



General Assembly

**Proposed Substitute  
Bill No. 6544**

January Session, 2011

LCO No. 4826

**AN ACT CONCERNING ENERGY EFFICIENCY.**

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

1 Section 1. Subsections (c) and (d) of section 16-245m of the general  
2 statutes are repealed and the following is substituted in lieu thereof  
3 (*Effective July 1, 2011*):

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

15 companies in this state; [and] (12) residential customers; (13) municipal  
16 government; and (14) a municipal clean energy task force. Such  
17 members shall serve for a period of five years and may be reappointed.  
18 Representatives of the gas companies shall not vote on matters  
19 unrelated to gas conservation. Representatives of the electric  
20 distribution companies and the municipal electric energy cooperative  
21 shall not vote on matters unrelated to electricity conservation.

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

44 (2) There shall be a joint committee of the Energy Conservation  
45 Management Board and the Renewable Energy Investments Board.  
46 The board and the advisory committee shall each appoint members to  
47 such joint committee. The joint committee shall examine opportunities

48 to coordinate the programs and activities funded by the Renewable  
49 Energy Investment Fund pursuant to section 16-245n with the  
50 programs and activities contained in the plan developed under this  
51 subsection to reduce the long-term cost, environmental impacts and  
52 security risks of energy in the state. Such joint committee shall hold its  
53 first meeting on or before August 1, 2005.

54 (3) Programs included in the plan developed under subdivision (1)  
55 of this subsection shall be screened through cost-effectiveness testing  
56 [which] that compares the value and payback period of program  
57 benefits to program costs to ensure that programs are designed to  
58 obtain energy savings and system benefits, including mitigation of  
59 federally mandated congestion charges, whose value is greater than  
60 the costs of the programs. [Cost-effectiveness testing shall utilize  
61 available information obtained from real-time monitoring systems to  
62 ensure accurate validation and verification of energy use. Such testing  
63 shall include an analysis of the effects of investments on increasing the  
64 state's load factor.] Program cost-effectiveness shall be reviewed  
65 annually, or otherwise as is practicable, and shall incorporate the  
66 results of the evaluation process set forth in subdivision (4) of this  
67 subsection. If a program is determined to fail the cost-effectiveness test  
68 as part of the review process, it shall either be modified to meet the test  
69 or shall be terminated. On or before March 1, 2005, and on or before  
70 March first annually thereafter, the board shall provide a report, in  
71 accordance with the provisions of section 11-4a, to the joint standing  
72 committees of the General Assembly having cognizance of matters  
73 relating to energy and the environment [(A)] that documents (A)  
74 expenditures and fund balances and evaluates the cost-effectiveness of  
75 such programs conducted in the preceding year, and (B) [that  
76 documents] the extent to and manner in which the programs of such  
77 board collaborated and cooperated with programs, established under  
78 section 7-233y, of municipal electric energy cooperatives. To maximize  
79 the reduction of federally mandated congestion charges, programs in  
80 the plan may allow for disproportionate allocations between the  
81 amount of contributions to the Energy Conservation and Load

82 Management Funds by a certain rate class and the programs that  
83 benefit such a rate class. Before conducting such evaluation, the board  
84 shall consult with the Renewable Energy Investments Board. The  
85 report shall include a description of the activities undertaken during  
86 the reporting period jointly or in collaboration with the Renewable  
87 Energy Investment Fund established pursuant to subsection (c) of  
88 section 16-245n.

89 (4) The Department of Public Utility Control shall adopt an  
90 independent, comprehensive program evaluation, measurement and  
91 verification process to ensure the Energy Conservation Management  
92 Board's programs are administered appropriately and efficiently,  
93 comply with statutory requirements, programs and measures are cost  
94 effective, evaluation reports are accurate and issued in a timely  
95 manner, evaluation results are appropriately and accurately taken into  
96 account in program development and implementation, and  
97 information necessary to meet any third-party evaluation requirements  
98 is provided. An annual schedule and budget for evaluations as  
99 determined by the board shall be included in the plan filed with the  
100 department pursuant to subdivision (1) of this subsection. The electric  
101 distribution and gas company representatives and the representative  
102 of a municipal electric energy cooperative may not vote on board  
103 plans, budgets, recommendations, actions or decisions regarding such  
104 process or its program evaluations and their implementation. Program  
105 and measure evaluation, measurement and verification shall be  
106 conducted on an ongoing basis, with emphasis on impact and process  
107 evaluations, programs or measures that have not been studied, and  
108 those that account for a relatively high percentage of program  
109 spending. Evaluations shall use statistically valid monitoring and data  
110 collection techniques appropriate for the programs or measures being  
111 evaluated. Impact evaluations shall use information obtained from a  
112 sampling of program participants using either real-time monitoring  
113 systems or billing analyses, whichever is most appropriate for the  
114 measure or program being studied, to ensure accurate validation and  
115 verification of energy use and effects on the state's load factor. All

116 evaluations shall contain a description of any problems encountered in  
117 the process of the evaluation, including, but not limited to, data  
118 collection issues, and recommendations regarding addressing those  
119 problems in future evaluations. The board shall contract with one or  
120 more consultants not affiliated with the board members to act as an  
121 evaluation administrator, advising the board regarding development  
122 of a schedule and plans for evaluations and overseeing the program  
123 evaluation, measurement and verification process on behalf of the  
124 board. Consistent with board processes and approvals and department  
125 decisions regarding evaluation, such evaluation administrator shall  
126 implement the evaluation process by preparing requests for proposals  
127 and selecting evaluation contractors to perform program and measure  
128 evaluations and by facilitating communications between evaluation  
129 contractors and program administrators to ensure accurate and  
130 independent evaluations. In the evaluation administrator's discretion  
131 and at his or her request, the electric distribution and gas companies  
132 shall communicate with the evaluation administrator for purposes of  
133 data collection, vendor contract administration, and providing  
134 necessary factual information during the course of evaluations. The  
135 evaluation administrator shall bring unresolved administrative issues  
136 or problems that arise during the course of an evaluation to the board  
137 for resolution, but shall have sole authority regarding substantive and  
138 implementation decisions regarding any evaluation. Board members,  
139 including electric distribution and gas companies, may not  
140 communicate with an evaluation contractor about an ongoing  
141 evaluation except with the express permission of the evaluation  
142 administrator, which may only be granted if the administrator believes  
143 the communication will not compromise the independence of the  
144 evaluation. The evaluation administrator shall file evaluation reports  
145 with the board and with the department in its most recent uncontested  
146 proceeding pursuant to subdivision (1) of this subsection and the  
147 board shall post a copy of each report on its Internet web site. The  
148 board and its members, including electric distribution and gas  
149 companies, may file written comments regarding any evaluation with

150 the department or for posting on the board's Internet web site. Within  
151 ten days of the filing of any evaluation report, the department shall  
152 issue a notice to parties and participants in the most recent  
153 uncontested proceeding pursuant to subdivision (1) of this subsection  
154 and to all board members that board members have ten days from the  
155 notice in which to request, in writing, that the department conduct a  
156 transcribed technical meeting to review the methodology, results and  
157 recommendations in any evaluation. Such technical meeting shall be  
158 scheduled to immediately follow a public presentation by the  
159 evaluation administrator of the evaluation report on a date mutually  
160 arranged between the evaluation administrator and the department.  
161 At the request of the department or any board member, the evaluation  
162 administrator and the evaluation contractor shall be available for  
163 examination at the technical meeting. Examination of such  
164 administrator and contractor shall be limited to a department  
165 proceeding not to exceed six hours. The Office of Consumer Counsel  
166 shall participate in such proceeding. The cost of the evaluation  
167 administrator and evaluation contractors shall be paid by the fund.

168        ~~[(4)]~~ (5) Programs included in the plan developed under subdivision  
169 (1) of this subsection may include, but not be limited to: (A)  
170 Conservation and load management programs, including programs  
171 that benefit low-income individuals; (B) research, development and  
172 commercialization of products or processes which are more energy-  
173 efficient than those generally available; (C) development of markets for  
174 such products and processes; (D) support for energy use assessment,  
175 real-time monitoring systems, engineering studies and services related  
176 to new construction or major building renovation; (E) the design,  
177 manufacture, commercialization and purchase of energy-efficient  
178 appliances and heating, air conditioning and lighting devices; (F)  
179 program planning and evaluation; (G) indoor air quality programs  
180 relating to energy conservation; (H) joint fuel conservation initiatives  
181 programs targeted at reducing consumption of more than one fuel  
182 resource; (I) public education regarding conservation; and (J) [the]  
183 demand-side technology programs recommended by the procurement

184 plan approved by the Department of Public Utility Control pursuant to  
185 section 16a-3a. The board shall periodically review contractors to  
186 determine whether they are qualified to conduct work related to such  
187 programs. Such support may be by direct funding, manufacturers'  
188 rebates, sale price and loan subsidies, leases and promotional and  
189 educational activities. The plan shall also provide for expenditures by  
190 the Energy Conservation Management Board for the retention of  
191 expert consultants and reasonable administrative costs provided such  
192 consultants shall not be employed by, or have any contractual  
193 relationship with, an electric distribution company. Such costs shall  
194 not exceed five per cent of the total revenue collected from the  
195 assessment.

196 Sec. 2. (NEW) (*Effective July 1, 2011*) (a) As used in this section:

197 (1) "Energy-savings measure" means any improvement to facilities  
198 or other energy-consuming systems designed to reduce energy or  
199 water consumption and operating costs and increase the operating  
200 efficiency of facilities or systems for their appointed functions.

201 (2) "Energy savings measure" includes, but is not limited to, one or  
202 more of the following:

203 (A) Replacement or modification of lighting and electrical  
204 components, fixtures or systems, including daylighting systems,  
205 improvements in street lighting efficiency or computer power  
206 management software;

207 (B) Class I renewable energy or solar thermal systems;

208 (C) Cogeneration systems that produce steam or forms of energy,  
209 such as heat or electricity, for use primarily within a building or  
210 complex of buildings;

211 (D) Automated or computerized energy control systems;

212 (E) Heating, ventilation or air conditioning system modifications or

213 replacements;

214 (F) Indoor air quality improvements that conform to applicable  
215 building code requirements;

216 (G) Water-conserving fixtures, appliances and equipment or the  
217 substitution of non water-using fixtures, appliances and equipment, or  
218 water-conserving landscape irrigation equipment; and

219 (H) Changes in operation and maintenance practices.

220 (3) "Cost effective" means the present value to a state agency or  
221 municipality of the energy reasonably expected to be saved or  
222 produced by a facility, activity, measure or piece of equipment over its  
223 useful life, including any compensation received from a utility, is  
224 greater than the net present value of the costs of implementing,  
225 maintaining and operating such facility, activity, measure or piece of  
226 equipment over its useful life, when discounted at the cost of public  
227 borrowing.

228 (4) "Operation and maintenance cost savings" means a measurable  
229 decrease in operation and maintenance costs and future replacement  
230 expenditures that is a direct result of the implementation of one or  
231 more utility cost savings measures. Such savings shall be calculated in  
232 comparison with an established baseline of operation and maintenance  
233 costs.

234 (5) "Qualified energy service provider" means a corporation  
235 approved by the Department of Administrative Services with a record  
236 of successful energy performance contract projects experienced in the  
237 design, implementation and installation of energy efficiency and  
238 facility improvement measures, the technical capabilities to ensure  
239 such measures generate energy and operational cost savings, and the  
240 ability to secure the financing necessary to support energy savings  
241 guarantees.

242 (6) "Utility cost savings" means any utility expenses eliminated or

243 avoided on a long-term basis as a result of equipment installed or  
244 modified, or services performed by a qualified energy service  
245 provider; it does not include merely shifting personnel costs or similar  
246 short-term cost savings.

247 (7) "State agency" has the same meaning as provided in section 1-79  
248 of the general statutes.

249 (8) "Municipality" has the same meaning as provided in section 4-  
250 230 of the general statutes.

251 (9) "Participating municipality" means a municipality that  
252 voluntarily takes part in the standardized energy performance contract  
253 process.

254 (10) "Standardized energy performance contract process" means  
255 standardized processes, documents and procedures established by the  
256 Energy Conservation Management Board, the Office of Policy and  
257 Management and the Department of Administrative Services.

258 (11) "Investment-grade audit" means a study by the qualified energy  
259 services provider selected for a particular energy performance contract  
260 project which includes detailed descriptions of the improvements  
261 recommended for the project, the estimated costs of the improvements,  
262 and the utility and operations and maintenance cost savings projected  
263 to result from the recommended improvements.

264 (12) "Energy performance contract" means a contract between the  
265 state agency or municipality and a qualified energy service provider  
266 for evaluation, recommendation and implementation of one or more  
267 cost savings measures. A performance contract shall be a (A)  
268 guaranteed energy savings performance contract, which shall include,  
269 but not be limited to, the design and installation of equipment and, if  
270 applicable, operation and maintenance of any of the measures  
271 implemented; and (B) guaranteed annual savings that meet or exceed  
272 the total annual contract payments made by the state agency or

273 municipality for such contract, including financing charges to be  
274 incurred by the state agency or municipality over the life of the  
275 contract.

276 (b) On or before January 1, 2012, the Energy Conservation  
277 Management Board, in consultation with the Office of Policy and  
278 Management, the Department of Administrative Services and the  
279 Department of Public Works, shall establish a standardized energy  
280 performance contract process for state agencies and municipalities.  
281 The standardized process shall include standard procedures for  
282 entering into a performance contract and standard energy performance  
283 contract documents, including, but not limited to, requests for  
284 qualifications, requests for proposals, investment-grade audit  
285 contracts, energy services agreements, including the form of the project  
286 savings guarantee, and project financing agreements. A municipality  
287 may use the established state energy performance contract process or  
288 establish its own energy performance contract process.

289 (c) The Energy Conservation Management Board, in consultation  
290 with the Office of Policy and Management, shall help state agencies  
291 and municipalities identify, evaluate and implement cost-effective  
292 conservation projects at their facilities and create promotional  
293 materials to explain the energy performance contract program.

294 (d) The Energy Conservation Management Board, in consultation  
295 with the Office of Policy and Management and the Department of  
296 Public Utility Control, shall apprise state agencies and municipalities  
297 of opportunities to develop and finance energy performance  
298 contracting projects and provide technical and analytical support,  
299 including, but not limited to, (1) procurement energy performance  
300 contracting services; (2) reviewing verification procedures for energy  
301 savings; and (3) assisting in the structuring and arranging of financing  
302 for energy performance contracting projects.

303 (e) The Office of Policy and Management may fix, charge and collect  
304 fees to cover costs incurred for any administrative support and

305 resources or services provided under this subsection from the state  
306 agencies and participating municipalities that use its technical support  
307 services. State agencies and participating municipalities may add the  
308 costs of these fees to the total cost of the energy performance contract.  
309 Initial administrative funding to establish the energy performance  
310 contracting process for state agencies and municipalities shall be  
311 recovered from the Energy Conservation Management Board.

312 (f) The standardized energy performance contract process for state  
313 agencies and participating municipalities shall include requests for  
314 qualifications or requests for proposals.

315 (1) The Department of Administrative Services shall issue a request  
316 for qualifications from companies that can offer energy performance  
317 contract services to create a prequalified list of companies. A state  
318 agency shall use the prequalified list. A municipality may use the  
319 prequalified list or establish its own qualification process. If a  
320 municipality uses the prequalified list, it must follow the standardized  
321 energy performance contract process.

322 (2) When reviewing requests for qualifications, the department shall  
323 consider a company's experience with (A) design, engineering,  
324 installation, maintenance and repairs associated with performance  
325 contracts; (B) conversions to a different energy or fuel source,  
326 associated with a comprehensive energy efficiency retrofit; (C) post-  
327 installation project monitoring, data collection and reporting of  
328 savings; (D) overall project management and qualifications; (E)  
329 accessing long-term financing; (F) financial stability; (G) projects of  
330 similar size and scope; (H) in-state projects and Connecticut-based  
331 subcontractors; (I) United States Department of Energy Programs; (J)  
332 professional certifications; and (K) other factors determined by the  
333 department to be relevant and appropriate.

334 (3) Before entering an energy performance contract pursuant to this  
335 section, a state agency or participating municipality shall issue a  
336 request for proposals from up to three qualified energy service

337 providers. A state agency or municipality may award the performance  
338 contract to the qualified energy service company or qualified provider  
339 that best meets the needs of the unit, which need not be the lowest cost  
340 provided. A cost-effective feasibility analysis shall be prepared in  
341 response to the request for proposals.

342 (4) The feasibility analysis included in the response to the request  
343 for proposals shall serve as the selection document for purposes of  
344 selecting a qualified energy service provider to engage in final contract  
345 negotiations. Factors to be included in selecting among the selected  
346 energy service providers shall include, but not be limited to, (A)  
347 contract terms, (B) comprehensiveness of the proposal, (C) financial  
348 stability of the provider, (D) comprehensiveness of cost savings  
349 measures, (E) experience, quality of technical approach, and (F) overall  
350 benefits to the state agency or municipality.

351 (g) One qualified energy service provider selected as a result of the  
352 request for qualifications process set forth in subsection (f) of this  
353 section shall prepare an investment-grade energy audit, which, upon  
354 acceptance, shall be part of the final energy performance contract or  
355 energy services agreement entered into by the state agency or  
356 participating municipality. Such investment-grade energy audit shall  
357 include estimates of the amounts by which utility cost savings and  
358 operation and maintenance cost savings would increase and estimates  
359 of all costs of such utility cost savings measures or energy-savings  
360 measures, including, but not limited to, (1) itemized costs of design, (2)  
361 engineering, (3) equipment, (4) materials, (5) installation, (6)  
362 maintenance, (7) repairs, and (8) debt service. If, after preparation of  
363 the investment grade energy audit, the state agency or participating  
364 municipality decides not to execute an energy services agreement and  
365 the costs and benefits described in the energy audit are not materially  
366 different from those described in the feasibility study submitted in  
367 response to the request for proposals, the state agency or participating  
368 municipality shall pay the costs incurred in preparing such  
369 investment-grade energy audit. In all other instances, the costs of the

370 investment-grade energy audit shall be deemed part of the costs of the  
371 energy performance contract or energy services agreement.

372 (h) The guidelines adopted pursuant to this section shall require  
373 that the cost savings projected by the qualified provider be reviewed  
374 by a licensed professional engineer who has a minimum of three years  
375 experience in energy calculation and review, is not an officer or  
376 employee of a qualified provider for the contract under review, and is  
377 not otherwise associated with the contract. In conducting the review,  
378 the engineer shall focus primarily on the proposed improvements from  
379 an engineering perspective, the methodology and calculations related  
380 to cost savings, increases in revenue, and, if applicable, efficiency or  
381 accuracy of metering equipment. An engineer who reviews a contract  
382 shall maintain the confidentiality of any proprietary information the  
383 engineer acquires while reviewing the contract.

384 (i) A guaranteed energy performance savings contract may provide  
385 for financing, including tax exempt financing, by a third party. The  
386 contract for third-party financing may be separate from the energy  
387 performance contract. A state agency or participating municipality  
388 may use designated funds, bonds or master lease for any energy  
389 performance contracts or lease purchase agreements, provided its use  
390 is consistent with the purpose of the appropriation.

391 (j) Each performance contract shall provide that all payments  
392 between parties, except obligations on termination of the contract  
393 before its expiration, shall be made over time and the objective of such  
394 energy performance contracts is implementation of cost savings  
395 measures and energy and operational cost savings.

396 (k) An energy performance contract, and payments provided  
397 thereunder, may extend beyond the fiscal year in which the energy  
398 performance contract became effective, subject to appropriation of  
399 moneys, if required by law, for costs incurred in future fiscal years.  
400 The energy performance contract may extend for a term not to exceed  
401 twenty years. The allowable length of the contract may also reflect the

402 useful life of the cost savings measures. Energy performance contracts  
403 may provide for payments over a period not to exceed deadlines  
404 specified in the energy performance contract from the date of the final  
405 installation of the cost savings measures.

406 (l) Each state agency or participating municipality shall allocate  
407 sufficient moneys for each fiscal year to make payment of any amounts  
408 payable under performance contracts during such fiscal year.

409 (m) The energy performance contract may provide that  
410 reconciliation of the amounts owed under an energy performance  
411 contract shall occur in a period beyond one year with final  
412 reconciliation occurring within the term of the performance contract.  
413 Performance contracts shall include contingency provisions in the  
414 event that actual savings do not meet predicted savings.

415 (n) The energy performance contract shall require the qualified  
416 provider to provide to the state agency or municipality an annual  
417 reconciliation of the guaranteed energy cost savings. If the  
418 reconciliation reveals a shortfall in annual energy cost savings, the  
419 qualified provider is liable for such shortfall. If the reconciliation  
420 reveals an excess in annual energy cost savings, the excess savings  
421 shall not be used to cover potential energy cost savings shortages in  
422 subsequent contract years.

423 (o) During the term of each energy performance contract, the  
424 qualified energy service company or qualified provider shall monitor  
425 the reductions in energy consumption and cost savings attributable to  
426 the cost savings measures installed pursuant to the performance  
427 contract and shall, not less than annually, prepare and provide a report  
428 to the state agency or municipality documenting the performance of  
429 the cost savings measures to the state agency or municipality. The  
430 report shall comply with International Performance Measurement and  
431 Verification Protocols.

432 (p) The qualified provider or qualified energy service company and

433 state agency or municipality may agree to modify savings calculations  
434 based on any of the following:

435 (1) Subsequent material change to the baseline energy consumption  
436 identified at the beginning of the performance contract;

437 (2) Changes in the number of days in the utility billing cycle;

438 (3) Changes in the total square footage of the building;

439 (4) Changes in the operational schedule of the facility;

440 (5) Changes in facility temperature;

441 (6) Material change in the weather;

442 (7) Material changes in the amount of equipment or lighting used at  
443 the facility; or

444 (8) Any other change which reasonably would be expected to  
445 modify energy use or energy costs.

446 (q) Any state agency or municipality participating in the  
447 standardized energy performance contract process that enters into a  
448 performance-based contract pursuant to this section shall report the  
449 name of the project, the project host, the investment on the project and  
450 the expected energy savings to the Office of Policy and Management.

451 (r) A state agency or participating municipality shall direct savings  
452 realized under the performance contract to contract payment and other  
453 required expenses and shall, when practicable, reinvest savings  
454 beyond that required for contract payment and other required  
455 expenses into additional energy saving measures.

456 Sec. 3. Section 16a-37u of the general statutes is amended by adding  
457 subsection (e) as follows (*Effective July 1, 2011*):

458 (NEW) (e) Any state agency or municipality may enter into an

459 energy performance contract with a qualified energy services provider  
460 to produce utility savings or operating and maintenance cost savings.  
461 Energy savings measures implemented under such contracts shall  
462 comply with state or local building codes. Any state agency or  
463 municipality may implement other capital improvements in  
464 conjunction with a performance contract so long as the measures that  
465 are being implemented to achieve energy and operations and  
466 maintenance cost savings and other capital improvements are in the  
467 aggregate cost effective over the term of the contract.

468 Sec. 4. Section 16a-40f of the general statutes is repealed and the  
469 following is substituted in lieu thereof (*Effective from passage*):

470 (a) For the purposes of this section:

471 (1) "Participating qualified nonprofit organizations" means  
472 individuals, nonprofit organizations and small businesses;

473 (2) "Small business" means a business entity employing not more  
474 than fifty full-time employees;

475 (3) "Eligible energy conservation project" means an energy  
476 conservation project meeting the criteria identified, as provided in  
477 subsection (d) of this section; and

478 (4) "Participating lending institution" means any bank, trust  
479 company, savings bank, savings and loan association or credit union,  
480 whether chartered by the United States of America or this state, or any  
481 insurance company authorized to do business in this state that  
482 participates in the Green Connecticut Loan Guaranty Fund program.

483 (b) The Connecticut Health and Educational Facilities Authority  
484 shall establish the Green Connecticut Loan Guaranty Fund program  
485 from the proceeds of the bonds issued pursuant to section 16a-40d for  
486 the purpose of guaranteeing loans made by participating lending  
487 institutions to a participating qualified nonprofit organization for  
488 eligible energy conservation projects, including for two or more joint

489 eligible energy conservation projects. In carrying out the purposes of  
490 this section, the authority shall have and may exercise the powers  
491 provided in section 10a-180.

492 (c) Participating qualified nonprofit organizations may borrow  
493 money from a participating lending institution for any energy  
494 conservation project for which the authority provides guaranties  
495 pursuant to this section. In connection with the provision of such a  
496 guaranty by the Connecticut Health and Educational Facilities  
497 Authority, (1) a participating qualified nonprofit organization shall  
498 enter into any loan or other agreement and make such covenants,  
499 representations and indemnities as a participating lending institution  
500 deems necessary or appropriate; and (2) a participating lending  
501 institution shall enter into a guaranty agreement with the authority,  
502 pursuant to which the authority has agreed to provide a first loss  
503 guaranty of an agreed percentage of the original principal amount of  
504 loans for eligible energy conservation projects.

505 (d) In consultation with the Office of Policy and Management, the  
506 Connecticut Health and Educational Facilities Authority shall identify  
507 types of projects that qualify as eligible energy conservation projects,  
508 including, but not limited to, the purchase and installation of  
509 insulation, alternative energy devices, energy conservation materials,  
510 replacement furnaces and boilers, and technologically advanced  
511 energy-conserving equipment. The authority, in consultation with said  
512 office, shall establish priorities for financing eligible energy  
513 conservation projects based on need and quality determinants. The  
514 authority shall adopt procedures, in accordance with the provisions of  
515 section 1-121, to implement the provisions of this section.

516 (e) The authority shall, in consultation with the Energy  
517 Conservation Management Board and the Renewable Energy  
518 Investments Board, (1) ensure that the program established pursuant  
519 to this section integrates with existing state energy efficiency and  
520 renewable energy programs; (2) establish performance targets for the

521 program to ensure sufficient participation in the secondary financial  
522 markets and to operate in coordination with existing financing  
523 programs to enable efficiency improvements for at least fifteen per cent  
524 of single family homes in the state by 2020; (3) enter into contracts with  
525 one or more program implementers to perform such functions as the  
526 authority deems appropriate; (4) enter into financial partnership  
527 agreements with banks and other financial institutions to provide loan  
528 origination services; and (5) exercise such other powers as are  
529 necessary for the proper administration of the program.

530 (f) Financial assistance provided by the authority pursuant to this  
531 section shall be subject to the following terms:

532 (1) Eligible energy conservation projects shall meet cost-  
533 effectiveness standards adopted by the authority in consultation with  
534 the Energy Conservation Management Board and the Renewable  
535 Energy Investments Board.

536 (2) Loans shall be at interest rates determined by the authority to be  
537 no higher than necessary to make the provision of the eligible energy  
538 conservation projects feasible. In determining whether to make a loan  
539 and the amount of any loan, the authority may consider whether the  
540 applicant or borrower has received, or is eligible to receive, financial  
541 assistance and other incentives from any other source for the qualified  
542 energy efficiency services which would be the subject of the loan.

543 (3) The authority or its designee shall review and evaluate  
544 applications for financial assistance pursuant to this section pursuant  
545 to eligibility and qualification requirements and criteria established by  
546 said authority in consultation with the Energy Conservation  
547 Management Board and the Renewable Energy Investments Board.

548 (4) The amount of a fee paid for an energy audit provided pursuant  
549 to this program may be added to the amount of a loan to finance the  
550 cost of an eligible project conducted in response to such energy audit.  
551 In such cases, the amount of the fee may be reimbursed from the fund

552 to the borrower.

553       Sec. 5. (NEW) (*Effective from passage*) Commencing January 1, 2012,  
554 each electric distribution, electric and gas company shall maintain and  
555 make available to the public, free of charge, records of the energy  
556 consumption data of all nonresidential buildings to which such  
557 company provides service. This data shall be maintained in a format  
558 (1) compatible for uploading to the United States Environmental  
559 Protection Agency's Energy Star portfolio manager or similar system,  
560 for at least the most recent thirty-six months, and (2) that preserves the  
561 confidentiality of the customer.

562       Sec. 6. (NEW) (*Effective from passage*) Commencing January 1, 2012,  
563 each electric distribution, electric and gas company shall provide  
564 aggregate town customer usage information that preserves the  
565 confidentiality of individual customers to any legislative body of a  
566 municipality that requests such information.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	16-245m(c) and (d)
Sec. 2	<i>July 1, 2011</i>	New section
Sec. 3	<i>July 1, 2011</i>	16a-37u
Sec. 4	<i>from passage</i>	16a-40f
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section