursuant to subsection (b) of section 16-262c of the general statutes, as amended by this act. The department shall (1) coordinate resources and programs, to the extent practicable; (2) develop rates that take into account the indigency of persons of poverty status and allow such persons' households to meet the costs of essential energy needs; (3) require the households to have a home energy audit paid from the Energy Efficiency Fund as a prerequisite to qualification; (4) prepare an analysis of the benefits and anticipated costs of such low-income discounted rates; and (5) review utility rate discount policies or

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programs in other states.

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

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

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

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(e) On or before February 1, 2012, the department shall report, in accordance with section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding the benefits and costs of the low-income or discounted rates established pursuant to subsection (a) of this section, including, but not limited to, possible impacts on existing customers who qualify for state assistance, and any recommended modifications. If the low-income rate is not less than ninety per cent of the standard service rate, the department shall include in its report steps to achieve that goal.

Sec. 113. Section 16-245o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) To protect a customer's right to privacy from unwanted solicitation, each electric company or electric distribution company, as the case may be, shall distribute to each customer a form approved by the Department of [Public Utility Control] Energy and Environmental Protection which the customer shall submit to the customer's electric or electric distribution company in a timely manner if the customer does not want the customer's name, address, telephone number and rate class to be released to electric suppliers. On and after July 1, 1999, each electric or electric distribution company, as the case may be, shall make available to all electric suppliers customer names, addresses, telephone numbers, if known, and rate class, unless the electric company or electric distribution company has received a form from a customer requesting that such information not be released. Additional information about a customer for marketing purposes shall not be released to any electric supplier unless a customer consents to a release by one of the following: (1) An independent third-party telephone verification; (2) receipt of a written confirmation received in the mail from the customer after the customer has received an information package confirming any telephone agreement; (3) the customer signs a

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document fully explaining the nature and effect of the release; or (4) the customer's consent is obtained through electronic means, including, but not limited to, a computer transaction.

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

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

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

(e) Each electric supplier shall, prior to the initiation of electric generation services, provide the potential customer with a written notice describing the rates, information on air emissions and resource mix of generation facilities operated by and under long-term contract to the supplier, terms and conditions of the service, and a notice describing the customer's right to cancel the service, as provided in this

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section. No electric supplier shall provide electric generation services unless the customer has signed a service contract or consents to such services by one of the following: (1) An independent third-party telephone verification; (2) receipt of a written confirmation received in the mail from the customer after the customer has received an information package confirming any telephone agreement; (3) the customer signs a [document fully explaining the nature and effect of the initiation of the service] contract that conforms with the provisions of this section; or (4) the customer's consent is obtained through electronic means, including, but not limited to, a computer transaction. Each electric supplier shall provide each customer with a demand of less than one hundred kilowatts, a written contract that conforms with the provisions of this section and maintain records of such signed service contract or consent to service for a period of not less than two years from the date of expiration of such contract, which records shall be provided to the department or the customer upon request. Each contract for electric generation services shall contain all material terms of the agreement, a clear and conspicuous statement explaining the rates that such customer will be paying, including the circumstances under which the rates may change, a statement that provides specific directions to the customer as to how to compare the price term in the contract to the customer's existing electric generation service charge on the electric bill and how long those rates are guaranteed. Such contract shall also include a clear and conspicuous statement providing the customer's right to cancel such contract not later than three days after signature or receipt in accordance with the provisions of this subsection, describing under what circumstances, if any, the supplier may terminate the contract and describing any penalty for early termination of such contract. Each contract shall be signed by the customer, or otherwise agreed to in accordance with the provisions of this subsection. A customer who has a maximum demand of five hundred kilowatts or less shall, until midnight of the third business day after the latter of the day on which the customer enters into a

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service agreement or the day on which the customer receives the written contract from the electric supplier as provided in this section, have the right to cancel a contract for electric generation services entered into with an electric supplier.

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

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

(2) On or after July 1, 2011, all sales and solicitations of electric generation services by an electric supplier, aggregator or agent of an electric supplier or aggregator to a customer with a maximum demand of one hundred kilowatts or less conducted and consummated entirely by mail, door-to-door sale, telephone or other electronic means, during a scheduled appointment at the premises of a customer or at a fair, trade or business show, convention or exposition in addition to complying with the provisions of subsection (e) of this section shall:

(A) For any sale or solicitation, including from any person representing such electric supplier, aggregator or agent of an electric supplier or aggregator (i) identify the person and the electric

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generation services company or companies the person represents; (ii) provide a statement that the person does not represent an electric distribution company; (iii) explain the purpose of the solicitation; and (iv) explain all rates, fees, variable charges and terms and conditions for the services provided; and

(B) For door-to-door sales to customers with a maximum demand of one hundred kilowatts, which shall include the sale of electric generation services in which the electric supplier, aggregator or agent of an electric supplier or aggregator solicits the sale and receives the customer's agreement or offer to purchase at a place other than the seller's place of business, be conducted (i) in accordance with any municipal and local ordinances regarding door-to-door solicitations, (ii) between the hours of ten o'clock a.m. and six o'clock p.m. unless the customer schedules an earlier or later appointment, and (iii) with both English and Spanish written materials available. Any representative of an electric supplier, aggregator or agent of an electric supplier or aggregator shall prominently display or wear a photo identification badge stating the name of such person's employer or the electric supplier the person represents.

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

(4) No entity, including an aggregator or agent of an electric supplier or aggregator, who sells or offers for sale any electric

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generation services for or on behalf of an electric supplier, shall engage in any deceptive acts or practices in the marketing, sale or solicitation of electric generation services.

(5) Each electric supplier shall disclose to the Public Utilities Regulatory Authority in a standardized format (A) the amount of additional renewable energy credits such supplier will purchase beyond required credits, (B) where such additional credits are being sourced from, and (C) the types of renewable energy sources that will be purchased. Each electric supplier shall only advertise renewable energy credits purchased beyond those required pursuant to section 16-245a and shall report to the authority the renewable energy sources of such credits and whenever the mix of such sources changes.

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

(7) An electric supplier shall not make a material change in the terms or duration of any contract for the provision of electric generation services by an electric supplier without the express consent of the customer. Nothing in this subdivision shall restrict an electric supplier from renewing a contract by clearly informing the customer, in writing, not less than thirty days nor more than sixty days before the renewal date, of the renewal terms and of the option not to accept the renewal offer, provided no fee pursuant to subdivision (6) of this section shall be charged to a customer who terminates or cancels such renewal not later than seven business days after receiving the first billing statement for the renewed contract.

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(8) Each electric supplier shall file annually with the authority a list of any aggregator or agent working on behalf of such supplier.

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

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

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

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

Sec. 114. Section 16-245d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The Department of [Public Utility Control] Energy and Environmental Protection shall, by regulations adopted pursuant to chapter 54, develop a standard billing format that enables customers to compare pricing policies and charges among electric suppliers. [Not later than January 1, 2006, the] The department shall adopt regulations,

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in accordance with the provisions of chapter 54, to provide that an electric supplier, until July 1, 2012, may provide direct billing and collection services for electric generation services and related federally mandated congestion charges that such supplier provides to its customers [that have] with a maximum demand of not less than one hundred kilowatts [and] that choose to receive a bill directly from such supplier and, on and after July 1, 2012, shall provide direct billing and collection services for electric generation services and related federally mandated congestion charges that such suppliers provide to their customers or may choose to obtain such billing and collection service through an electric distribution company and pay its pro rata share in accordance with the provisions of subsection (h) of section 16-244c, as amended by this act. Any customer of an electric supplier, which is choosing to provide direct billing, who paid for the cost of billing and other services to an electric distribution company shall receive a credit on their monthly bill.

(1) An electric supplier that chooses to provide billing and collection services shall, in accordance with the billing format developed by the department, include the following information in each customer's bill: (A) The total amount owed by the customer, which shall be itemized to show (i) the electric generation services component and any additional charges imposed by the electric supplier, and (ii) federally mandated congestion charges applicable to the generation services; (B) any unpaid amounts from previous bills, which shall be listed separately from current charges; (C) the rate and usage for the current month and each of the previous twelve months in bar graph form or other visual format; (D) the payment due date; (E) the interest rate applicable to any unpaid amount; (F) the toll-free telephone number of the Public Utilities Regulatory Authority for questions or complaints; and (G) the toll-free telephone number and address of the electric supplier. On or before February 1, 2012, the authority shall conduct a review of the costs and benefits of suppliers billing for all components of electric

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service, and report, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to energy regarding the results of such review.

(2) An [electric company,] electric distribution company [or electric supplier that provides direct billing of the electric generation service component and related federally mandated congestion charges, as the case may be,] shall, in accordance with the billing format developed by the [department] authority, include the following information in each customer's bill: [, as appropriate: (1)] (A) The total amount owed by the customer, which shall be itemized to show, [(A)] (i) the electric generation services component [and any additional charges imposed by the electric supplier, if applicable, (B)] if the customer obtains standard service or last resort service from the electric distribution company, (ii) the distribution charge, including all applicable taxes and the systems benefits charge, as provided in section 16-245l, [(C)] (iii) the transmission rate as adjusted pursuant to subsection (d) of section 16-19b, [(D)] (iv) the competitive transition assessment, as provided in section 16-245g, [(E)] (v) federally mandated congestion charges, and [(F)] (vi) the conservation and renewable energy charge, consisting of the conservation and load management program charge, as provided in section 16-245m, as amended by this act, and the renewable energy investment charge, as provided in section 16-245n, as amended by this act; [(2)] (B) any unpaid amounts from previous bills which shall be listed separately from current charges; [(3)] (C) except for customers subject to a demand charge, the rate and usage for the current month and each of the previous twelve months in the form of a bar graph or other visual form; [(4)] (D) the payment due date; [(5)] (E) the interest rate applicable to any unpaid amount; [(6)] (F) the toll-free telephone number of the electric distribution company to report power losses; [(7)] (G) the toll-free telephone number of the Department of Public Utility Control for questions or complaints; [(8)

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the toll-free telephone number and address of the electric supplier; and (9)] and (H) if a customer has a demand of five hundred kilowatts or less during the preceding twelve months, a statement about the availability of information concerning electric suppliers pursuant to section 16-245p.

(b) The regulations shall provide guidelines for determining until October 1, 2011, the billing relationship between the electric distribution company and electric suppliers, including, but not limited to, the allocation of partial bill payments and late payments between the electric distribution company and the electric supplier. An electric distribution company that provides billing services for an electric supplier shall be entitled to recover from the electric supplier all reasonable transaction costs to provide such billing services as well as a reasonable rate of return, in accordance with the principles in subsection (a) of section 16-19e.

Sec. 115. (NEW) (*Effective July 1, 2011*) The Commissioner of Energy and Environmental Protection shall administer a federally-appropriated weatherization assistance program to provide, within available appropriations, weatherization assistance in accordance with the provisions of the state plan implementing the weatherization assistance block grant program authorized by the federal Low-Income Home Energy Assistance Act of 1981 and programs of weatherization assistance with funds authorized by the federal Low-Income Home Energy Assistance Act of 1981 and by the United States Department of Energy in accordance with 10 CFR Part 440 promulgated under Title IV of the Energy Conservation and Production Act, as amended, and oil settlement funds in accordance with subsections (b) and (c) of section 4-28 of the general statutes. The commissioner shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes, (1) establishing priorities for determining which households shall receive such weatherization assistance, (2) requiring

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that such weatherization assistance for energy conservation measures other than the retrofitting of heating systems be provided only for any dwelling unit for which an energy audit has been conducted in accordance with the provisions of sections 16a-45a to 16a-46c, inclusive, of the general statutes, (3) requiring that the only criterion for determining which energy conservation measures shall be implemented pursuant to this subsection in any such dwelling unit shall be the simple payback calculated for each energy conservation measure recommended in the energy audit conducted for such unit, (4) establishing the maximum allowable payback period for such energy conservation measures, and (5) establishing conditions for the waiver of the provisions of subdivisions (1) to (4), inclusive, of this subsection in the event of emergencies. The programs provided for under this subsection shall include a program of weatherization assistance for emergency shelters for homeless individuals and victims of domestic violence. The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement and administer the program of weatherization assistance for emergency shelters.

Sec. 116. (NEW) (*Effective July 1, 2011*) (a) On or before October 1, 2011, the Department of Energy and Environmental Protection shall establish a residential heating equipment financing program. Such program shall allow residential customers to finance, through on-bill financing or other mechanism, the installation of energy efficient natural gas or heating oil burners, boilers and furnaces to replace (1) burners, boilers and furnaces that are not less than seven years old with an efficiency rating of not more than seventy-five per cent, or (2) electric heating systems. Eligible fuel oil furnaces shall have an efficiency rating of not less than eighty-six per cent. An eligible fuel oil burner shall have an efficiency rating of not less than eighty-six per cent with temperature reset controls. An eligible natural gas boiler shall have an annual fuel utilization efficiency rating of not less than

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ninety per cent and an eligible natural gas furnace shall have an annual fuel utilization efficiency rating of not less than ninety-five per cent. To participate in the program established pursuant to this subsection, a customer shall first have a home energy audit, the cost of which may be financed pursuant to subsection (b) of this section.

(b) Any customer who participates in the financing program established pursuant to this section may repay such financing as part of such customer's monthly gas or electric distribution company bill. Said program may be funded by the residential financing program offered by the Energy Efficiency Fund or the Clean Energy Fund established pursuant to section 16-245n of the general statutes, as amended by this act.

(c) "Eligible entity" means (1) any residential, commercial, institutional or industrial customer of an electric distribution company or natural gas company, as defined in section 16-1 of the general statutes, as amended by this act, who employs or installs an eligible in-state energy savings technology, (2) an energy service company certified as a Connecticut electric efficiency partner by the Department of Energy and Environmental Protection, or (3) an installer certified by the Clean Energy Finance and Investment Authority.

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

(e) The Department of Energy and Environmental Protection shall establish an energy savings infrastructure pilot program consisting of financial incentives for the installation of combined heat and power systems, energy efficient heating oil burners, boilers and furnaces and

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natural gas boilers and furnaces by eligible entities. On or before June 30, 2014, the department shall evaluate the efficacy of the program established pursuant to this section.

(f) On or before October 1, 2011, the department shall begin accepting applications for financial incentives for combined heat and power systems of not more than one megawatt of power. To qualify for such financial incentives, such combined heat and power system shall reduce energy costs at an amount equal to or greater than the amount of the installation cost of the system within ten years of the installation. The department shall review the current market conditions for such systems, including any existing federal or state financial incentives, and determine the appropriate financial incentives under this program necessary to encourage installation of such systems. These financial incentives may include providing private financial institutions with loan loss protection or grants to lower borrowing costs. Financial incentives pursuant to this subdivision shall not exceed two hundred dollars per kilowatt. A project accepted for such incentives shall qualify for a waiver of (1) the backup power rate under section 16-243o of the general statutes, and (2) the requirement to provide baseload electricity under section 16-243i of the general statutes. Any purchase of natural gas for any combined heat and power system installed pursuant to this subdivision shall not include a distribution charge pursuant to section 16-243l of the general statutes.

(g) On or before December 31, 2011, the department shall begin accepting applications for financial incentives for the installation of more efficient fuel oil and natural gas boilers and furnaces that replace existing boilers or furnaces that are not less than seven years old with an efficiency rating of not more than seventy-five per cent. A qualifying fuel oil furnace shall have an efficiency rating of not less than eighty-six per cent. A qualifying fuel oil boiler shall have an efficiency rating of not less than eighty-six per cent with temperature

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

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

(i) The department shall develop a prescriptive one-page loan

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application. Such application shall include, but not be limited to: (1) Detailed information, specifications and documentation of the eligible in-state energy technology's installed costs and projected energy savings, and (2) for requests for loans in excess of one hundred thousand dollars, certification by a licensed professional engineer, licensed contractor, installer or tradesman with a state license held in good standing.

(j) On or before October 1, 2011, the department shall establish a plan that includes procedures and parameters for its energy savings infrastructure pilot program established pursuant to this section.

(k) On or before October 1, 2014, the department shall, in accordance with the provisions of section 11-4a of the general statutes, report to the joint standing committee of the General Assembly having cognizance of matters relating to energy with regard to the projects assisted by the energy savings infrastructure pilot program established pursuant to this section, the amount of public funding, the energy savings from the technologies installed and any recommendations for changes to the program, including, but not limited to, incentives that encourage consumers to install more efficient fuel oil and natural gas boilers and furnaces prior to failure or gross inefficiency of their current heating system.

Sec. 117. Section 16-245z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

Not later than October 1, 2005, the Department of [Public Utility Control] Energy and Environmental Protection and the Energy Conservation Management Board, established in section 16-245m, as amended by this act, shall establish links on their Internet web sites to the Energy Star program or successor program that promotes energy efficiency and each electric distribution company shall establish a link under its conservation programs on its Internet web site to the Energy

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Star program or such successor program.

Sec. 118. Section 16a-37u of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The [Secretary of the Office of Policy and Management] Commissioner of Energy and Environmental Protection shall be responsible for planning and managing energy use in state-owned and leased buildings and shall establish a program to maximize the efficiency with which energy is utilized in such buildings. The [secretary] commissioner shall exercise this authority by (1) preparing and implementing annual and long-range plans, with timetables, establishing goals for reducing state energy consumption and, based on energy audits, specific objectives for state agencies to meet the performance standards adopted under section 16a-38; (2) coordinating federal and state energy conservation resources and activities, including but not limited to, those required to be performed by other state agencies under this chapter; and (3) monitoring energy use and costs by budgeted state agencies on a monthly basis.

(b) On or before July 1, 2012, the commissioner, in consultation with the Department of Administrative Services, shall develop a plan to reduce energy use in buildings owned or leased by the state by January 1, 2013, by at least ten per cent from its current consumption and by January 1, 2018, by an additional ten per cent. Such plan shall include, but not be limited to, (1) assessing current energy consumption for all fuels used in state-owned buildings, (2) identifying not less than one hundred such buildings with the highest aggregate energy costs in the fiscal year ending June 30, 2011, (3) establishing targets for conducting energy audits of such buildings, and (4) determining which energy efficiency measures are most cost-effective for such buildings. Such plan shall provide for the financing of such measures through the use of energy performance contracting, pursuant to subsection (c) of this section, bonding or other means.

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(c) Any state agency or municipality may enter into an energy-savings performance contract, as defined in section 123 of this act, with a qualified energy service provider, as defined in said section 123, to produce utility cost savings, as defined in said section 123, or operation and maintenance cost savings, as defined in said section 123. Any energy-savings measure, as defined in said section 123, implemented under such contracts shall comply with state or local building codes. Any state agency or municipality may implement other capital improvements in conjunction with an energy-savings performance contract so long as the measures that are being implemented to achieve utility and operation and maintenance cost savings and other capital improvements are in the aggregate cost effective over the term of the contract.

(d) On or before January 1, 2013, and annually thereafter, the commissioner shall report, in accordance with the provisions of section 11-4a, on the status of its implementation of the plan and provide recommendations regarding energy use in state buildings to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

[(b)] (e) Not later than January fifth, annually, the [Secretary of the Office of Policy and Management] commissioner shall submit a report to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to energy planning and activities. The report shall (1) indicate the total number of energy audits and technical assistance audits of state-owned and leased buildings, (2) summarize the status of the energy conservation measures recommended by such audits, (3) summarize all energy conservation measures implemented during the preceding twelve months in state-owned and leased buildings which have not had such audits, (4) analyze the availability and allocation of funds to implement the measures recommended under subdivision (2) of this

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subsection, (5) list each budgeted agency, as defined in section 4-69, which occupies a state-owned or leased building and has not cooperated with the [Commissioner of Public Works and the Secretary of the Office of Policy and Management] Commissioners of Administrative Services and Energy and Environmental Protection in conducting energy and technical assistance audits of such building and implementing operational and maintenance improvements recommended by such audits and any other energy conservation measures required for such building by the secretary, (6) summarize all life-cycle cost analyses prepared under section 16a-38 during the preceding twelve months, and summarize agency compliance with the life-cycle cost analyses, and (7) identify any state laws, regulations or procedures that impede innovative energy conservation and load management projects in state buildings.

[(c) The Secretary of the Office of Policy and Management] (f) The commissioner, in conjunction with the Department of [Public Works] Administrative Services, shall as soon as practicable and where cost-effective connect all state-owned buildings to a district heating and cooling system, where such heating and cooling system currently exists or where one is proposed. The [secretary] commissioner, in conjunction with the Department of [Public Works] Administrative Services, shall prepare an annual report with the results of the progress in connecting state-owned buildings to such a heating and cooling system, the cost of such connection and any projected energy savings achieved through any such connection. The [secretary] commissioner shall submit the report to the joint standing committee of the General Assembly having cognizance of matters relating to energy on or before January 1, 1993, and January first annually thereafter.

[(d) The Secretary of the Office of Policy and Management] (g) The commissioner shall require each state agency to maximize its use of public service companies' energy conservation and load management

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programs and to provide sites in its facilities for demonstration projects of highly energy efficient equipment, provided no such demonstration project impairs the functioning of the facility.

(h) The commissioner, in consultation with the Department of Administrative Services, shall establish energy efficiency standards for building space leased by the state on or after January 1, 2013.

Sec. 119. (NEW) (*Effective July 1, 2011*) There is established within the Department of Energy and Environmental Protection, within available appropriations, an office of energy efficient businesses. The office shall provide in-state businesses (1) a single point of contact for any state business interested in energy efficiency, renewable energy or conservation projects, (2) information on loans and grants for energy efficiency, renewable energy projects and conservation, (3) audit and assessment services, including, but not limited to, on-site outreach to businesses by qualified entities without a commercial interest in the outcome of the audit, and (4) any other service deemed relevant by said office.

Sec. 120. Subdivision (1) of subsection (b) of section 16-262c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(b) (1) From November first to May first, inclusive, no electric or electric distribution company, as defined in section 16-1, no electric supplier and no municipal utility furnishing electricity shall terminate, deny or refuse to reinstate residential electric service in hardship cases where the customer lacks the financial resources to pay his or her entire account. From November first to May first, inclusive, no gas company and no municipal utility furnishing gas shall terminate, deny or refuse to reinstate residential gas service in hardship cases where the customer uses such gas for heat and lacks the financial resources to pay his or her entire account, except a gas company that, between May

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second and October thirty-first, terminated gas service to a residential customer who uses gas for heat and who, during the previous period of November first to May first, had gas service maintained because of hardship status, may refuse to reinstate the gas service from November first to May first, inclusive, only if the customer has failed to pay, since the preceding November first, the lesser of: (A) Twenty per cent of the outstanding principal balance owed the gas company as of the date of termination, (B) one hundred dollars, or (C) the minimum payments due under the customer's amortization agreement. Notwithstanding any other provision of the general statutes to the contrary, no electric, electric distribution or gas company, no electric supplier and no municipal utility furnishing electricity or gas shall terminate, deny or refuse to reinstate residential electric or gas service where the customer lacks the financial resources to pay his or her entire account and for which customer or a member of the customer's household the termination, denial of or failure to reinstate such service would create a life-threatening situation. No electric, electric distribution or gas company, no electric supplier and no municipal utility furnishing electricity or gas shall terminate, deny or refuse to reinstate residential electric or gas service where the customer is a hardship case and lacks the financial resources to pay his or her entire account and a child not more than twenty-four months old resides in the customer's household and such child has been admitted to the hospital and received discharge papers on which the attending physician has indicated such service is a necessity for the health and well being of such child.

Sec. 121. (NEW) (*Effective from passage*) (a) As used in this section:

(1) "Beneficial account" means an in-state retail end user of an electric distribution company designated by a customer host in such electric distribution company's service area to receive virtual net metering credits from a virtual net metering facility;

(2) "Customer host" means an in-state retail end user of an electric

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distribution company that owns a virtual net metering facility and participates in virtual net metering;

(3) "Unassigned virtual net metering credit" means in any given electric distribution company monthly billing period, a virtual net metering credit that remains after both the customer host and its beneficial accounts have been billed for zero kilowatt hours related solely to the generation service charges on such billings through virtual net metering;

(4) "Virtual net metering" means the process of combining the electric meter readings and billings, including any virtual net metering credits, for a customer host and a beneficial account through an electric distribution company billing process related solely to the generation service charges on such billings;

(5) "Virtual net metering credit" means a credit equal to the retail cost per kilowatt hour the customer host may have otherwise been charged for each kilowatt hour produced by a virtual net metering facility that exceeds the total amount of kilowatt hours used during an electric distribution company monthly billing period; and

(6) "Virtual net metering facility" means a Class I renewable energy source that: (A) is served by an electric distribution company, owned by a customer host and serves the electricity needs of the customer host and its beneficial accounts; (B) is within the same electric distribution company service territory as the customer host and its beneficial accounts; and (C) has a nameplate capacity rating of two megawatts or less.

(b) Each electric distribution company shall provide virtual net metering to its municipal customers and shall make any necessary interconnections for a virtual net metering facility. Upon request by a municipal customer host to implement the provisions of this section,

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an electric distribution company shall install metering equipment, if necessary. For each municipal customer host, such metering equipment shall (1) measure electricity consumed from the electric distribution company's facilities; (2) deduct the amount of electricity produced but not consumed; and (3) register, for each monthly billing period, the net amount of electricity produced and, if applicable, consumed. If, in a given monthly billing period, a municipal customer host supplies more electricity to the electric distribution system than the electric distribution company delivers to the municipal customer host, the electric distribution company shall bill the municipal customer host for zero kilowatt hours of generation and assign a virtual net metering credit to the municipal customer host's beneficial accounts for the next monthly billing period. Such credit shall be applied against the generation service component of the beneficial account. Such credit shall be allocated among such accounts in proportion to their consumption for the previous twelve billing periods.

(c) An electric distribution company shall carry forward any unassigned virtual net metering generation credits earned by the municipal customer host from one monthly billing period to the next until the end of the calendar year. At the end of each calendar year, the electric distribution company shall compensate the municipal customer host for any unassigned virtual net metering generation credits at the rate the electric distribution company pays for power procured to supply standard service customers pursuant to section 16-244c of the general statutes, as amended by this act.

(d) At least sixty days before a municipal customer host's virtual net metering facility becomes operational, the municipal customer host shall provide written notice to the electric distribution company of its beneficial accounts. The municipal customer host may change its list of beneficial accounts not more than once annually by providing another

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sixty days' written notice. The municipal customer host shall not designate more than five beneficial accounts.

(e) On or before February 1, 2012, the Department of Energy and Environmental Protection shall conduct a proceeding to develop the administrative processes and program specifications, including, but not limited to, a cap of one million dollars per year apportioned to each electric distribution company based on consumer load for credits provided to beneficial accounts pursuant to subsection (c) of this section and payments made pursuant to subsection (d) of this section.

(f) On or before January 1, 2013, and annually thereafter, each electric distribution company shall report to the department on the cost of its virtual net metering program pursuant to this section and the department shall combine such information and report it annually, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

Sec. 122. Subparagraph (B) of subdivision (6) of subsection (c) of section 7-148 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(B) (i) Lay out, construct, reconstruct, repair, maintain, operate, alter, extend and discontinue sewer and drainage systems and sewage disposal plants;

(ii) Enter into or upon any land for the purpose of correcting the flow of surface water through watercourses which prevent, or may tend to prevent, the free discharge of municipal highway surface water through said courses;

(iii) Regulate the laying, location and maintenance of gas pipes, water pipes, drains, sewers, poles, wires, conduits and other structures in the streets and public places of the municipality;

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(iv) Prohibit and regulate the discharge of drains from roofs of buildings over or upon the sidewalks, streets or other public places of the municipality or into sanitary sewers;

(v) Enter into energy-savings performance contracts;

Sec. 123. (NEW) (*Effective July 1, 2011*) (a) As used in this section:

(1) "Energy-savings measure" means any improvement to facilities or other energy-consuming systems designed to reduce energy or water consumption and operating costs and increase the operating efficiency of facilities or systems for their appointed functions. "Energy-savings measure" includes, but is not limited to, one or more of the following:

(A) Replacement or modification of lighting and electrical components, fixtures or systems, including daylighting systems, improvements in street lighting efficiency or computer power management software;

(B) Class I renewable energy or solar thermal systems;

(C) Cogeneration systems that produce steam or forms of energy, such as heat or electricity, for use primarily within a building or complex of buildings;

(D) Automated or computerized energy control systems;

(E) Heating, ventilation or air conditioning system modifications or replacements;

(F) Indoor air quality improvements that conform to applicable building code requirements;

(G) Water-conserving fixtures, appliances and equipment or the substitution of non-water-using fixtures, appliances and equipment, or

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water-conserving landscape irrigation equipment; and

(H) Changes in operation and maintenance practices;

(I) Replacement or modification of windows or doors; and

(J) Installation or addition of insulation.

(2) "Cost effective" means the savings resulting from an energy-savings measure outweigh the costs of such measure, including, but not limited to, any financing costs, provided the payback period for any financing provided pursuant to this section is less than the functional life of the proposed energy-savings measure and the payback period does not exceed fifteen years.

(3) "Operation and maintenance cost savings" means a measurable decrease in operation and maintenance costs and future replacement expenditures that is a direct result of the implementation of one or more utility cost savings measures. Such savings shall be calculated in comparison with an established baseline of operation and maintenance costs.

(4) "Qualified energy service provider" means a corporation approved by the Department of Administrative Services with a record of successful energy performance contract projects experienced in the design, implementation and installation of energy efficiency and facility improvement measures, the technical capabilities to ensure such measures generate energy and operational cost savings, and the ability to secure the financing necessary to support energy savings guarantees.

(5) "Utility cost savings" means any utility expenses eliminated or avoided on a long-term basis as a result of equipment installed or modified, or services performed by a qualified energy service provider; "utility cost savings" does not include merely shifting

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personnel costs or similar short-term cost savings.

(6) "State agency" has the same meaning as provided in section 1-79 of the general statutes.

(7) "Municipality" has the same meaning as provided in section 4-230 of the general statutes.

(8) "Participating municipality" means a municipality that voluntarily takes part in the standardized energy performance contract process.

(9) "Standardized energy-savings performance contract process" means standard procedures for entering into an energy-savings performance contract and standard energy-savings performance contract documents established by the Department of Energy and Environmental Protection.

(10) "Investment-grade energy audit" means a study by the qualified energy services provider selected for a particular energy-savings performance contract project which includes detailed descriptions of the improvements recommended for the project, the estimated costs of the improvements, and the utility and operations and maintenance cost savings projected to result from the recommended improvements.

(11) "Energy-savings performance contract" means a contract between the state agency or municipality and a qualified energy service provider for evaluation, recommendation and implementation of one or more energy-savings measures. An energy-savings performance contract shall be a guaranteed energy-savings performance contract, which shall include, but not be limited to, (A) the design and installation of equipment and, if applicable, operation and maintenance of any of the measures implemented; and (B) guaranteed annual savings that meet or exceed the total annual contract payments made by the state agency or municipality for such

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contract, including financing charges to be incurred by the state agency or municipality over the life of the contract.

(b) On or before July 1, 2012, the Commissioner of Energy and Environmental Protection, in coordination with the Energy Conservation Management Board and in consultation with the Office of Policy and Management and the Department of Administrative Services, shall, within available appropriations, establish a standardized energy-savings performance contract process for state agencies and municipalities. The standardized process shall include standard procedures for entering into an energy-savings performance contract and standard energy-savings performance contract documents, including, but not limited to, requests for qualifications, requests for proposals, investment-grade audit contracts, energy-savings performance contracts, including the form of the project savings guarantee, and project financing agreements. A municipality may use the established state standardized energy-savings performance contract process or establish its own energy-savings performance contract process.

(c) The Commissioner of Energy and Environmental Protection, in consultation with the Office of Policy and Management and the Energy Conservation Management Board, shall manage the established standardized energy-savings performance contract process and apprise state agencies and participating municipalities of opportunities to develop and finance energy-savings performance contract projects and provide technical and analytical support, including, but not limited to, (1) procurement of energy-savings performance contract services; (2) reviewing verification procedures for energy savings; and (3) assisting in the structuring and arranging of financing for energy-savings performance contract projects. The Energy Conservation and Management Board, in consultation with the Office of Policy and Management, shall create promotional materials to explain the energy-

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savings performance contract program.

(d) The Department of Energy and Environmental Protection may fix, charge and collect fees to cover costs incurred for any administrative support and resources or services provided under this section from the state agencies and participating municipalities that use its technical support services. State agencies and participating municipalities may add the costs of these fees to the total cost of the energy-savings performance contract. All such fees shall be disclosed prior to services being rendered. Any participating municipality may opt out of the state energy-savings performance contract process rather than incur such fees. Initial administrative funding to establish and manage the energy-savings performance contracting process for state agencies and participating municipalities shall be recovered from the Energy Conservation Management Board.

(e) The standardized energy-savings performance contract process for state agencies and participating municipalities shall include requests for qualifications or requests for proposals.

(1) The Department of Administrative Services, in consultation with the Department of Energy and Environmental Protection, shall issue a request for qualifications from companies that can offer energy-savings performance contract services to create a list of qualified energy service providers. A state agency shall use the qualified list. A municipality may use the qualified list or establish its own qualification process.

(2) When reviewing requests for qualifications, the department shall consider a company's experience with (A) design, engineering, installation, maintenance and repairs associated with energy-savings performance contracts; (B) conversions to a different energy or fuel source, associated with a comprehensive energy efficiency retrofit; (C) post-installation project monitoring, data collection and reporting of savings; (D) overall project management and qualifications; (E)

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accessing long-term financing; (F) financial stability; (G) projects of similar size and scope; (H) in-state projects and Connecticut-based subcontractors; (I) United States Department of Energy programs; (J) professional certifications; and (K) other factors determined by the department to be relevant and appropriate.

(3) Before entering into an energy-savings performance contract pursuant to this section, a state agency or participating municipality shall issue a request for proposals from three or more qualified energy service providers. A state agency or participating municipality may award the energy-savings performance contract to the qualified energy service provider that best meets the needs of the state agency or participating municipality, which need not be the lowest cost provided. A cost-effective feasibility analysis shall be prepared in response to the request for proposals.

(4) The cost-effective feasibility analysis included in the response to the request for proposals shall serve as the selection document for purposes of selecting a qualified energy service provider to engage in final contract negotiations. Factors to be included in selecting among the qualified energy service providers shall include, but not be limited to, (A) contract terms, (B) comprehensiveness of the proposal, (C) financial stability of the provider, (D) comprehensiveness of cost savings measures, (E) experience and quality of technical approach, and (F) overall benefits to the state agency or municipality.

(f) One qualified energy service provider selected as a result of the request for proposals set forth in subsection (e) of this section shall prepare an investment-grade audit, which, upon acceptance, shall be part of the final energy-savings performance contract entered into by the state agency or participating municipality. Such investment-grade energy audit shall include estimates of the amounts by which utility cost savings and operation and maintenance cost savings would increase and estimates of all costs of such utility cost savings measures

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or energy-savings measures, including, but not limited to, (1) itemized costs of design, (2) engineering, (3) equipment, (4) materials, (5) installation, (6) maintenance, (7) repairs, and (8) debt service. The qualified energy service provider and the state agency or participating municipality shall agree on the cost of the investment-grade audit before it is conducted. If, after preparation of the investment-grade audit, the state agency or participating municipality decides not to execute an energy-savings performance contract and the costs and benefits described in the investment-grade audit are not materially different from those described in the cost-effective feasibility analysis submitted in response to the request for proposals, the state agency or participating municipality shall pay the costs incurred in preparing such investment-grade audit. In all other instances, the costs of the investment-grade audit shall be deemed part of the costs of the energy-savings performance contract.

(g) The guidelines adopted pursuant to this section may require that the cost savings projected by the qualified provider be reviewed by a professional engineer licensed in this state who has a minimum of three years experience in energy calculation and review, is not an officer or employee of a qualified provider for the contract under review, and is not otherwise associated with the contract. In conducting the review, the engineer shall focus primarily on the proposed improvements from an engineering perspective, the methodology and calculations related to cost savings, increases in revenue, and, if applicable, efficiency or accuracy of metering equipment. An engineer who reviews a contract shall maintain the confidentiality of any proprietary information the engineer acquires while reviewing the contract.

(h) A municipality may use funds designated for operating and capital expenditures or utilities for any energy-savings performance contract, including, but not limited to, contracts entered into pursuant

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to this section.

(i) A guaranteed energy-savings performance contract may provide for financing, including tax exempt financing, by a third party. The contract for third-party financing may be separate from the energy-savings performance contract. A state agency or participating municipality may use designated funds, bonds, lease purchase agreements or master lease for any energy-savings performance contracts, provided its use is consistent with the purpose of the appropriation.

(j) Each energy-savings performance contract shall provide that all payments between parties, except obligations on termination of the contract before its expiration, shall be made over time and the objective of such energy-savings performance contracts is implementation of cost savings measures and energy and operational cost savings.

(k) An energy-savings performance contract, and payments provided thereunder, may extend beyond the fiscal year in which the energy-savings performance contract became effective, subject to appropriation of moneys, if required by law, for costs incurred in future fiscal years. The energy-savings performance contract may extend for a term not to exceed twenty years. The allowable length of the contract may also reflect the useful life of the cost savings measures. An energy-savings performance contract may provide for payments over a period not to exceed deadlines specified in the energy-savings performance contract from the date of the final installation of the cost savings measures.

(l) The energy-savings performance contract may provide that reconciliation of the amounts owed under the energy-savings performance contract shall occur in a period beyond one year with final reconciliation occurring within the term of the energy-savings performance contract. An energy-savings performance contract shall

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include contingency provisions in the event that actual savings do not meet predicted savings.

(m) The energy-savings performance contract shall require the qualified energy service provider to provide to the state agency or participating municipality an annual reconciliation of the guaranteed energy cost savings. If the reconciliation reveals a shortfall in annual energy cost savings, the qualified energy service provider shall make payment to the state agency or participating municipality in the amount of the shortfall. If the reconciliation reveals an excess in annual energy cost savings, the excess savings shall remain with the state agency or municipality, and shall not be used to cover potential energy cost savings shortages in subsequent years or actual energy cost savings shortages in previous contract years.

(n) During the term of each energy performance contract, the qualified energy service provider shall monitor the reductions in energy consumption and cost savings attributable to the cost savings measures installed pursuant to the energy-savings performance contract and shall, not less than annually, prepare and provide a report to the state agency or participating municipality documenting the performance of the cost savings measures to the state agency or participating municipality. The report shall adhere to the most current version of the International Performance Measurement and Verification Protocol.

(o) The qualified energy service provider and state agency or participating municipality may agree to modify savings calculations based on any of the following:

(1) Subsequent material change to the baseline energy consumption identified at the beginning of the energy-savings performance contract;

(2) Changes in the number of days in the utility billing cycle;

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(3) Changes in the total square footage of the building;

(4) Changes in the operational schedule of the facility;

(5) Changes in facility temperature;

(6) Material change in the weather;

(7) Material changes in the amount of equipment or lighting used at the facility; or

(8) Any other change which reasonably would be expected to modify energy use or energy costs.

(p) Any state agency or participating municipality that enters into an energy-savings performance contract pursuant to this section shall report the name of the project, the project host, the investment on the project and the expected energy savings to the Office of Policy and Management and the Department of Energy and Environmental Protection. Such reporting shall be done at the same time that the energy-savings performance contract is executed.

(q) A state agency or participating municipality may direct savings realized under the energy-savings performance contract to contract payment and other required expenses and may, when practicable, reinvest savings beyond that required for contract payment and other required expenses into additional energy-savings measures.

Sec. 124. Section 16a-40f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) For the purposes of this section:

(1) "Participating qualified nonprofit organizations" means individuals, nonprofit organizations and small businesses;

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(2) "Small business" means a business entity employing not more than fifty full-time employees;

(3) "Eligible energy conservation project" means an energy conservation project meeting the criteria identified, as provided in subsection (d) of this section; [and]

(4) "Participating lending institution" means any bank, trust company, savings bank, savings and loan association or credit union, whether chartered by the United States of America or this state, or any insurance company authorized to do business in this state that participates in the Green Connecticut Loan Guaranty Fund program; [.] and

(5) "Authority" means the Clean Energy Finance and Investment Authority.

(b) The [Connecticut Health and Educational Facilities Authority] authority shall establish the Green Connecticut Loan Guaranty Fund program from the proceeds of the bonds issued pursuant to section 16a-40d for the purpose of guaranteeing loans made by participating lending institutions to a participating qualified nonprofit organization for eligible energy conservation projects, including for two or more joint eligible energy conservation projects. In carrying out the purposes of this section, the authority shall have and may exercise the powers provided in section 10a-180.

(c) Participating qualified nonprofit organizations may borrow money from a participating lending institution for any energy conservation project for which the authority provides guaranties pursuant to this section. In connection with the provision of such a guaranty by the [Connecticut Health and Educational Facilities Authority] authority, (1) a participating qualified nonprofit organization shall enter into any loan or other agreement and make

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such covenants, representations and indemnities as a participating lending institution deems necessary or appropriate; and (2) a participating lending institution shall enter into a guaranty agreement with the authority, pursuant to which the authority has agreed to provide a first loss guaranty of an agreed percentage of the original principal amount of loans for eligible energy conservation projects.

(d) In consultation with the [Office of Policy and Management] Energy Conservation Management Board and the Connecticut Health and Educational Facilities Authority, the Clean Energy Finance and Investment Authority shall identify types of projects that qualify as eligible energy conservation projects, including, but not limited to, the purchase and installation of insulation, alternative energy devices, energy conservation materials, replacement furnaces and boilers, and technologically advanced energy-conserving equipment. The authority, in consultation with said [office] entities, shall establish priorities for financing eligible energy conservation projects based on need and quality determinants. The authority shall adopt procedures, in accordance with the provisions of section 1-121, to implement the provisions of this section.

(e) The authority shall, in consultation with the Energy Conservation Management Board and the Connecticut Health and Educational Facilities Authority, (1) ensure that the program established pursuant to this section integrates with existing state energy efficiency and renewable energy programs; (2) establish performance targets for the program to ensure that the program in coordination with existing financing programs will enable efficiency improvements for at least fifteen per cent of single family homes in the state by 2020; (3) enter into agreements with participating lending institutions that provide loan origination services; and (4) exercise such other powers as are necessary for the proper administration of the program.

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(f) Financial assistance provided by participating lending institutions pursuant to this section shall be subject to the following terms:

(1) Eligible energy conservation projects shall meet cost-effectiveness standards adopted by the authority in consultation with the Energy Conservation Management Board and the Connecticut Health and Educational Facilities Authority.

(2) Loans shall be at interest rates determined by the authority to be no higher than necessary to result in the participation of participating lending institutions in the program.

(3) The amount of a fee paid for an energy audit provided pursuant to this program may be added to the amount of a loan to finance the cost of an eligible project conducted in response to such energy audit. In such cases, the amount of the fee may be reimbursed from the fund to the borrower.

Sec. 125. (NEW) (*Effective from passage*) Commencing January 1, 2012, each electric distribution, electric and gas company shall maintain and make available to the public, free of charge, records of the energy consumption data of all typical nonresidential buildings to which such company provides service. This data shall be maintained in a format (1) compatible for uploading to the United States Environmental Protection Agency's Energy Star portfolio manager or similar system, for at least the most recent thirty-six months, and (2) that preserves the confidentiality of the customer.

Sec. 126. (NEW) (*Effective from passage*) Commencing January 1, 2012, each electric distribution, electric and gas company shall provide aggregate town customer usage information by customer class that preserves the confidentiality of individual customers to any legislative body of a municipality that requests such information.

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Sec. 127. (NEW) (*Effective July 1, 2011*) (a) Notwithstanding subsection (a) of section 16-244e of the general statutes, an electric distribution company, or owner or developer of generation projects that emit no pollutants may submit a proposal to the Department of Energy and Environmental Protection to build, own or operate one or more generation facilities up to an aggregate of thirty megawatts using Class I renewable energy sources as defined in section 16-1 of the general statutes from July 1, 2011, to July 1, 2013. Each facility shall be greater than one megawatt but not more than five megawatts. Each electric distribution company may enter into joint ownership agreements, partnerships or other agreements with private developers to carry out the provisions of this section. The aggregate ownership for an electric distribution company pursuant to this section shall not exceed ten megawatts. The department shall evaluate such proposals pursuant to sections 16-19 and 16-19e of the general statutes and may approve one or more of such proposals if it finds that the proposal serves the long-term interest of ratepayers. The department (1) shall not approve any proposal supported in any form of cross subsidization by entities affiliated with the electric distribution company, and (2) shall give preference to proposals that make efficient use of existing sites and supply infrastructure. No such company may, under any circumstances, recover more than the full costs identified in a proposal, as approved by the department. Nothing in this section shall preclude the resale or other disposition of energy or associated renewable energy credits purchased by the electric distribution company, provided the distribution company shall net the cost of payments made to projects under the long-term contracts against the proceeds of the sale of energy or renewable energy credits and the difference shall be credited or charged to distribution customers through a reconciling component of electric rates as determined by the authority that is nonbypassable when switching electric suppliers.

(b) The company shall use the power, capacity and related products

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produced by such facility to meet the needs of customers served pursuant to section 16-244c of the general statutes.

(c) Notwithstanding the provisions of subdivision (1) of subsection (j) of section 16-244c of the general statutes, the amount of renewable energy produced from such facilities shall be applied to reduce the electric distribution company's Class I renewable energy source portfolio standard obligations.

(d) The department shall evaluate the proposals approved pursuant to this section and report in accordance with the provisions of section 11-4a of the general statutes to the joint standing committee of the General Assembly having cognizance of matters relating to energy whether proposals shall be accepted beyond July 1, 2013.

Sec. 128. Section 29-263 of the general statutes is amended by adding subsection (c) as follows (*Effective July 1, 2011*):

(NEW) (c) Any municipality may, by ordinance adopted by its legislative body, exempt Class I renewable energy source projects from payment of building permit fees imposed by the municipality.

Sec. 129. (*Effective July 1, 2011*) The Department of Energy and Environmental Protection shall analyze (1) options for minimizing the cost to electric ratepayers of procuring renewable resources pursuant to section 16-245a of the general statutes, and (2) the feasibility of increasing the renewable energy portfolio standards pursuant to section 16-245a of the general statutes. Such analysis shall consider the benefits, costs and impacts of expanding the definition of Class I renewable energy source, as defined in section 16-1 of the general statutes, to include hydropower and other technologies that do not use nuclear or fossil fuels. On or before February 1, 2012, the department shall report, in accordance with the provisions of section 11-4a of the general statutes, the results of such analysis to the Governor and the

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joint standing committee of the General Assembly having cognizance of matters relating to energy and technology.

Sec. 130. Section 7-233z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) A municipal electric energy cooperative, created pursuant to this chapter, shall submit a comprehensive report on the activities of the municipal electric utilities with regard to promotion of renewable energy resources. Such report shall identify the standards and activities of municipal electric utilities in the promotion, encouragement and expansion of the deployment and use of renewable energy sources within the service areas of the municipal electric utilities for the prior calendar year. The cooperative shall submit the report to the [Renewable Energy Investment Advisory Committee established pursuant to section 16-245n] Clean Energy Finance and Investment Authority not later than ninety days after the end of each calendar year that describes the activities undertaken pursuant to this subsection during the previous calendar year for the promotion and development of renewable energy sources for all electric customer classes.

(b) Such cooperative shall develop standards for the promotion of renewable resources that apply to each municipal electric utility. On or before January 1, 2008, and annually thereafter, such cooperative shall submit such standards to the [Renewable Energy Investment Advisory Committee] Clean Energy Finance and Investment Authority.

Sec. 131. Subsection (a) of section 16a-38n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) On and after October 1, 2007, the [Department of Public Utility Control] Public Utilities Regulatory Authority shall, in consultation

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with the [Renewable Energy Investments Advisory Board] Clean Energy Finance and Investment Authority and the [Office of Policy and Management] Department of Energy and Environmental Protection, establish a grant program for clean and distributive generation, generated from a Class I renewable energy source, projects for businesses and state buildings.

Sec. 132. (NEW) (*Effective July 1, 2011*) Each electric, gas or heating fuel customer, regardless of heating source, shall be assessed the same fees, charges, co-pays, or other similar terms to access any audits administered by the Home Energy Solutions program provided the costs of subsidizing such audits to ratepayers whose primary source of heat is not electricity or natural gas shall not exceed five hundred thousand dollars per year.

Sec. 133. (*Effective July 1, 2011*) The Public Utilities Regulatory Authority shall conduct a proceeding to analyze the costs and benefits of allowing an electric distribution company to earn a rate of return, subject to section 16-19e of the general statutes on its long-term investments in energy efficiency. On or before February 1, 2012, the authority shall report the results of such proceeding in accordance with the provisions of section 11-4a of the general statutes to the joint standing committee of the General Assembly having cognizance of matters relating to energy.

Sec. 134. (*Effective July 1, 2011*) (a) There is established a task force to study power plant safety. Such study shall include, but not be limited to, an examination of developing regulations for power plant safety, training protocols, audits and reporting requirements, qualifications and potential licensing requirements for a power plant inspector or operator, penalties for failure to comply with requirements, and the best practices of other states. Such study shall evaluate which state agency shall be responsible for oversight of plant safety and its access rights to facilities and records. Such study shall consider both

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preoperational construction and operational stages of power plants.

(b) The task force shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives;

(2) Two appointed by the president pro tempore of the Senate;

(3) One appointed by the majority leader of the House of Representatives;

(4) One appointed by the majority leader of the Senate;

(5) One appointed by the minority leader of the House of Representatives;

(6) One appointed by the minority leader of the Senate; and

(7) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to energy and public safety.

(c) Any member of the task force appointed under subdivision (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.

(d) All appointments to the task force shall be made no later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force, from among the members of the task force. Such chairpersons shall schedule the first meeting of the task force, which shall be held no later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committees of the

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General Assembly having cognizance of matters relating to energy and public safety shall serve as administrative staff of the task force.

(g) Not later than February 1, 2012, the task force shall submit a report on its findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to energy and public safety, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, 2012, whichever is later.

Sec. 135. (NEW) (*Effective July 1, 2011*) On or before October 1, 2011, the Department of Energy and Environmental Protection shall establish a natural gas and heating oil conversion program to allow a gas or heating oil company to finance the conversion to gas heat or home heating oil by potential residential customers who heat their homes with electricity. The department shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes to establish procedures and terms for such program and shall, on or before January 1, 2012, and annually thereafter, report in accordance with the provisions of section 11-4a of the general statutes to the joint standing committees of the General Assembly having cognizance of matters relating to energy and the environment regarding the progress of said program.

Sec. 136. Section 32-39 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The purposes of the corporation shall be to stimulate and encourage the research and development of new technologies, businesses and products, to encourage the creation and transfer of new technologies, to assist existing businesses in adopting current and innovative technological processes, to stimulate and provide services to industry that will advance the adoption and utilization of technology, to

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achieve improvements in the quality of products and services, to stimulate and encourage the development and operation of new and existing science parks and incubator facilities, and to promote science, engineering, mathematics and other disciplines that are essential to the development and application of technology within Connecticut by the infusion of financial aid for research, invention and innovation in situations in which such financial aid would not otherwise be reasonably available from commercial or other sources, and for these purposes the corporation shall have the following powers:

(1) To have perpetual succession as a body corporate and to adopt bylaws, policies and procedures for the regulation of its affairs and conduct of its businesses as provided in section 32-36;

(2) To enter into venture agreements with persons, upon such terms and on such conditions as are consistent with the purposes of this chapter, for the advancement of financial aid to such persons for the research, development and application of specific technologies, products, procedures, services and techniques, to be developed and produced in this state, and to condition such agreements upon contractual assurances that the benefits of increasing or maintaining employment and tax revenues shall remain in this state and shall accrue to it;

(3) To solicit, receive and accept aid, grants or contributions from any source of money, property or labor or other things of value, to be held, used and applied to carry out the purposes of this chapter, subject to the conditions upon which such grants and contributions may be made, including but not limited to, gifts or grants from any department or agency of the United States or the state;

(4) To invest in, acquire, lease, purchase, own, manage, hold and dispose of real property and lease, convey or deal in or enter into agreements with respect to such property on any terms necessary or

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incidental to the carrying out of these purposes; provided, however, that all such acquisitions of real property for the corporation's own use with amounts appropriated by the state to the corporation or with the proceeds of bonds supported by the full faith and credit of the state shall be subject to the approval of the Secretary of the Office of Policy and Management and the provisions of section 4b-23;

(5) To borrow money or to guarantee a return to the investors in or lenders to any capital initiative, to the extent permitted under this chapter;

(6) To hold patents, copyrights, trademarks, marketing rights, licenses, or any other evidences of protection or exclusivity as to any products as defined herein, issued under the laws of the United States or any state or any nation;

(7) To employ such assistants, agents and other employees as may be necessary or desirable, which employees shall be exempt from the classified service and shall not be employees, as defined in subsection (b) of section 5-270; establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation, retirement and collective bargaining, which need not be in accordance with chapter 68, and the corporation shall not be an employer as defined in subsection (a) of section 5-270; and engage consultants, attorneys and appraisers as may be necessary or desirable to carry out its purposes in accordance with this chapter;

(8) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter;

(9) To sue and be sued, plead and be impleaded, adopt a seal and alter the same at pleasure;

(10) With the approval of the State Treasurer, to invest any funds

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not needed for immediate use or disbursement, including any funds held in reserve, in obligations issued or guaranteed by the United States of America or the state of Connecticut and in other obligations which are legal investments for retirement funds in this state;

(11) To procure insurance against any loss in connection with its property and other assets in such amounts and from such insurers as it deems desirable;

(12) To the extent permitted under its contract with other persons, to consent to any termination, modification, forgiveness or other change of any term of any contractual right, payment, royalty, contract or agreement of any kind to which the corporation is a party;

(13) To do anything necessary and convenient to render the bonds to be issued under section 32-41 more marketable;

(14) To acquire, lease, purchase, own, manage, hold and dispose of personal property, and lease, convey or deal in or enter into agreements with respect to such property on any terms necessary or incidental to the carrying out of these purposes;

(15) In connection with any application for assistance under this chapter, or commitments therefor, to make and collect such fees as the corporation shall determine to be reasonable;

(16) To enter into venture agreements with persons, upon such terms and conditions as are consistent with the purposes of this chapter to provide financial aid to such persons for the marketing of new and innovative services based on the use of a specific technology, product, device, technique, service or process;

(17) To enter into limited partnerships or other contractual arrangements with private and public sector entities as the corporation deems necessary to provide financial aid which shall be used to make

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investments of seed venture capital in companies based in or relocating to the state in a manner which shall foster additional capital investment, the establishment of new businesses, the creation of new jobs and additional commercially-oriented research and development activity. The repayment of such financial aid shall be structured in such manner as the corporation deems will best encourage private sector participation in such limited partnerships or other arrangements. The board of directors, executive director, officers and staff of the corporation may serve as members of any advisory or other board which may be established to carry out the purposes of this subdivision;

(18) To account for and audit funds of the corporation and funds of any recipients of financial aid from the corporation;

(19) To advise the Governor, the General Assembly, the Commissioner of Economic and Community Development and the Commissioner of Higher Education on matters relating to science, engineering and technology which may have an impact on state policies, programs, employers and residents, and on job creation and retention;

(20) To promote technology-based development in the state;

(21) To encourage and promote the establishment of and, within available resources, to provide financial aid to advanced technology centers;

(22) To maintain an inventory of data and information concerning state and federal programs which are related to the purposes of this chapter and to serve as a clearinghouse and referral service for such data and information;

(23) To conduct and encourage research and studies relating to technological development;

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(24) To provide technical or other assistance and, within available resources, to provide financial aid to the Connecticut Academy of Science and Engineering, Incorporated, in order to further the purposes of this chapter;

(25) To recommend a science and technology agenda for the state that will promote the formation of public and private partnerships for the purpose of stimulating research, new business formation and growth and job creation;

(26) To encourage and provide technical assistance and, within available resources, to provide financial aid to existing manufacturers and other businesses in the process of adopting innovative technology and new state-of-the-art processes and techniques;

(27) To recommend state goals for technological development and to establish policies and strategies for developing and assisting technology-based companies and for attracting such companies to the state;

(28) To promote and encourage and, within available resources, to provide financial aid for the establishment, maintenance and operation of incubator facilities;

(29) To promote and encourage the coordination of public and private resources and activities within the state in order to assist technology-based entrepreneurs and business enterprises;

(30) To provide services to industry that will stimulate and advance the adoption and utilization of technology and achieve improvements in the quality of products and services;

(31) To promote science, engineering, mathematics and other disciplines that are essential to the development and application of technology;

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(32) To coordinate its efforts with existing business outreach centers, as described in section 32-9qq;

(33) To do all acts and things necessary and convenient to carry out the purposes of this chapter;

(34) To accept from the department: (A) Financial assistance, (B) revenues or the right to receive revenues with respect to any program under the supervision of the department, and (C) loan assets or equity interests in connection with any program under the supervision of the department; to make advances to and reimburse the department for any expenses incurred or to be incurred by it in the delivery of such assistance, revenues, rights, assets, or interests; to enter into agreements for the delivery of services by the corporation, in consultation with the department, the Connecticut Housing Finance Authority and the Connecticut Development Authority, to third parties which agreements may include provisions for payment by the department to the corporation for the delivery of such services; and to enter into agreements with the department or with the Connecticut Development Authority or Connecticut Housing Finance Authority for the sharing of assistants, agents and other consultants, professionals and employees, and facilities and other real and personal property used in the conduct of the corporation's affairs;

(35) To transfer to the department: (A) Financial assistance, (B) revenues or the right to receive revenues with respect to any program under the supervision of the corporation, and (C) loan assets or equity interests in connection with any program under the supervision of the corporation, provided the transfer of such financial assistance, revenues, rights, assets or interests is determined by the corporation to be practicable, within the constraints and not inconsistent with the fiduciary obligations of the corporation imposed upon or established upon the corporation by any provision of the general statutes, the corporation's bond resolutions or any other agreement or contract of

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the corporation and to have no adverse effect on the tax-exempt status of any bonds of the state;

(36) With respect to any capital initiative, to create, with one or more persons, one or more affiliates and to provide, directly or indirectly, for the contribution of capital to any such affiliate, each such affiliate being expressly authorized to exercise on such affiliate's own behalf all powers which the corporation may exercise under this section, in addition to such other powers provided to it by law;

(37) To provide financial aid to enable biotechnology and other technology companies to lease, acquire, construct, maintain, repair, replace or otherwise obtain and maintain production, testing, research, development, manufacturing, laboratory and related and other facilities, improvements and equipment;

(38) To provide financial aid to persons developing smart buildings, as defined in section 32-23d, incubator facilities or other information technology intensive office and laboratory space;

[(39) To administer the Renewable Energy Investment Fund established pursuant to section 16-245n;]

[(40)] (39) To provide financial aid to persons developing or constructing the basic buildings, facilities or installations needed for the functioning of the media and motion picture industry in this state;

[(41)] (40) To coordinate the development and implementation of strategies regarding technology-based talent and innovation among state and quasi-public agencies, including the creation and administration of the Connecticut Small Business Innovation Research Office to act as a centralized clearinghouse and provide technical assistance to applicants in developing small business innovation research programs in conformity with the federal program established pursuant to the Small Business Research and Development

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Enhancement Act of 1992, P.L. 102-564, as amended, and other proposals.

Sec. 137. Section 16a-40d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

(a) The State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate five million dollars per year. Except as provided in subsection (b) of this section, the proceeds of the sale of said bonds shall be deposited in the Energy Conservation Loan Fund established under section 16a-40a for the purposes of making and guaranteeing loans and deferred loans as provided in section 5 of public act 05-2 of the October 25 special session* and section 16a-46e. All provisions of section 3-20, or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 16a-40 to 16a-40b, inclusive, and this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to said sections 16a-40 to 16a-40b, inclusive, and this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. Said bonds issued pursuant to said sections 16a-40 to 16a-40b, inclusive, and this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made,

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and the Treasurer shall pay such principal and interest as the same become due.

(b) As of July 1, 2010, proceeds of the sale of said bonds which have been authorized as provided in subsection (a) of this section, but have not been allocated by the State Bond Commission, and the additional amount of five million dollars authorized by this section on July 1, 2010, shall be deposited in the Green Connecticut Loan Guaranty Fund established pursuant to section 16a-40e, and shall be used by the [Connecticut Health and Educational Facilities Authority] Clean Energy Finance and Investment Authority for purposes of the Green Connecticut Loan Guaranty Fund program established pursuant to section 16a-40f, as amended by this act, provided not more than eighteen million dollars shall be deposited in the Green Connecticut Loan Guaranty Fund. Such additional amounts may be deposited in the Green Connecticut Loan Guaranty Fund as the State Bond Commission may, from time to time, authorize.

Sec. 138. Section 16a-40e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

The [Connecticut Health and Educational Facilities Authority] Clean Energy Finance and Investment Authority shall establish a "Green Connecticut Loan Guaranty Fund". Such fund shall be used for the purposes of guaranteeing loans authorized under section 16a-40f, as amended by this act, and may be used for expenses incurred by said authority in the implementation of the program under said section.

Sec. 139. (NEW) (*Effective July 1, 2011*) On or before January 1, 2012, the Department of Energy and Environmental Protection, in consultation with public service companies, shall analyze the potential for on-the-bill financing of renewable power and energy efficiency investments. The department shall report, in accordance with the provisions of section 11-4a of the general statutes, its findings to the

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joint standing committee of the General Assembly having cognizance of matters relating to energy.

Sec. 140. Sections 4d-100, 16-1b, 16-247q, 16-261a, 16a-14a, 16a-44b and 16a-45a to 16a-46c, inclusive, of the general statutes are repealed.
(*Effective July 1, 2011*)

Approved July 1, 2011