



General Assembly

**Proposed Substitute  
Bill No. 1**

January Session, 2011

LCO No. 4994

**AN ACT CONCERNING CONNECTICUT'S ENERGY FUTURE.**

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

1 Section 1. (NEW) (*Effective July 1, 2011*) (a) There is established a  
2 Department of Energy and Environmental Protection, which shall, for  
3 the purposes of energy policy and regulation, have the following goals:  
4 (1) Reducing rates and decreasing costs for Connecticut's ratepayers,  
5 (2) ensuring the reliability and safety of our state's energy supply, (3)  
6 increasing the state's use of clean energy, and (4) creating jobs and  
7 developing the state's energy related economy. The department head  
8 shall be the Commissioner of Energy and Environmental Protection  
9 who shall be appointed by the Governor in accordance with the  
10 provisions of sections 4-5 to 4-8, inclusive, of the general statutes, with  
11 the powers and duties therein prescribed.

12 (b) The Department of Energy and Environmental Protection shall  
13 constitute a successor department to the Department of Environmental  
14 Protection and the Department of Public Utility Control in accordance

15 with the provisions of sections 4-38d, 4-38e and 4-39 of the general  
16 statutes. The Department of Energy and Environmental Protection  
17 shall be divided into three bureaus, which shall include the Bureau of  
18 Energy, the Bureau of Environmental Protection and the Bureau of  
19 Public Utility Control. The bureaus shall further be divided into units  
20 or divisions, as the commissioner deems appropriate, which shall  
21 include, but not be limited to, the following units or divisions: (1)  
22 Energy research, (2) telecommunications and technology policy, and  
23 (3) conservation and renewable energy. The Bureau of Energy head  
24 shall be the energy bureau chief who shall have a background in  
25 energy conservation, generation and renewable energy and shall have  
26 no industry conflicts. The Bureau of Public Utility Control shall  
27 include a procurement manager whose duties shall include, but not be  
28 limited to, overseeing the procurement of electricity for standard  
29 service. There shall also be, within the department, an Office of the  
30 Ombudsman for the purpose of programmatic oversight. Said  
31 ombudsman shall communicate with policymakers, stakeholders and  
32 individuals affected by the department's implementation of energy  
33 policy. The ombudsman shall make findings and recommendations to  
34 the Commissioner of Energy and Environmental Protection who may  
35 implement such recommendations as appropriate. Annually, the  
36 ombudsman shall report in accordance with the provisions of section  
37 11-4a of the general statutes to the joint standing committee of the  
38 General Assembly having cognizance of matters relating to energy.

39 (c) Wherever the words "Commissioner of Environmental  
40 Protection" are used or referenced to in the following sections of the  
41 general statutes, the words "Commissioner of Energy and  
42 Environmental Protection" shall be substituted in lieu thereof: 3-7, 3-  
43 100, 4-5, 4-168, 4a-57, 4a-67d, 4b-15, 4b-15a, 4b-21, 5-238a, 7-121d, 7-131,  
44 7-131a, 7-131d, 7-131e, 7-131f, 7-131g, 7-131i, 7-131l, 7-131t, 7-131u, 7-  
45 136h, 7-137c, 7-147, 7-151a, 7-151b, 7-245, 7-246, 7-246f, 7-247, 7-249a, 7-  
46 323o, 7-374, 7-487, 8-336f, 10-231b, 10-231c, 10-231d, 10-231g, 10-382,  
47 10-388, 10-389, 10-391, 12-81, 12-81r, 12-107d, 12-217mm, 12-263m, 12-  
48 407, 12-412, 13a-80i, 13a-94, 13a-142a, 13a-142b, 13a-142e, 13a-175j, 13b-

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51 14-164k, 14-164o, 15-11a, 15-121, 15-125, 15-127, 15-130, 15-133a, 15-  
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129 53a-44a, 53a-54b and 53a-217e.

130 (d) Wherever the words "Department of Environmental Protection"  
131 are used or referred to in the following sections of the general statutes,  
132 the words "Department of Energy and Environmental Protection" shall  
133 be substituted in lieu thereof: 1-84, 1-206, 1-217, 2-20a, 4-38c, 4-66c, 4-  
134 66aa, 4-89, 4a-53, 4b-15, 5-142, 7-131e, 7-151a, 7-151b, 7-252, 8-387, 10-  
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136 142d, 13b-38a, 14-386, 15-129, 15-130a, 15-140e, 15-140f, 15-140j, 15-154,  
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141 22a-6x, 22a-6cc, 22a-10, 22a-11, 22a-20a, 22a-21, 22a-21a, 22a-21b, 22a-  
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143 22a-27l, 22a-27s, 22a-29, 22a-33, 22a-40, 22a-47a, 22a-58, 22a-61, 22a-66z,  
144 22a-68, 22a-115, 22a-118, 22a-119, 22a-122, 22a-123, 22a-126, 22a-132,  
145 22a-133v, 22a-133w, 22a-134i, 22a-135, 22a-170, 22a-174, 22a-174l, 22a-  
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162 (e) Wherever the words "Department of Public Utility Control" are  
163 used or referred to in the following sections of the general statutes, the  
164 words "Department of Energy and Environmental Protection" shall be  
165 substituted in lieu thereof: 1-84, 1-84b, 2-20a, 2-71p, 4-38c, 4a-57, 4a-74,  
166 4d-2, 4d-80, 7-223, 7-233t, 7-233ii, 8-387, 12-81q, 12-94d, 12-264, 12-265,  
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204 32-80a, 32-222, 33-219, 33-221, 33-241, 33-951, 42-287, 43-44, 49-4c and  
205 52-259a.

206 (f) Wherever the words "Secretary of the Office of Policy and  
207 Management" are used or referred to in the following sections of title  
208 16a of the general statutes, the words "Commissioner of Energy and  
209 Environmental Protection" shall be substituted in lieu thereof: 16a-3,  
210 16a-4d, 16a-6, 16a-14, 16a-22, 16a-22c, 16a-22h, 16a-22i, 16a-22j, 16a-23t,  
211 16a-35c, 16a-35d, 16a-35h, 16a-37c, 16a-37f, 16a-37u, 16a-38, 16a-38a,  
212 16a-38b, 16a-38i, 16a-38j, 16a-38k, 16a-38m, 16a-38o, 16a-39b, 16a-40b,  
213 16a-41a, 16a-44b, 16a-46a, 16a-46c, 16a-46e, 16a-46f, 16a-102 and 16a-  
214 106.

215 (g) Wherever the words "Office of Policy and Management" are  
216 used or referred to in the following sections of title 16a of the general  
217 statutes, the words "Department of Energy and Environmental  
218 Protection" shall be substituted in lieu thereof: 16a-2, 16a-3, 16a-4d,  
219 16a-6, 16a-7b, 16a-14, 16a-14e, 16a-20, 16a-22, 16a-22c, 16a-22h, 16a-22i,  
220 16a-22j, 16a-23t, 16a-35c, 16a-35d, 16a-35g, 16a-35h, 16a-37c, 16a-37f,

221 16a-37u, 16a-37v, 16a-37w, 16a-38, 16a-38a, 16a-38b, 16a-38i, 16a-38j,  
222 16a-38k, 16a-38l, 16a-38m, 16a-38n, 16a-38o, 16a-39b, 16a-40b, 16a-40f,  
223 16a-41a, 16a-44b, 16a-46a, 16a-46c, 16a-46e, 16a-46f, 16a-46g, 16a-102  
224 and 16a-106.

225 (h) Wherever the word "secretary" is used or referred to in the  
226 following sections of title 16a of the general statutes, the word  
227 "commissioner" shall be substituted in lieu thereof: 16a-2, 16a-3, 16a-  
228 4d, 16a-6, 16a-9, 16a-11, 16a-12, 16a-13, 16a-13a, 16a-13b, 16a-14, 16a-  
229 14a, 16a-14b, 16a-22, 16a-22c, 16a-22d, 16a-22e, 16a-22f, 16a-22h, 16a-  
230 22i, 16a-22j, 16a-23t, 16a-35c, 16a-35d, 16a-35h, 16a-37c, 16a-37f, 16a-  
231 37u, 16a-38, 16a-38a, 16a-38b, 16a-38i, 16a-38j, 16a-38k, 16a-38m, 16a-  
232 38o, 16a-39b, 16a-40b, 16a-41a, 16a-44b, 16a-45a, 16a-46a, 16a-46b, 16a-  
233 46c, 16a-46e, 16a-46f, 16a-102, 16a-106 and 16a-111.

234 (i) If the term "Department of Environmental Protection" or  
235 "Department of Public Utility Control" is used or referred to in any  
236 public or special act of 2011, or in any section of the general statutes  
237 which is amended in 2011, it shall be deemed to refer to the  
238 Department of Energy and Environmental Protection.

239 (j) If the term "Commissioner of Environmental Protection" is used  
240 or referred to in any public or special act of 2011, or in any section of  
241 the general statutes which is amended in 2011, it shall be deemed to  
242 refer to the Commissioner of Energy and Environmental Protection.

243 Sec. 2. Section 4-5 of the general statutes is repealed and the  
244 following is substituted in lieu thereof (*Effective July 1, 2011*):

245 As used in sections 4-6, 4-7 and 4-8, the term "department head"  
246 means Secretary of the Office of Policy and Management,  
247 Commissioner of Administrative Services, Commissioner of Revenue  
248 Services, Banking Commissioner, Commissioner of Children and  
249 Families, Commissioner of Consumer Protection, Commissioner of  
250 Correction, Commissioner of Economic and Community Development,  
251 State Board of Education, Commissioner of Emergency Management  
252 and Homeland Security, Commissioner of Energy and Environmental

253 Protection, Commissioner of Agriculture, Commissioner of Public  
254 Health, Insurance Commissioner, Labor Commissioner, Liquor  
255 Control Commission, Commissioner of Mental Health and Addiction  
256 Services, Commissioner of Public Safety, Commissioner of Social  
257 Services, Commissioner of Developmental Services, Commissioner of  
258 Motor Vehicles, Commissioner of Transportation, Commissioner of  
259 Public Works, Commissioner of Veterans' Affairs, Chief Information  
260 Officer, [the chairperson of the Public Utilities Control Authority,] the  
261 executive director of the Board of Education and Services for the Blind,  
262 the executive director of the Connecticut Commission on Culture and  
263 Tourism, and the executive director of the Office of Military Affairs. As  
264 used in sections 4-6 and 4-7, "department head" also means the  
265 Commissioner of Education.

266       Sec. 3. Section 4-38c of the general statutes is repealed and the  
267 following is substituted in lieu thereof (*Effective July 1, 2011*):

268       There shall be within the executive branch of state government the  
269 following departments: Office of Policy and Management, Department  
270 of Administrative Services, Department of Revenue Services,  
271 Department of Banking, Department of Agriculture, Department of  
272 Children and Families, Department of Consumer Protection,  
273 Department of Correction, Department of Economic and Community  
274 Development, State Board of Education, Department of Emergency  
275 Management and Homeland Security, Department of Energy and  
276 Environmental Protection, Department of Public Health, Board of  
277 Governors of Higher Education, Insurance Department, Labor  
278 Department, Department of Mental Health and Addiction Services,  
279 Department of Developmental Services, Department of Public Safety,  
280 Department of Social Services, Department of Transportation,  
281 Department of Motor Vehicles, Department of Veterans' Affairs [ ] and  
282 Department of Public Works. [and Department of Public Utility  
283 Control.]

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

286 (a) The [electric distribution companies, in consultation with the  
287 Connecticut Energy Advisory Board, established pursuant to section  
288 16a-3,] Department of Energy and Environmental Protection, in  
289 consultation with the Connecticut Energy Advisory Board, shall  
290 review the state's energy and capacity resource assessment and  
291 develop a comprehensive plan for the procurement of energy  
292 resources, including, but not limited to, conventional and renewable  
293 generating facilities, energy efficiency, load management, demand  
294 response, combined heat and power facilities, distributed generation  
295 and other emerging energy technologies to meet the projected  
296 requirements of their customers in a manner that minimizes the cost of  
297 such resources to customers over time and maximizes consumer  
298 benefits consistent with the state's environmental goals and standards.  
299 Such plan shall seek to lower the cost of electricity.

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

315 (c) Resource needs shall first be met through all available energy  
316 efficiency and demand reduction resources that are cost-effective for  
317 the general class of consumers, reliable and feasible. The projected  
318 customer cost impact of any demand-side resources considered  
319 pursuant to this subsection shall be reviewed on an equitable bases

320 with nondemand-side resources. The procurement plan shall specify  
321 (1) the total amount of energy and capacity resources needed to meet  
322 the requirements of all customers, (2) the extent to which demand-side  
323 measures, including efficiency, conservation, demand response and  
324 load management can cost-effectively meet these needs from the  
325 perspective of the general class of consumers, (3) needs for generating  
326 capacity and transmission and distribution improvements, (4) how the  
327 development of such resources will reduce and stabilize the costs of  
328 electricity to the general class of consumers, and (5) the manner in  
329 which each of the proposed resources should be procured, including  
330 the optimal contract periods for various resources.

331 (d) The procurement plan shall consider: (1) Approaches to  
332 maximizing the impact of demand-side measures; (2) the extent to  
333 which generation needs can be met by renewable and combined heat  
334 and power facilities; (3) the optimization of the use of generation sites  
335 and generation portfolio existing within the state; (4) fuel types,  
336 diversity, availability, firmness of supply and security and  
337 environmental impacts thereof, including impacts on meeting the  
338 state's greenhouse gas emission goals; (5) reliability, peak load and  
339 energy forecasts, system contingencies and existing resource  
340 availabilities; (6) import limitations and the appropriate reliance on  
341 such imports; and (7) the impact of the procurement plan on the costs  
342 of electric customers. Such plan shall include options for lowering the  
343 cost of electricity.

344 (e) The [board, in consultation with the regional independent  
345 system operator, shall review and approve or review, modify and  
346 approve] Department of Energy and Environmental Protection, in  
347 consultation with the electric distribution companies, the regional  
348 independent system operator, and the Connecticut Energy Advisory  
349 Board, shall develop a procurement plan and hold public hearings on  
350 the proposed procurement plan. [as submitted not later than one  
351 hundred twenty days after receipt. For calendar years 2009 and  
352 thereafter, the board shall conduct such review not later than sixty  
353 days after receipt. For the purpose of reviewing the plan, the

354 Commissioners of Transportation and Agriculture and the chairperson  
355 of the Public Utilities Control Authority, or their respective designees,  
356 shall not participate as members of the board. The electric distribution  
357 companies shall provide any additional information requested by the  
358 board that is relevant to the consideration of the procurement plan. In  
359 the course of conducting such review, the board shall conduct a public  
360 hearing, may retain the services of a third-party entity with experience  
361 in the area of energy procurement and may consult with the regional  
362 independent system operator. The board shall submit the reviewed  
363 procurement plan, together with a statement of any unresolved issues,  
364 to the Department of Public Utility Control. The department shall  
365 consider the procurement plan in an uncontested proceeding and shall  
366 conduct a hearing and provide an opportunity for interested parties to  
367 submit comments regarding the procurement plan. Not later than one  
368 hundred twenty days after submission of the procurement plan, the  
369 department shall approve, or modify and approve, the procurement  
370 plan.] The department's Bureau of Energy shall, after the public  
371 hearing, make recommendations to the Commissioner of Energy and  
372 Environmental Protection regarding plan modifications. Said  
373 commissioner shall approve, modify or reject the plan.

374 (f) On or before September 30, [2009] 2011, and every two years  
375 thereafter, the Department of [Public Utility Control] Energy and  
376 Environmental Protection shall report to the joint standing committees  
377 of the General Assembly having cognizance of matters relating to  
378 energy and the environment regarding goals established and progress  
379 toward implementation of the procurement plan established pursuant  
380 to this section, as well as any recommendations for the process.

381 (g) All electric distribution companies' costs associated with the  
382 development of the resource assessment and the development of the  
383 procurement plan shall be recoverable through the systems benefits  
384 charge.

385 Sec. 5. (NEW) (*Effective from passage*) (a) The plan developed,  
386 pursuant to section 16a-3a of the general statutes, as amended by this

387 act, to be adopted in 2012 shall (1) indicate specific options to reduce  
388 the price of electricity. Such options may include the procurement of  
389 new sources of generation. In reviewing new sources of generation, the  
390 plan shall determine whether the private wholesale market can supply  
391 such additional sources or whether state financial assistance, long-term  
392 purchasing of electricity contracts or other interventions are needed to  
393 achieve the goal; (2) analyze in-state renewable sources of electricity in  
394 comparison to transmission line upgrades or new projects and out-of-  
395 state renewable energy sources, provided such analysis also considers  
396 the benefits of additional jobs and other economic impacts; (3) include  
397 an examination of other states' best practices to determine why  
398 electricity rates are lower elsewhere in the region; (4) assess and  
399 compare the cost of transmission line projects, new power sources,  
400 renewable sources of electricity, conservation and distributed  
401 generation projects to ensure the state pursues only the least-cost  
402 alternative projects; (5) continually monitor supply and distribution  
403 systems to identify potential need for transmission line projects early  
404 enough to identify alternatives; and (6) assess the least cost alternative  
405 to address reliability concerns, including, but not limited to, lowering  
406 electricity demand through conservation and distributed generation  
407 projects before an electric distribution company submits a proposal for  
408 transmission lines or transmission line upgrades to the independent  
409 system operator or the Federal Energy Regulatory Commission.

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

419 (c) On or before February 1, 2012, the department shall report to the  
420 joint standing committee of the General Assembly having cognizance

421 of matters relating to energy regarding state policy and legislative  
422 changes the department feels would most likely lower the state's  
423 electricity rates.

424 Sec. 6. Section 16-244c of the general statutes is repealed and the  
425 following is substituted in lieu thereof (*Effective July 1, 2011*):

426 (a) (1) On and after January 1, 2000, each electric distribution  
427 company shall make available to all customers in its service area, the  
428 provision of electric generation and distribution services through a  
429 standard offer. Under the standard offer, a customer shall receive  
430 electric services at a rate established by the Department of [Public  
431 Utility Control] Energy and Environmental Protection pursuant to  
432 subdivision (2) of this subsection. Each electric distribution company  
433 shall provide electric generation services in accordance with such  
434 option to any customer who affirmatively chooses to receive electric  
435 generation services pursuant to the standard offer or does not or is  
436 unable to arrange for or maintain electric generation services with an  
437 electric supplier. The standard offer shall automatically terminate on  
438 January 1, 2004. While providing electric generation services under the  
439 standard offer, an electric distribution company may provide electric  
440 generation services through any of its generation entities or affiliates,  
441 provided such entities or affiliates are licensed pursuant to section 16-  
442 245, as amended by this act.

443 (2) Not later than October 1, 1999, the Department of [Public Utility  
444 Control] Energy and Environmental Protection shall establish the  
445 standard offer for each electric distribution company, effective January  
446 1, 2000, which shall allocate the costs of such company among electric  
447 transmission and distribution services, electric generation services, the  
448 competitive transition assessment and the systems benefits charge. The  
449 department shall hold a hearing that shall be conducted as a contested  
450 case in accordance with chapter 54 to establish the standard offer. The  
451 standard offer shall provide that the total rate charged under the  
452 standard offer, including electric transmission and distribution  
453 services, the conservation and load management program charge

454 described in section 16-245m, as amended by this act, the renewable  
455 energy investment charge described in section 16-245n, as amended by  
456 this act, electric generation services, the competitive transition  
457 assessment and the systems benefits charge shall be at least ten per  
458 cent less than the base rates, as defined in section 16-244a, in effect on  
459 December 31, 1996. The standard offer shall be adjusted to the extent of  
460 any increase or decrease in state taxes attributable to sections 12-264  
461 and 12-265 and any other increase or decrease in state or federal taxes  
462 resulting from a change in state or federal law and shall continue to be  
463 adjusted during such period pursuant to section 16-19b.  
464 Notwithstanding the provisions of section 16-19b, the provisions of  
465 said section 16-19b shall apply to electric distribution companies. The  
466 standard offer may be adjusted, by an increase or decrease, to the  
467 extent approved by the department, in the event that (A) the revenue  
468 requirements of the company are affected as the result of changes in (i)  
469 legislative enactments other than public act 98-28, (ii) administrative  
470 requirements, or (iii) accounting standards occurring after July 1, 1998,  
471 provided such accounting standards are adopted by entities  
472 independent of the company that have authority to issue such  
473 standards, or (B) an electric distribution company incurs extraordinary  
474 and unanticipated expenses required for the provision of safe and  
475 reliable electric service to the extent necessary to provide such service.  
476 Savings attributable to a reduction in taxes shall not be shifted between  
477 customer classes.

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

485 (b) (1) (A) On and after January 1, 2004, each electric distribution  
486 company shall make available to all customers in its service area, the  
487 provision of electric generation and distribution services through a

488 transitional standard offer. Under the transitional standard offer, a  
489 customer shall receive electric services at a rate established by the  
490 Department of [Public Utility Control] Energy and Environmental  
491 Protection pursuant to subdivision (2) of this subsection. Each electric  
492 distribution company shall provide electric generation services in  
493 accordance with such option to any customer who affirmatively  
494 chooses to receive electric generation services pursuant to the  
495 transitional standard offer or does not or is unable to arrange for or  
496 maintain electric generation services with an electric supplier. The  
497 transitional standard offer shall terminate on December 31, 2006. While  
498 providing electric generation services under the transitional standard  
499 offer, an electric distribution company may provide electric generation  
500 services through any of its generation entities or affiliates, provided  
501 such entities or affiliates are licensed pursuant to section 16-245, as  
502 amended by this act.

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

515 (2) (A) Not later than December 15, 2003, the Department of [Public  
516 Utility Control] Energy and Environmental Protection shall establish  
517 the transitional standard offer for each electric distribution company,  
518 effective January 1, 2004.

519 (B) The department shall hold a hearing that shall be conducted as a  
520 contested case in accordance with chapter 54 to establish the

521 transitional standard offer. The transitional standard offer shall  
522 provide that the total rate charged under the transitional standard  
523 offer, including electric transmission and distribution services, the  
524 conservation and load management program charge described in  
525 section 16-245m, as amended by this act, the renewable energy  
526 investment charge described in section 16-245n, as amended by this  
527 act, electric generation services, the competitive transition assessment  
528 and the systems benefits charge, and excluding federally mandated  
529 congestion costs, shall not exceed the base rates, as defined in section  
530 16-244a, in effect on December 31, 1996, excluding any rate reduction  
531 ordered by the department on September 26, 2002.

532 (C) (i) Each electric distribution company shall, on or before January  
533 1, 2004, file with the department an application for an amendment of  
534 rates pursuant to section 16-19, which application shall include a four-  
535 year plan for the provision of electric transmission and distribution  
536 services. The department shall conduct a contested case proceeding  
537 pursuant to sections 16-19 and 16-19e to approve, reject or modify the  
538 application and plan. Upon the approval of such plan, as filed or as  
539 modified by the department, the department shall order that such plan  
540 shall establish the electric transmission and distribution services  
541 component of the transitional standard offer.

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

555 (D) The transitional standard offer (i) shall be adjusted to the extent  
556 of any increase or decrease in state taxes attributable to sections 12-264  
557 and 12-265 and any other increase or decrease in state or federal taxes  
558 resulting from a change in state or federal law, (ii) shall be adjusted to  
559 provide for the cost of contracts under subdivision (2) of subsection (j)  
560 of this section and the administrative costs for the procurement of such  
561 contracts, and (iii) shall continue to be adjusted during such period  
562 pursuant to section 16-19b. Savings attributable to a reduction in taxes  
563 shall not be shifted between customer classes. Notwithstanding the  
564 provisions of section 16-19b, the provisions of section 16-19b shall  
565 apply to electric distribution companies.

566 (E) The transitional standard offer may be adjusted, by an increase  
567 or decrease, to the extent approved by the department, in the event  
568 that (i) the revenue requirements of the company are affected as the  
569 result of changes in (I) legislative enactments other than public act 03-  
570 135 or public act 98-28, (II) administrative requirements, or (III)  
571 accounting standards adopted after July 1, 2003, provided such  
572 accounting standards are adopted by entities that are independent of  
573 the company and have authority to issue such standards, or (ii) an  
574 electric distribution company incurs extraordinary and unanticipated  
575 expenses required for the provision of safe and reliable electric service  
576 to the extent necessary to provide such service.

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

584 (4) (A) In addition to its costs received pursuant to subsection (h) of  
585 this section, as compensation for providing transitional standard offer  
586 service, each electric distribution company shall receive an amount  
587 equal to five-tenths of one mill per kilowatt hour. Revenues from such

588 compensation shall not be included in calculating the electric  
589 distribution company's earnings for purposes of, or in determining  
590 whether its rates are just and reasonable under, sections 16-19, 16-19a  
591 and 16-19e, including an earnings sharing mechanism. In addition,  
592 each electric distribution company may earn compensation for  
593 mitigating the prices of the contracts for the provision of electric  
594 generation services, as provided in subdivision (2) of this subsection.

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

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

622 (2) Not later than October 1, 2006, and periodically as required by  
623 subdivision (3) of this subsection, but not more often than every  
624 calendar quarter, the Department of Public Utility Control shall  
625 establish the standard service price for such customers pursuant to  
626 subdivision (3) of this subsection. Each electric distribution company  
627 shall recover the actual net costs of procuring and providing electric  
628 generation services pursuant to this subsection, provided such  
629 company mitigates the costs it incurs for the procurement of electric  
630 generation services for customers who are no longer receiving service  
631 pursuant to this subsection.

632 (3) An electric distribution company providing electric generation  
633 services pursuant to this subsection shall [mitigate the variation of the  
634 price of the service offered to its customers by procuring] cooperate  
635 with the procurement officer of the Department of Energy and  
636 Environmental Protection and comply with the procurement plan for  
637 electric generation services contracts in the manner prescribed in [a  
638 plan approved by the department. Such plan shall require the  
639 procurement of a portfolio of service contracts sufficient to meet the  
640 projected load of the electric distribution company. Such plan shall  
641 require that the portfolio of service contracts be procured in an  
642 overlapping pattern of fixed periods at such times and in such manner  
643 and duration as the department determines to be most likely to  
644 produce just, reasonable and reasonably stable retail rates while  
645 reflecting underlying wholesale market prices over time. The portfolio  
646 of contracts shall be assembled in such manner as to invite  
647 competition; guard against favoritism, improvidence, extravagance,  
648 fraud and corruption; and secure a reliable electricity supply while  
649 avoiding unusual, anomalous or excessive pricing. The portfolio of  
650 contracts procured under such plan shall be for terms of not less than  
651 six months, provided contracts for shorter periods may be procured  
652 under such conditions as the department shall prescribe to (A) ensure  
653 the lowest rates possible for end-use customers; (B) ensure reliable  
654 service under extraordinary circumstances; and (C) ensure the prudent  
655 management of the contract portfolio] section 7 of this act. An affiliate

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

663 (4) [The department, in consultation with the Office of Consumer  
664 Counsel, shall] The procurement officer of the Department of Energy  
665 and Environmental Protection may retain the services of [a] third-party  
666 [entity with expertise in the area of energy procurement to oversee the  
667 initial development of the request for proposals and the procurement  
668 of contracts by an electric distribution company for the provision]  
669 entities as it sees fit to assist with the procurement of electric  
670 generation services [offered pursuant to this subsection] for standard  
671 service. Costs associated with the retention of such third-party entity  
672 shall be included in the cost of [electric generation services that is  
673 included in such price] standard service.

674 (5) [Each] For standard service contracts procured prior to  
675 department approval of the plan developed pursuant to section 7 of  
676 this act, each bidder for a standard service contract shall submit its bid  
677 to the electric distribution company and the third-party entity who  
678 shall jointly review the bids and submit an overview of all bids  
679 together with a joint recommendation to the department as to the  
680 preferred bidders. The department may, within ten business days of  
681 submission of the overview, reject the recommendation regarding  
682 preferred bidders. In the event that the department rejects the  
683 preferred bids, the electric distribution company and the third-party  
684 entity shall rebid the service pursuant to this subdivision. The  
685 department shall review each bid in an uncontested proceeding that  
686 shall include a public hearing and in which the Consumer Counsel and  
687 Attorney General may participate.

688 (d) (1) Notwithstanding the provisions of this section regarding the

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

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

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

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

719 (4) An electric supplier who fails to fulfill its contractual obligations  
720 resulting from this subdivision shall be subject to civil penalties, in

721 accordance with the provisions of section 16-41, or the suspension or  
722 revocation of such supplier's license or a prohibition on the acceptance  
723 of new customers, following a hearing that is conducted as a contested  
724 case, in accordance with the provisions of chapter 54.

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

730 (2) An electric distribution company shall procure electricity at least  
731 every calendar quarter to provide electric generation services to  
732 customers pursuant to this subsection. The Department of [Public  
733 Utility Control] Energy and Environmental Protection shall determine  
734 a price for such customers that reflects the full cost of providing the  
735 electricity on a monthly basis. Each electric distribution company shall  
736 recover the actual net costs of procuring and providing electric  
737 generation services pursuant to this subsection, provided such  
738 company mitigates the costs it incurs for the procurement of electric  
739 generation services for customers that are no longer receiving service  
740 pursuant to this subsection.

741 (f) On and after January 1, 2000, and until such time the regional  
742 independent system operator implements procedures for the provision  
743 of back-up power to the satisfaction of the Department of [Public  
744 Utility Control] Energy and Environmental Protection, each electric  
745 distribution company shall provide electric generation services to any  
746 customer who has entered into a service contract with an electric  
747 supplier that fails to provide electric generation services for reasons  
748 other than the customer's failure to pay for such services. Between  
749 January 1, 2000, and December 31, 2006, an electric distribution  
750 company may procure electric generation services through a  
751 competitive bidding process or through any of its generation entities  
752 or affiliates. On and after January 1, 2007, such company shall procure  
753 electric generation services through a competitive bidding process

754 pursuant to a plan submitted by the electric distribution company and  
755 approved by the department. Such company may procure electric  
756 generation services through any of its generation entities or affiliates,  
757 provided such entity or affiliate is the lowest qualified bidder and  
758 provided further any such entity or affiliate is licensed pursuant to  
759 section 16-245, as amended by this act.

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

768 (h) The electric distribution company shall be entitled to recover  
769 reasonable costs incurred as a result of providing standard offer  
770 electric generation services pursuant to the provisions of subsection (a)  
771 of this section, transitional standard offer service pursuant to  
772 subsection (b) of this section, standard service pursuant to subsection  
773 (c) of this section or back-up electric generation service pursuant to  
774 subsection (f) of this section. The provisions of this section and section  
775 16-244a shall satisfy the requirements of section 16-19a until January 1,  
776 2007.

777 (i) The Department of [Public Utility Control] Energy and  
778 Environmental Protection shall establish, by regulations adopted  
779 pursuant to chapter 54, procedures for when and how a customer is  
780 notified that his electric supplier has defaulted and of the need for the  
781 customer to choose a new electric supplier within a reasonable period  
782 of time.

783 (j) (1) Notwithstanding the provisions of subsection (d) of this  
784 section regarding an alternative transitional standard offer option or  
785 an alternative standard service option, an electric distribution

786 company providing transitional standard offer service, standard  
787 service, supplier of last resort service or back-up electric generation  
788 service in accordance with this section shall contract with its wholesale  
789 suppliers to comply with the renewable portfolio standards. The  
790 Department of [Public Utility Control] Energy and Environmental  
791 Protection shall annually conduct a contested case, in accordance with  
792 the provisions of chapter 54, in order to determine whether the electric  
793 distribution company's wholesale suppliers met the renewable  
794 portfolio standards during the preceding year. An electric distribution  
795 company shall include a provision in its contract with each wholesale  
796 supplier that requires the wholesale supplier to pay the electric  
797 distribution company an amount of five and one-half cents per  
798 kilowatt hour if the wholesale supplier fails to comply with the  
799 renewable portfolio standards during the subject annual period. The  
800 electric distribution company shall promptly transfer any payment  
801 received from the wholesale supplier for the failure to meet the  
802 renewable portfolio standards to the Renewable Energy Investment  
803 Fund for the development of Class I renewable energy sources. Any  
804 payment made pursuant to this section shall not be considered  
805 revenue or income to the electric distribution company.

806 (2) Notwithstanding the provisions of subsection (d) of this section  
807 regarding an alternative transitional standard offer option or an  
808 alternative standard service option, an electric distribution company  
809 providing transitional standard offer service, standard service,  
810 supplier of last resort service or back-up electric generation service in  
811 accordance with this section shall, not later than July 1, 2008, file with  
812 the Department of [Public Utility Control] Energy and Environmental  
813 Protection for its approval one or more long-term power purchase  
814 contracts from Class I renewable energy source projects located in  
815 Connecticut that receive funding from the Renewable Energy  
816 Investment Fund and that are not less than one megawatt in size, at a  
817 price that is either, at the determination of the project owner, (A) not  
818 more than the total of the comparable wholesale market price for  
819 generation plus five and one-half cents per kilowatt hour, or (B) fifty

820 per cent of the wholesale market electricity cost at the point at which  
821 transmission lines intersect with each other or interface with the  
822 distribution system, plus the project cost of fuel indexed to natural gas  
823 futures contracts on the New York Mercantile Exchange at the natural  
824 gas pipeline interchange located in Vermillion Parish, Louisiana that  
825 serves as the delivery point for such futures contracts, plus the fuel  
826 delivery charge for transporting fuel to the project, plus five and one-  
827 half cents per kilowatt hour. In its approval of such contracts, the  
828 department shall give preference to purchase contracts from those  
829 projects that would provide a financial benefit to ratepayers [or] and  
830 would enhance the reliability of the electric transmission system of the  
831 state. Such projects shall be located in this state. The owner of a fuel  
832 cell project principally manufactured in this state shall be allocated all  
833 available air emissions credits and tax credits attributable to the project  
834 and no less than fifty per cent of the energy credits in the Class I  
835 renewable energy credits program established in section 16-245a  
836 attributable to the project. On and after October 1, 2007, and until  
837 September 30, 2008, such contracts shall be comprised of not less than a  
838 total, apportioned among each electric distribution company, of one  
839 hundred twenty-five megawatts; and on and after October 1, 2008,  
840 such contracts shall be comprised of not less than a total, apportioned  
841 among each electrical distribution company, of one hundred fifty  
842 megawatts. The cost of such contracts and the administrative costs for  
843 the procurement of such contracts directly incurred shall be eligible for  
844 inclusion in the adjustment to the transitional standard offer as  
845 provided in this section and any subsequent rates for standard service,  
846 provided such contracts are for a period of time sufficient to provide  
847 financing for such projects, but not less than ten years, and are for  
848 projects which began operation on or after July 1, 2003. Except as  
849 provided in this subdivision, the amount from Class I renewable  
850 energy sources contracted under such contracts shall be applied to  
851 reduce the applicable Class I renewable energy source portfolio  
852 standards. For purposes of this subdivision, the department's  
853 determination of the comparable wholesale market price for  
854 generation shall be based upon a reasonable estimate. On or before

855 September 1, [2007] 2011, the department, in consultation with the  
856 Office of Consumer Counsel and the Renewable Energy Investments  
857 [Advisory Council] Board, shall study the operation of such renewable  
858 energy contracts and report its findings and recommendations to the  
859 joint standing committee of the General Assembly having cognizance  
860 of matters relating to energy.

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

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

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

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

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

876 (2) In the manner determined by the department, residential or  
877 small commercial service customers (A) initiating new utility service,  
878 (B) reinitiating service following a change of residence or business  
879 location, (C) making an inquiry regarding their utility rates, or (D)  
880 seeking information regarding energy efficiency shall be offered the  
881 option to learn about their ability to enroll with a participating electric  
882 supplier. Customers expressing an interest to learn about their electric  
883 supply options shall be informed of the qualifying electric offers then  
884 available from participating electric suppliers. The electric distribution  
885 companies shall describe then available qualifying electric offers

886 through a method reviewed and approved by the department. The  
887 information conveyed to customers expressing an interest to learn  
888 about their electric supply options shall include, at a minimum, the  
889 price and term of the available electric supply option. Customers  
890 expressing an interest in a particular qualifying electric offer shall be  
891 immediately transferred to a call center operated by that participating  
892 electric supplier.

893 (3) Not later than September 1, 2007, the department shall establish  
894 terms and conditions under which a participating electric supplier can  
895 be included in the referral program described in subdivision (2) of this  
896 subsection. Such terms shall include, but not be limited to, requiring  
897 participating electrical suppliers to offer time-of-use and real-time use  
898 rates to residential customers.

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

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

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

918 Protection.

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

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

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

940 Sec. 7. (NEW) (*Effective July 1, 2011*) (a) On or before January 1, 2012,  
941 and annually thereafter, the procurement officer of the Department of  
942 Energy and Environmental Protection in consultation with each  
943 electric distribution company and in consultation with others at the  
944 procurement officer's discretion shall develop a plan for the  
945 procurement of electric generation services and related wholesale  
946 electricity market products that will enable each electric distribution  
947 company to manage a portfolio of contracts to reduce the average cost  
948 of standard service while maintaining standard service cost volatility  
949 within reasonable levels. Each procurement plan shall provide for the

950 competitive solicitation for load-following electric service and may  
951 include a provision for the use of other contracts, including, but not  
952 limited to, contracts for generation or other electricity market products  
953 and financial contracts, and may provide for the use of varying lengths  
954 of contracts. If such plan includes the purchase of full requirements  
955 contracts, it shall include an explanation of why such purchases are in  
956 the best interests of standard service customers.

957 (b) An electric distribution company shall recover all reasonable and  
958 prudent costs incurred in connection with the development and  
959 implementation of the approved procurement plan, including costs of  
960 contracts entered into in accordance with the plan.

961 (c) The procurement officer shall, not less than quarterly, meet with  
962 the Commissioner of Energy and Environmental Protection and  
963 prepare a written report on the implementation of the plan and  
964 recommend any necessary adjustments to the plan to address market  
965 conditions or to otherwise reduce the costs of standard service. Such  
966 quarterly reports shall be public documents. After considering such  
967 report and recommendation, the commissioner may amend the plan  
968 by written order.

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

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

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

980 Sec. 8. (NEW) (*Effective July 1, 2011*) The Department of Energy and

981 Environmental Protection Bureau of Public Utility shall initiate a  
982 docket to consider the buy down of an electric distribution company's  
983 current standard service contract to reduce ratepayer bills and conduct  
984 a cost benefit analysis of such a buy down. If the department, as a  
985 result of such docket, determines such a buy down is in the best  
986 interest of ratepayers, the company shall proceed with such buy down.

987 Sec. 9. Subsection (b) of section 7-233e of the general statutes is  
988 amended by adding subdivision (30) as follows (*Effective July 1, 2011*):

989 (NEW) (30) To bid on standard service pursuant to section 16-244c  
990 of the general statutes.

991 Sec. 10. (NEW) (*Effective July 1, 2011*) On or before September 1,  
992 2011, the Department of Energy and Environmental Protection shall  
993 initiate a request for proposals to consider bilateral purchasing  
994 contracts for electricity from existing or new generators, provided such  
995 contract shall be for a term of not less than five years and not more  
996 than fifteen years, shall reduce electricity rates by pricing such  
997 electricity on a cost-of-service basis, power purchase agreement or  
998 other mechanism the department determines to be in the best interest  
999 of Connecticut's customers and shall directly, or in combination with  
1000 other initiatives, provide electricity at lower rates for Connecticut  
1001 consumers.

1002 Sec. 11. (NEW) (*Effective from passage*) The Department of Energy  
1003 and Environmental Protection shall prepare a study on the potential  
1004 costs savings and benefits to ratepayers, including, but not limited to,  
1005 emissions reductions, repowering some or all of the state's coal-fired  
1006 and oil-fired generation facilities built before 1990. On or before  
1007 February 1, 2012, the Department of Energy and Environmental  
1008 Protection shall submit the study, in accordance with the provisions of  
1009 section 11-4a of the general statutes, to the joint standing committee of  
1010 the General Assembly having cognizance of matters relating to energy.

1011 Sec. 12. (NEW) (*Effective July 1, 2011*) On or before September 1,  
1012 2011, the Department of Energy and Environmental Protection shall

1013 review any proposed commercial transmission line project (1) in which  
1014 a Connecticut electric distribution company may have a financial  
1015 interest, or (2) that may be constructed in whole or in part in this state  
1016 to determine whether to obtain electricity from such transmission lines  
1017 at a rate that will lower electricity rates for Connecticut consumers.

1018       Sec. 13. (NEW) (*Effective July 1, 2011*) On and after July 1, 2011, an  
1019 electric distribution company, as defined in section 16-1 of the general  
1020 statutes, as amended by this act, shall notify the Department of Energy  
1021 and Environmental Protection and the joint standing committee of the  
1022 General Assembly having cognizance of matters relating to energy  
1023 before such company expresses concerns to the independent system  
1024 operator, as defined in said section 16-1, identifying any reliability  
1025 issues concerning the system.

1026       Sec. 14. (*Effective from passage*) On or before August 1, 2011, the  
1027 Department of Energy and Environmental Protection shall initiate a  
1028 study to identify the impact on Connecticut ratepayers and the New  
1029 England and state wholesale electric power market of the operation of  
1030 the regional independent system operator, as defined in section 16-1 of  
1031 the general statutes, as amended by this act, and of Market Rule 1 as  
1032 promulgated by said regional independent system operator. Such  
1033 study shall include, but not be limited to, (1) a review of the  
1034 accountability of said independent system operator to Connecticut  
1035 ratepayers and energy policymakers, (2) consideration of strategies  
1036 and mechanisms that may mitigate any adverse impacts Market Rule 1  
1037 may have on wholesale generation prices in Connecticut and New  
1038 England and may reduce Connecticut's reliance on the wholesale  
1039 power market, including, but not limited to, long-term contracts, (3)  
1040 consideration of the costs and benefits associated with participating in  
1041 said independent system operator and any potential benefits of joining  
1042 another independent system operator or operating outside of the  
1043 existing independent operator systems, (4) an examination of the  
1044 framework within the Federal Energy Regulatory Commission that has  
1045 contributed to the state's high rates, and (5) consideration of methods  
1046 to foster greater transparency in any such system. On or before

1047 January 1, 2012, the department shall report, in accordance with the  
1048 provisions of section 11-4a of the general statutes, its findings to the  
1049 joint standing committee of the General Assembly having cognizance  
1050 of matters relating to energy.

1051 Sec. 15. (NEW) (*Effective July 1, 2011*) (a) On or before January 1,  
1052 2012, the Department of Energy and Environmental Protection Bureau  
1053 of Energy shall review available financing programs to determine  
1054 what exists on the state and national levels and recommend how best  
1055 to establish a state program of financing renewable energy and  
1056 conservation. The department shall consider various sources of  
1057 financing, including, but not limited to, mortgages, bonds and the  
1058 establishment of loan loss reserves to leverage private capital,  
1059 provided such sources of financing shall not include any ratepayer  
1060 contribution.

1061 (b) The department shall report, in accordance with the provisions  
1062 of section 11-4a of the general statutes to the joint standing committee  
1063 of the General Assembly having cognizance of matters relating to  
1064 energy regarding its review conducted pursuant to subsection (a) of  
1065 this section.

1066 Sec. 16. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
1067 Environmental Protection shall develop with leading research and  
1068 academic institutions a set of innovation hubs, including, but not  
1069 limited to, electric vehicle infrastructure and electricity storage.

1070 Sec. 17. (NEW) (*Effective July 1, 2011*) (a) As used in this section:

1071 (1) "Energy improvements" means any renovation or retrofitting of  
1072 qualifying real property to reduce energy consumption or installation  
1073 of a renewable energy system to service qualifying real property,  
1074 provided such renovation, retrofit or installation is permanently fixed  
1075 to such qualifying real property;

1076 (2) "Qualifying real property" means a single-family or multifamily  
1077 residential dwelling or a nonresidential commercial or industrial

1078 building, regardless of ownership, that a municipality has determined  
1079 can benefit from energy improvements;

1080 (3) "Property owner" means an owner of qualifying real property  
1081 who desires to install energy improvements and provides free and  
1082 willing consent to the contractual assessment; and

1083 (4) "Sustainable energy program" means a municipal program that  
1084 authorizes a municipality to enter into contractual assessments on  
1085 qualifying real property with property owners to finance the purchase  
1086 and installation of energy improvements to qualifying real property  
1087 within its municipal boundaries.

1088 (b) Any municipality, that determines it is in the public interest,  
1089 may establish a sustainable energy program to facilitate the increase of  
1090 energy efficiency and renewable energy. A municipality shall make  
1091 such a determination after issuing public notice and providing an  
1092 opportunity for public comment regarding the establishment of a  
1093 sustainable energy program.

1094 (c) Notwithstanding the provisions of section 7-374 of the general  
1095 statutes or any other public or special act that limits or imposes  
1096 conditions on municipal bond issues, any municipality that establishes  
1097 a sustainable energy program under this section may issue bonds, as  
1098 necessary, for the purpose of (1) financing energy improvements; (2)  
1099 related energy audits; and (3) renewable energy system feasibility  
1100 studies and the verification of the installation of such improvements.  
1101 Such financing shall be secured by special contractual assessments on  
1102 the qualifying real property.

1103 (d) (1) Any municipality that establishes a sustainable energy  
1104 program pursuant to this section may partner with another  
1105 municipality or state agency to (A) maximize the opportunities for  
1106 accessing public funds and private capital markets for long-term  
1107 sustainable financing, and (B) secure state or federal funds available  
1108 for this purpose.

1109 (2) Any municipality that establishes a sustainable energy program  
1110 and issues bonds pursuant to this section may supplement the security  
1111 of such bonds with any other legally available funds solely at the  
1112 municipality's discretion.

1113 (3) Any municipality that establishes a sustainable energy program  
1114 pursuant to this section may use the services of one or more private,  
1115 public or quasi-public third-party administrators to provide support  
1116 for the program.

1117 (e) Before establishing a program under this section, the  
1118 municipality shall provide notice to the electric distribution company,  
1119 as defined in section 16-1 of the general statutes, as amended by this  
1120 act, that services the municipality.

1121 (f) If the owner of record of qualifying real property requests  
1122 financing for energy improvements under this section, the  
1123 municipality implementing the sustainable energy program shall:

1124 (1) Require performance of an energy audit or renewable energy  
1125 system feasibility analysis on the qualifying real property before  
1126 approving such financing;

1127 (2) Enter into a contractual assessment on the qualifying real  
1128 property with the property owner in a principal amount sufficient to  
1129 pay the costs of energy improvements and any associated costs the  
1130 municipality determines will benefit the qualifying real property and  
1131 may cover any associated costs;

1132 (3) Impose requirements and criteria to ensure that the proposed  
1133 energy improvements are consistent with the purpose of the program;  
1134 and

1135 (4) Impose requirements and conditions on the financing to ensure  
1136 timely repayment, including, but not limited to, procedures for placing  
1137 a lien on a property for which an owner defaults on repayment.

1138 (g) Any assessment levied pursuant to this section shall have a term

1139 not to exceed the calculated payback period for the installed energy  
1140 improvements, as determined by the municipality, and shall have no  
1141 prepayment penalty. The municipality shall set a fixed rate of interest  
1142 for the repayment of the principal assessed amount at the time the  
1143 assessment is made. Such interest rate, as may be supplemented with  
1144 state or federal funding as may become available, shall be sufficient to  
1145 pay the financing costs of the program, including delinquencies.

1146 (h) Assessments levied pursuant to this section and the interest and  
1147 any penalties thereon shall constitute a lien against the qualifying real  
1148 property on which they are made until they are paid. Such lien shall be  
1149 levied and collected in the same manner as the general taxes of the  
1150 municipality on real property, including, in the event of default or  
1151 delinquency, with respect to any penalties and remedies and lien  
1152 priorities, provided such lien shall not have priority over any prior  
1153 mortgages.

1154 (i) The area encompassing the sustainable energy program in a  
1155 municipality may be the entire municipal jurisdiction of the  
1156 municipality or a subset of such.

1157 Sec. 18. Subparagraph (B) of subdivision (6) of subsection (c) of  
1158 section 7-148 of the general statutes is repealed and the following is  
1159 substituted in lieu thereof (*Effective July 1, 2011*):

1160 (B) (i) Lay out, construct, reconstruct, repair, maintain, operate,  
1161 alter, extend and discontinue sewer and drainage systems and sewage  
1162 disposal plants;

1163 (ii) Enter into or upon any land for the purpose of correcting the  
1164 flow of surface water through watercourses which prevent, or may  
1165 tend to prevent, the free discharge of municipal highway surface water  
1166 through said courses;

1167 (iii) Regulate the laying, location and maintenance of gas pipes,  
1168 water pipes, drains, sewers, poles, wires, conduits and other structures  
1169 in the streets and public places of the municipality;

1170 (iv) Prohibit and regulate the discharge of drains from roofs of  
1171 buildings over or upon the sidewalks, streets or other public places of  
1172 the municipality or into sanitary sewers;

1173 (v) Enter into performance-based energy contracts;

1174 Sec. 19. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
1175 Environmental Protection shall require the Energy Conservation  
1176 Management Board, the Renewable Energy Investments Board and  
1177 electric distribution companies, as defined in section 16-1 of the  
1178 general statutes, as amended by this act, to establish a program to  
1179 provide financial assistance for energy conservation and load  
1180 management projects to electric distribution company customers in  
1181 underserved communities. The aggregate financial assistance such  
1182 program shall provide shall be in an amount equal to at least three per  
1183 cent of the moneys collected for the Energy Conservation and Load  
1184 Management and at least three per cent of the moneys collected for the  
1185 Renewable Energy Investment Funds pursuant to sections 16-245m  
1186 and 16-245n of the general statutes, as amended by this act. Such funds  
1187 shall be provided for programs directly benefiting residential or small  
1188 business electric customers in underserved communities. The moneys  
1189 for the program shall be derived (1) initially from, if available, the  
1190 federal American Recovery and Reinvestment Act of 2009, and (2) for  
1191 conservation projects from the Energy Conservation and Load  
1192 Management and renewable energy projects from Renewable Energy  
1193 Investment Funds. Such program shall include a job training  
1194 component for existing or potential minority business enterprises, as  
1195 defined in section 4a-60g of the general statutes. For the purposes of  
1196 this section, "underserved communities" means municipalities meeting  
1197 the criteria set forth in subsection (a) of section 32-70 of the general  
1198 statutes. The department shall report, in accordance with the  
1199 provisions of section 11-4a of the general statutes, to the joint standing  
1200 committee of the General Assembly having cognizance of matters  
1201 relating to energy on or before February 1, 2012, and annually  
1202 thereafter, regarding the program established pursuant to this section.

1203 Sec. 20. Section 16a-48 of the general statutes is repealed and the  
1204 following is substituted in lieu thereof (*Effective July 1, 2011*):

1205 (a) As used in this section:

1206 (1) ["Office" means the Office of Policy and Management]  
1207 "Department" means the Department of Energy and Environmental  
1208 Protection;

1209 (2) "Fluorescent lamp ballast" or "ballast" means a device designed  
1210 to operate fluorescent lamps by providing a starting voltage and  
1211 current and limiting the current during normal operation, but does not  
1212 include such devices that have a dimming capability or are intended  
1213 for use in ambient temperatures of zero degrees Fahrenheit or less or  
1214 have a power factor of less than sixty-one hundredths for a single  
1215 F40T12 lamp;

1216 (3) "F40T12 lamp" means a tubular fluorescent lamp that is a  
1217 nominal forty-watt lamp, with a forty-eight-inch tube length and one  
1218 and one-half inches in diameter;

1219 (4) "F96T12 lamp" means a tubular fluorescent lamp that is a  
1220 nominal seventy-five-watt lamp with a ninety-six-inch tube length and  
1221 one and one-half inches in diameter;

1222 (5) "Luminaire" means a complete lighting unit consisting of a  
1223 fluorescent lamp, or lamps, together with parts designed to distribute  
1224 the light, to position and protect such lamps, and to connect such  
1225 lamps to the power supply;

1226 (6) "New product" means a product that is sold, offered for sale, or  
1227 installed for the first time and specifically includes floor models and  
1228 demonstration units;

1229 (7) ["Secretary" means the Secretary of the Office of Policy and  
1230 Management] "Commissioner" means the Commissioner of Energy  
1231 and Environmental Protection;

1232 (8) "State Building Code" means the building code adopted  
1233 pursuant to section 29-252;

1234 (9) "Torchiere lighting fixture" means a portable electric lighting  
1235 fixture with a reflector bowl giving light directed upward so as to give  
1236 indirect illumination;

1237 (10) "Unit heater" means a self-contained, vented fan-type  
1238 commercial space heater that uses natural gas or propane and that is  
1239 designed to be installed without ducts within the heated space. "Unit  
1240 heater" does not include a product regulated by federal standards  
1241 pursuant to 42 USC 6291, as amended from time to time, a product that  
1242 is a direct vent, forced flue heater with a sealed combustion burner, or  
1243 any oil fired heating system;

1244 (11) "Transformer" means a device consisting of two or more coils of  
1245 insulated wire that transfers alternating current by electromagnetic  
1246 induction from one coil to another in order to change the original  
1247 voltage or current value;

1248 (12) "Low-voltage dry-type transformer" means a transformer that:  
1249 (A) Has an input voltage of six hundred volts or less; (B) is between  
1250 fourteen kilovolt-amperes and two thousand five hundred one  
1251 kilovolt-amperes in size; (C) is air-cooled; and (D) does not use oil as a  
1252 coolant. "Low-voltage dry-type transformer" does not include such  
1253 transformers excluded from the low-voltage dry-type distribution  
1254 transformer definition contained in the California Code of Regulations,  
1255 Title 20: Division 2, Chapter 4, Article 4: Appliance Efficiency  
1256 Regulations;

1257 (13) "Pass-through cabinet" means a refrigerator or freezer with  
1258 hinged or sliding doors on both the front and rear of the refrigerator or  
1259 freezer;

1260 (14) "Reach-in cabinet" means a refrigerator, freezer, or combination  
1261 thereof, with hinged or sliding doors or lids;

1262 (15) "Roll-in" or "roll-through cabinet" means a refrigerator or  
1263 freezer with hinged or sliding doors that allows wheeled racks of  
1264 product to be rolled into or through the refrigerator or freezer;

1265 (16) "Commercial refrigerators and freezers" means reach-in  
1266 cabinets, pass-through cabinets, roll-in cabinets and roll-through  
1267 cabinets that have less than eighty-five feet of capacity, which are  
1268 designed for the refrigerated or frozen storage of food and food  
1269 products;

1270 (17) "Traffic signal module" means a standard eight-inch or twelve-  
1271 inch round traffic signal indicator consisting of a light source, lens and  
1272 all parts necessary for operation and communication of movement  
1273 messages to drivers through red, amber and green colors;

1274 (18) "Illuminated exit sign" means an internally illuminated sign that  
1275 is designed to be permanently fixed in place and used to identify an  
1276 exit by means of a light source that illuminates the sign or letters from  
1277 within where the background of the exit sign is not transparent;

1278 (19) "Packaged air-conditioning equipment" means air-conditioning  
1279 equipment that is built as a package and shipped as a whole to end-  
1280 user sites;

1281 (20) "Large packaged air-conditioning equipment" means air-cooled  
1282 packaged air-conditioning equipment having not less than two  
1283 hundred forty thousand BTUs per hour of capacity;

1284 (21) "Commercial clothes washer" means a soft mount front-loading  
1285 or soft mount top-loading clothes washer that is designed for use in  
1286 (A) applications where the occupants of more than one household will  
1287 be using it, such as in multifamily housing common areas and coin  
1288 laundries; or (B) other commercial applications, if the clothes container  
1289 compartment is no greater than three and one-half cubic feet for  
1290 horizontal-axis clothes washers or no greater than four cubic feet for  
1291 vertical-axis clothes washers;

1292 (22) "Energy efficiency ratio" means a measure of the relative  
1293 efficiency of a heating or cooling appliance that is equal to the unit's  
1294 output in BTUs per hour divided by its consumption of energy,  
1295 measured in watts;

1296 (23) "Electricity ratio" means the ratio of furnace electricity use to  
1297 total furnace energy use;

1298 (24) "Boiler" means a space heater that is a self-contained appliance  
1299 for supplying steam or hot water primarily intended for space-heating.  
1300 "Boiler" does not include hot water supply boilers;

1301 (25) "Central furnace" means a self-contained space heater designed  
1302 to supply heated air through ducts of more than ten inches in length;

1303 (26) "Residential furnace or boiler" means a product that utilizes  
1304 only single-phase electric current or single-phase electric current or DC  
1305 current in conjunction with natural gas, propane or home heating oil  
1306 and that (A) is designed to be the principal heating source for the  
1307 living space of a residence; (B) is not contained within the same cabinet  
1308 as a central air conditioner with a rated cooling capacity of not less  
1309 than sixty-five thousand BTUs per hour; (C) is an electric central  
1310 furnace, electric boiler, forced-air central furnace, gravity central  
1311 furnace or low pressure steam or hot water boiler; and (D) has a heat  
1312 input rate of less than three hundred thousand BTUs per hour for an  
1313 electric boiler and low pressure steam or hot water boiler and less than  
1314 two hundred twenty-five thousand BTUs per hour for a forced-air  
1315 central furnace, gravity central furnace and electric central furnace;

1316 (27) "Furnace air handler" means the section of the furnace that  
1317 includes the fan, blower and housing, generally upstream of the  
1318 burners and heat exchanger. The furnace air handler may include a  
1319 filter and a cooling coil;

1320 (28) "High-intensity discharge lamp" means a lamp in which light is  
1321 produced by the passage of an electric current through a vapor or gas,  
1322 the light-producing arc is stabilized by bulb wall temperature and the

1323 arc tube has a bulb wall loading in excess of three watts per square  
1324 centimeter;

1325 (29) "Metal halide lamp" means a high intensity discharge lamp in  
1326 which the major portion of the light is produced by radiation of metal  
1327 halides and their products of dissociation, possibly in combination  
1328 with metallic vapors;

1329 (30) "Metal halide lamp fixture" means a light fixture designed to be  
1330 operated with a metal halide lamp and a ballast for a metal halide  
1331 lamp;

1332 (31) "Probe start metal halide ballast" means a ballast used to  
1333 operate metal halide lamps that does not contain an ignitor and that  
1334 instead starts lamps by using a third starting electrode probe in the arc  
1335 tube;

1336 (32) "Single voltage external AC to DC power supply" means a  
1337 device that (A) is designed to convert line voltage AC input into lower  
1338 voltage DC output; (B) is able to convert to only one DC output voltage  
1339 at a time; (C) is sold with, or intended to be used with, a separate end-  
1340 use product that constitutes the primary power load; (D) is contained  
1341 within a separate physical enclosure from the end-use product; (E) is  
1342 connected to the end-use product in a removable or hard-wired male  
1343 and female electrical connection, cable, cord or other wiring; (F) does  
1344 not have batteries or battery packs, including those that are removable  
1345 or that physically attach directly to the power supply unit; (G) does not  
1346 have a battery chemistry or type selector switch and indicator light or a  
1347 battery chemistry or type selector switch and a state of charge meter;  
1348 and (H) has a nameplate output power less than or equal to two  
1349 hundred fifty watts;

1350 (33) "State regulated incandescent reflector lamp" means a lamp that  
1351 is not colored or designed for rough or vibration service applications,  
1352 has an inner reflective coating on the outer bulb to direct the light, has  
1353 an E26 medium screw base, a rated voltage or voltage range that lies at  
1354 least partially within one hundred fifteen to one hundred thirty volts,

1355 and that falls into one of the following categories: (A) A bulged  
1356 reflector or elliptical reflector or a blown PAR bulb shape and that has  
1357 a diameter that equals or exceeds two and one-quarter inches, or (B) a  
1358 reflector, parabolic aluminized reflector, bulged reflector or similar  
1359 bulb shape and that has a diameter of two and one-quarter to two and  
1360 three-quarters inches. "State regulated incandescent reflector lamp"  
1361 does not include ER30, BR30, BR40 and ER40 lamps of not more than  
1362 fifty watts, BR30, BR40 and ER40 lamps of sixty-five watts and R20  
1363 lamps of not more than forty-five watts;

1364 (34) "Bottle-type water dispenser" means a water dispenser that uses  
1365 a bottle or reservoir as the source of potable water;

1366 (35) "Commercial hot food holding cabinet" means a heated, fully-  
1367 enclosed compartment with one or more solid or partial glass doors  
1368 that is designed to maintain the temperature of hot food that has been  
1369 cooked in a separate appliance. "Commercial hot food holding cabinet"  
1370 does not include heated glass merchandizing cabinets, drawer  
1371 warmers or cook-and-hold appliances;

1372 (36) "Pool heater" means an appliance designed for heating  
1373 nonpotable water contained at atmospheric pressure for swimming  
1374 pools, spas, hot tubs and similar applications, including natural gas,  
1375 heat pump, oil and electric resistance pool heaters;

1376 (37) "Portable electric spa" means a factory-built electric spa or hot  
1377 tub supplied with equipment for heating and circulating water;

1378 (38) "Residential pool pump" means a pump used to circulate and  
1379 filter pool water to maintain clarity and sanitation;

1380 (39) "Walk-in refrigerator" means a space refrigerated to  
1381 temperatures at or above thirty-two degrees Fahrenheit that has a total  
1382 chilled storage area of less than three thousand square feet, can be  
1383 walked into and is designed for the refrigerated storage of food and  
1384 food products. "Walk-in refrigerator" does not include refrigerated  
1385 warehouses and products designed and marketed exclusively for

1386 medical, scientific or research purposes;

1387 (40) "Walk-in freezer" means a space refrigerated to temperatures  
1388 below thirty-two degrees Fahrenheit that has a total chilled storage  
1389 area of less than three thousand square feet, can be walked into and is  
1390 designed for the frozen storage of food and food products. "Walk-in  
1391 freezer" does not include refrigerated warehouses and products  
1392 designed and marketed exclusively for medical, scientific or research  
1393 purposes;

1394 (41) "Central air conditioner" means a central air conditioning model  
1395 that consists of one or more factory-made assemblies, which normally  
1396 include an evaporator or cooling coil, compressor and condenser.  
1397 Central air conditioning models may provide the function of air  
1398 cooling, air cleaning, dehumidifying or humidifying;

1399 (42) "Combination television" means a system in which a television  
1400 or television monitor and an additional device or devices, including,  
1401 but not limited to, a digital versatile disk player or video cassette  
1402 recorder, are combined into a single unit in which the additional  
1403 devices are included in the television casing;

1404 (43) "Compact audio player" means an integrated audio system  
1405 encased in a single housing that includes an amplifier and radio tuner  
1406 with attached or separable speakers and can reproduce audio from one  
1407 or more of the following media: Magnetic tape, compact disk, digital  
1408 versatile disk or flash memory. "Compact audio player" does not mean  
1409 a product that can be independently powered by internal batteries, has  
1410 a powered external satellite antenna or can provide a video output  
1411 signal;

1412 (44) "Component television" means a television composed of two or  
1413 more separate components, such as a separate display device and  
1414 tuner, marketed and sold as a television under one model or system  
1415 designation, which may have more than one power cord;

1416 (45) "Computer monitor" means an analog or digital device

1417 designed primarily for the display of computer generated signals and  
1418 that is not marketed for use as a television;

1419 (46) "Digital versatile disc" means a laser-encoded plastic medium  
1420 capable of storing a large amount of digital audio, video and computer  
1421 data;

1422 (47) "Digital versatile disc player" means a commercially available  
1423 electronic product encased in a single housing that includes an integral  
1424 power supply and for which the sole purpose is the decoding of  
1425 digitized video signals;

1426 (48) "Digital versatile disc recorder" means a commercially available  
1427 electronic product encased in a single housing that includes an integral  
1428 power supply and for which the sole purpose is the production or  
1429 recording of digitized audio, video and computer signals on a digital  
1430 versatile disk. "Digital versatile disk recorder" does not include a  
1431 model that has an electronic programming guide function;

1432 (49) "Television" means an analog or digital device designed  
1433 primarily for the display and reception of a terrestrial, satellite, cable,  
1434 internet protocol television or other broadcast or recorded  
1435 transmission of analog or digital video and audio signals. "Television"  
1436 includes combination televisions, television monitors, component  
1437 televisions and any unit that is marketed to consumers as a television  
1438 but does not include a computer monitor;

1439 (50) "Television monitor" means a television that does not have an  
1440 internal tuner/receiver or playback device.

1441 (b) The provisions of this section apply to the testing, certification  
1442 and enforcement of efficiency standards for the following types of new  
1443 products sold, offered for sale or installed in the state: (1) Commercial  
1444 clothes washers; (2) commercial refrigerators and freezers; (3)  
1445 illuminated exit signs; (4) large packaged air-conditioning equipment;  
1446 (5) low voltage dry-type distribution transformers; (6) torchiere  
1447 lighting fixtures; (7) traffic signal modules; (8) unit heaters; (9)

1448 residential furnaces and boilers; (10) residential pool pumps; (11) metal  
1449 halide lamp fixtures; (12) single voltage external AC to DC power  
1450 supplies; (13) state regulated incandescent reflector lamps; (14) bottle-  
1451 type water dispensers; (15) commercial hot food holding cabinets; (16)  
1452 portable electric spas; (17) walk-in refrigerators and walk-in freezers;  
1453 (18) pool heaters; [and] (19) compact audio players; (20) televisions;  
1454 (21) digital versatile disc players; (22) digital versatile disc recorders;  
1455 and (23) any other products as may be designated by the office in  
1456 accordance with subdivision (3) of subsection (d) of this section.

1457 (c) The provisions of this section do not apply to (1) new products  
1458 manufactured in the state and sold outside the state, (2) new products  
1459 manufactured outside the state and sold at wholesale inside the state  
1460 for final retail sale and installation outside the state, (3) products  
1461 installed in mobile manufactured homes at the time of construction, or  
1462 (4) products designed expressly for installation and use in recreational  
1463 vehicles.

1464 (d) (1) The [office, in consultation with the Department of Public  
1465 Utility Control,] department shall adopt regulations, in accordance  
1466 with the provisions of chapter 54, to implement the provisions of this  
1467 section and to establish minimum energy efficiency standards for the  
1468 types of new products set forth in subsection (b) of this section. The  
1469 regulations shall provide for the following minimum energy efficiency  
1470 standards:

1471 (A) Commercial clothes washers shall meet the requirements shown  
1472 in Table P-3 of section 1605.3 of the California Code of Regulations,  
1473 Title 20: Division 2, Chapter 4, Article 4;

1474 (B) Commercial refrigerators and freezers shall meet the August 1,  
1475 2004, requirements shown in Table A-6 of said California regulation;

1476 (C) Illuminated exit signs shall meet the version 2.0 product  
1477 specification of the "Energy Star Program Requirements for Exit Signs"  
1478 developed by the United States Environmental Protection Agency;

1479 (D) Large packaged air-conditioning equipment having not more  
1480 than seven hundred sixty thousand BTUs per hour of capacity shall  
1481 meet a minimum energy efficiency ratio of 10.0 for units using both  
1482 electric heat and air conditioning or units solely using electric air  
1483 conditioning, and 9.8 for units using both natural gas heat and electric  
1484 air conditioning;

1485 (E) Large packaged air-conditioning equipment having not less than  
1486 seven hundred sixty-one thousand BTUs per hour of capacity shall  
1487 meet a minimum energy efficiency ratio of 9.7 for units using both  
1488 electric heat and air conditioning or units solely using electric air  
1489 conditioning, and 9.5 for units using both natural gas heat and electric  
1490 air conditioning;

1491 (F) Low voltage dry-type distribution transformers shall meet or  
1492 exceed the energy efficiency values shown in Table 4-2 of the National  
1493 Electrical Manufacturers Association Standard TP-1-2002;

1494 (G) Torchiere lighting fixtures shall not consume more than one  
1495 hundred ninety watts and shall not be capable of operating with lamps  
1496 that total more than one hundred ninety watts;

1497 (H) Traffic signal modules shall meet the product specification of  
1498 the "Energy Star Program Requirements for Traffic Signals" developed  
1499 by the United States Environmental Protection Agency that took effect  
1500 in February, 2001, except where the department, in consultation with  
1501 the Commissioner of Transportation, determines that such  
1502 specification would compromise safe signal operation;

1503 (I) Unit heaters shall not have pilot lights and shall have either  
1504 power venting or an automatic flue damper;

1505 (J) On or after January 1, 2009, residential furnaces and boilers  
1506 purchased by the state shall meet or exceed the following annual fuel  
1507 utilization efficiency: (i) For gas and propane furnaces, ninety per cent  
1508 annual fuel utilization efficiency, (ii) for oil furnaces, eighty-three per  
1509 cent annual fuel utilization efficiency, (iii) for gas and propane hot

1510 water boilers, eighty-four per cent annual fuel utilization efficiency,  
1511 (iv) for oil-fired hot water boilers, eighty-four per cent annual fuel  
1512 utilization efficiency, (v) for gas and propane steam boilers, eighty-two  
1513 per cent annual fuel utilization efficiency, (vi) for oil-fired steam  
1514 boilers, eighty-two per cent annual fuel utilization efficiency, and (vii)  
1515 for furnaces with furnace air handlers, an electricity ratio of not more  
1516 than 2.0, except air handlers for oil furnaces with a capacity of less than  
1517 ninety-four thousand BTUs per hour shall have an electricity ratio of  
1518 2.3 or less;

1519 (K) On or after January 1, 2010, metal halide lamp fixtures designed  
1520 to be operated with lamps rated greater than or equal to one hundred  
1521 fifty watts but less than or equal to five hundred watts shall not  
1522 contain a probe-start metal halide lamp ballast;

1523 (L) Single-voltage external AC to DC power supplies manufactured  
1524 on or after January 1, 2008, shall meet the energy efficiency standards  
1525 of table U-1 of section 1605.3 of the January 2006 California Code of  
1526 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance  
1527 Efficiency Regulations. This standard applies to single voltage AC to  
1528 DC power supplies that are sold individually and to those that are sold  
1529 as a component of or in conjunction with another product. This  
1530 standard shall not apply to single voltage external AC to DC power  
1531 supplies sold with products subject to certification by the United States  
1532 Food and Drug Administration. A single-voltage external AC to DC  
1533 power supply that is made available by a manufacturer directly to a  
1534 consumer or to a service or repair facility after and separate from the  
1535 original sale of the product requiring the power supply as a service  
1536 part or spare part shall not be required to meet the standards in said  
1537 table U-1 until five years after the effective dates indicated in the table;

1538 (M) On or after January 1, 2009, state regulated incandescent  
1539 reflector lamps shall be manufactured to meet the minimum average  
1540 lamp efficacy requirements for federally-regulated incandescent  
1541 reflector lamps contained in 42 USC 6295(i)(1)(A). Each lamp shall  
1542 indicate the date of manufacture;

1543 (N) On or after January 1, 2009, bottle-type water dispensers,  
1544 commercial hot food holding cabinets, portable electric spas, walk-in  
1545 refrigerators and walk-in freezers shall meet the efficiency  
1546 requirements of section 1605.3 of the January 2006 California Code of  
1547 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance  
1548 Efficiency Regulations. On or after January 1, 2010, residential pool  
1549 pumps shall meet said efficiency requirements;

1550 (O) On or after January 1, 2009, pool heaters shall meet the  
1551 efficiency requirements of sections 1605.1 and 1605.3 of the January  
1552 2006 California Code of Regulations, Title 20, Division 2, Chapter 4,  
1553 Article 4: Appliance Efficiency Regulations;

1554 (P) On or after January 1, 2014, compact audio players, digital  
1555 versatile disc players and digital versatile disc recorders shall meet the  
1556 requirements shown in Table V-1 of Section 1605.3 of the November  
1557 2009 amendments to the California Code of Regulations, Title 20,  
1558 Division 2, Chapter 4, Article 4;

1559 (Q) On or after January 1, 2014, televisions manufactured on or after  
1560 the effective date of this section shall meet the requirements shown in  
1561 Table V-2 of Section 1605.3 of the November 2009 amendments to the  
1562 California Code of Regulations, Title 20, Division 2, Chapter 4, Article  
1563 4;

1564 (R) In addition to the requirements of subparagraph (Q) of this  
1565 subdivision, televisions manufactured on or after January 1, 2014, shall  
1566 meet the efficiency requirements of Sections 1605.3(v)(3)(A),  
1567 1605.3(v)(3)(B) and 1605.3(v)(3)(C) of the November 2009 amendments  
1568 to the California Code of Regulations, Title 20, Division 2, Chapter 4,  
1569 Article 4.

1570 (2) Such efficiency standards, where in conflict with the State  
1571 Building Code, shall take precedence over the standards contained in  
1572 the Building Code. Not later than July 1, 2007, and biennially  
1573 thereafter, the [office, in consultation with the Department of Public  
1574 Utility Control,] department shall review and increase the level of such

1575 efficiency standards by adopting regulations in accordance with the  
1576 provisions of chapter 54 upon a determination that increased efficiency  
1577 standards would serve to promote energy conservation in the state and  
1578 would be cost-effective for consumers who purchase and use such new  
1579 products, provided no such increased efficiency standards shall  
1580 become effective within one year following the adoption of any  
1581 amended regulations providing for such increased efficiency  
1582 standards.

1583 (3) (A) The [office, in consultation with the Department of Public  
1584 Utility Control,] department shall adopt regulations, in accordance  
1585 with the provisions of chapter 54, to designate additional products to  
1586 be subject to the provisions of this section and to establish efficiency  
1587 standards for such products upon a determination that such efficiency  
1588 standards [(A)] (i) would serve to promote energy conservation in the  
1589 state, [(B)] (ii) would be cost-effective for consumers who purchase and  
1590 use such new products, and [(C)] (iii) that multiple products are  
1591 available which meet such standards, provided no such efficiency  
1592 standards shall become effective within one year following their  
1593 adoption pursuant to this subdivision.

1594 (B) The department, in consultation with the Multi-State Appliance  
1595 Standards Collaborative, shall identify additional appliance and  
1596 equipment efficiency standards. Not later than six months after  
1597 adoption of an efficiency standard by a cooperative member state  
1598 regarding a product for which no equivalent Connecticut or federal  
1599 standard currently exists, the office shall adopt regulations in  
1600 accordance with the provisions of chapter 54 adopting such efficiency  
1601 standard unless the office makes a specific finding that such standard  
1602 does not meet the criteria in subparagraph (A) of this subdivision.

1603 (e) On or after July 1, 2006, except for commercial clothes washers,  
1604 for which the date shall be July 1, 2007, commercial refrigerators and  
1605 freezers, for which the date shall be July 1, 2008, and large packaged  
1606 air-conditioning equipment, for which the date shall be July 1, 2009, no  
1607 new product of a type set forth in subsection (b) of this section or

1608 designated by the office may be sold, offered for sale, or installed in  
1609 the state unless the energy efficiency of the new product meets or  
1610 exceeds the efficiency standards set forth in such regulations adopted  
1611 pursuant to subsection (d) of this section.

1612 (f) The [office, in consultation with the Department of Public Utility  
1613 Control,] department shall adopt procedures for testing the energy  
1614 efficiency of the new products set forth in subsection (b) of this section  
1615 or designated by the department if such procedures are not provided  
1616 for in the State Building Code. The [office] department shall use United  
1617 States Department of Energy approved test methods, or in the absence  
1618 of such test methods, other appropriate nationally recognized test  
1619 methods. The manufacturers of such products shall cause samples of  
1620 such products to be tested in accordance with the test procedures  
1621 adopted pursuant to this subsection or those specified in the State  
1622 Building Code.

1623 (g) Manufacturers of new products set forth in subsection (b) of this  
1624 section or designated by the [office] department shall certify to the  
1625 [secretary] commissioner that such products are in compliance with  
1626 the provisions of this section, except that certification is not required  
1627 for single voltage external AC to DC power supplies and walk-in  
1628 refrigerators and walk-in freezers. All single voltage external AC to DC  
1629 power supplies shall be labeled as described in the January 2006  
1630 California Code of Regulations, Title 20, Section 1607 (9). The [office, in  
1631 consultation with the Department of Public Utility Control,]  
1632 department shall promulgate regulations governing the certification of  
1633 such products. The [secretary] commissioner shall publish an annual  
1634 list of such products.

1635 (h) The Attorney General may institute proceedings to enforce the  
1636 provisions of this section. Any person who violates any provision of  
1637 this section shall be subject to a civil penalty of not more than two  
1638 hundred fifty dollars. Each violation of this section shall constitute a  
1639 separate offense, and each day that such violation continues shall  
1640 constitute a separate offense.

1641       Sec. 21. Section 16-243i of the general statutes is repealed and the  
1642 following is substituted in lieu thereof (*Effective July 1, 2011*):

1643       (a) The Department of [Public Utility Control] Energy and  
1644 Environmental Protection shall, not later than January 1, [2006] 2012,  
1645 establish a program to [grant awards to retail end use customers of  
1646 electric distribution companies to fund the capital costs of obtaining  
1647 projects of customer-side distributed resources, as defined in section  
1648 16-1. Any project shall receive a one-time, nonrecurring award in an  
1649 amount of not less than two hundred dollars and not more than five  
1650 hundred dollars per kilowatt of capacity for such customer-side  
1651 distributed resources, recoverable from federally mandated congestion  
1652 charges, as defined in section 16-1. No such award may be made  
1653 unless the projected reduction in federally mandated congestion  
1654 charges attributed to the project for such distributed resources is  
1655 greater than the amount of the award. The amount of an award shall  
1656 depend on the impact that the customer-side distributed resources  
1657 project has on reducing federally mandated congestion charges, as  
1658 defined in section 16-1. Not later than October 1, 2005, the department  
1659 shall conduct a contested case proceeding, in accordance with chapter  
1660 54, to establish additional standards for the amount of such awards  
1661 and additional criteria and the process for making such awards.

1662       (b) The Department of Public Utility Control shall, not later than  
1663 January 1, 2006, establish a program to grant to an electric distribution  
1664 company a one-time, nonrecurring award to educate, assist and  
1665 promote investments in customer-side distributed resources  
1666 developed in such company's service territory, which resources the  
1667 department determines will reduce federally mandated congestion  
1668 charges, in accordance with the following: (1) On or before January 1,  
1669 2008, two hundred dollars per kilowatt of such resources, (2) on or  
1670 before January 1, 2009, one hundred fifty dollars per kilowatt of such  
1671 resources, (3) on or before January 1, 2010, one hundred dollars per  
1672 kilowatt of such resources, and (4) fifty dollars per kilowatt of such  
1673 resources thereafter. Payment of the award shall be made at the time  
1674 each such resource becomes operational. The cost of the award shall be

1675 recoverable from federally mandated congestion charges. Revenues  
1676 from such awards shall not be included in calculating the electric  
1677 distribution company's earnings for the purpose of determining  
1678 whether its rates are just and reasonable under sections 16-19, 16-19a  
1679 and 16-19e] promote the development of new combined heat and  
1680 power projects in Connecticut through low-interest loans, grants or  
1681 power purchase agreements. The amount of such loans, grants and  
1682 power purchase agreements shall be determined by the department on  
1683 an individualized basis for each proposed combined heat and power  
1684 project with the goal of minimizing costs to the general class of  
1685 ratepayers, ensuring that the project developer has a significant share  
1686 of the financial burden and risk, while ensuring the development of  
1687 projects that benefit Connecticut's economy, ratepayers or  
1688 environment. The department shall determine if the benefits of such  
1689 project to Connecticut's ratepayers, economy or environment are  
1690 sufficient to justify ratepayer investment. The program established  
1691 pursuant to this section shall not exceed two hundred fifty megawatts,  
1692 and the department shall review the program annually. If the  
1693 department determines during an annual review that the net cost to  
1694 ratepayers of this program exceeds twenty-five million dollars, the  
1695 department shall not approve additional projects that require  
1696 ratepayer subsidies. For purposes of department review of the net cost  
1697 to ratepayers of the program, the department shall take into account  
1698 both (1) the benefits of any power purchase agreements for ratepayers,  
1699 any estimated benefits of avoided costs of building alternative electric  
1700 infrastructure, or other benefits, and (2) the costs of all ratepayer  
1701 subsidies, the cost of power purchase agreements, and other costs.

1702 (b) (1) The Department of Energy and Environmental Protection  
1703 shall on or before March 1, 2012, establish a program to promote the  
1704 development of new combined heat and power projects in Connecticut  
1705 that are below three megawatts in capacity size. The department shall  
1706 set one or more standardized grant amounts, loan amounts and power  
1707 purchase agreements for such projects to limit the administrative  
1708 burden of project approvals for the department and the project

1709 proponent. Such standardized provisions shall seek to minimize costs  
1710 for the general class of ratepayers, ensuring that the project developer  
1711 has a significant share of the financial burden and risk, while ensuring  
1712 the development of projects that benefit Connecticut's economy,  
1713 ratepayers, or environment. The department may in its discretion  
1714 decline to support a proposed project if the benefits of such project to  
1715 Connecticut's ratepayers, economy or environment, including  
1716 emissions reductions, are too meager to justify ratepayer or taxpayer  
1717 investment.

1718 (2) The program established pursuant to this section shall not  
1719 exceed fifty megawatts, and the department shall review the program  
1720 annually. If the department determines during an annual review that  
1721 the net cost to ratepayers of this program exceeds fifteen million  
1722 dollars, the department shall not approve additional projects that  
1723 require ratepayer subsidies. For purposes of department review of the  
1724 net cost to ratepayers of the program, the department shall take into  
1725 account both (A) the benefits of any power purchase agreements for  
1726 ratepayers, any estimated benefits of avoided costs of building  
1727 alternative electric infrastructure, or other benefits, and (B) the costs of  
1728 all ratepayer subsidies, the cost of power purchase agreements, and  
1729 other costs.

1730 Sec. 22. Subsection (g) of section 16-245 of the general statutes is  
1731 repealed and the following is substituted in lieu thereof (*Effective July*  
1732 *1, 2011*):

1733 (g) As conditions of continued licensure, in addition to the  
1734 requirements of subsection (c) of this section: (1) The licensee shall  
1735 comply with the National Labor Relations Act and regulations, if  
1736 applicable; (2) the licensee shall comply with the Connecticut Unfair  
1737 Trade Practices Act and applicable regulations; (3) each generating  
1738 facility operated by or under long-term contract to the licensee shall  
1739 comply with regulations adopted by the Commissioner of Energy and  
1740 Environmental Protection, pursuant to section 22a-174j; (4) the licensee  
1741 shall comply with the portfolio standards, pursuant to section 16-245a;

1742 (5) the licensee shall be a member of the New England Power Pool or  
1743 its successor or have a contractual relationship with one or more  
1744 entities who are members of the New England Power Pool or its  
1745 successor and the licensee shall comply with the rules of the regional  
1746 independent system operator and standards and any other reliability  
1747 guidelines of the regional independent systems operator; (6) the  
1748 licensee shall agree to cooperate with the department and other electric  
1749 suppliers in the event of an emergency condition that may jeopardize  
1750 the safety and reliability of electric service; (7) the licensee shall comply  
1751 with the code of conduct established pursuant to section 16-244h; (8)  
1752 for a license to a participating municipal electric utility, the licensee  
1753 shall provide open and nondiscriminatory access to its distribution  
1754 facilities to other licensed electric suppliers; (9) the licensee or the  
1755 entity or entities with whom the licensee has a contractual relationship  
1756 to purchase power shall be in compliance with all applicable licensing  
1757 requirements of the Federal Energy Regulatory Commission; (10) each  
1758 generating facility operated by or under long-term contract to the  
1759 licensee shall be in compliance with chapter 277a and state  
1760 environmental laws and regulations; (11) the licensee shall comply  
1761 with the renewable portfolio standards established in section 16-245a;  
1762 (12) the licensee shall offer a time-of-use rate option to customers that  
1763 provides for a peak period use rate of at least a five hundred per cent  
1764 increase in the standard nonpeak use rate. Such peak period shall be  
1765 not more than four hours in any twenty-four-hour period. The  
1766 standard nonpeak use rate under this option shall be less than the  
1767 standard use rate offer by such supplier to the customer. Nothing in  
1768 this subdivision shall preclude such supplier from offering other time  
1769 of use options; and [(12)] (13) the licensee shall acknowledge that it is  
1770 subject to chapters 208, 212, 212a and 219, as applicable, and the  
1771 licensee shall pay all taxes it is subject to in this state. Also as a  
1772 condition of licensure, the department shall prohibit each licensee from  
1773 declining to provide service to customers for the reason that the  
1774 customers are located in economically distressed areas. The  
1775 department may establish additional reasonable conditions to assure  
1776 that all retail customers will continue to have access to electric

1777 generation services.

1778       Sec. 23. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
1779 Environmental Protection shall require each electric distribution  
1780 company to notify its customers on an ongoing basis regarding the  
1781 availability of time-of-use meters, if applicable.

1782       Sec. 24. (NEW) (*Effective July 1, 2011*) (a) For the two-year period  
1783 starting January 1, 2012, and ending June 30, 2014, the aggregate net  
1784 annual cost recovered from electric ratepayers pursuant to sections 25  
1785 to 30, inclusive, of this act, shall not exceed one-half of one per cent of  
1786 total retail electricity sales revenues of each electric distribution  
1787 company. For the two-year period starting July 1, 2014, and ending  
1788 June 30, 2016, the aggregate net annual cost recovered for electric  
1789 ratepayers pursuant to sections 25 to 30, inclusive, of this act and  
1790 subsection (i) of section 16-245n of the general statutes, as amended by  
1791 this act, shall not exceed three-fourths of one per cent of total retail  
1792 electricity sales revenues of each electric distribution company. For  
1793 each twelve-month period starting July 1, 2016, and every July first  
1794 thereafter for the duration of the solar programs established pursuant  
1795 to sections 25 to 30, inclusive, of this act and subsection (i) of section  
1796 16-245n of the general statutes, as amended by this act, the aggregate  
1797 net cost of such programs recovered for electric ratepayers shall not  
1798 exceed one per cent of total retail electricity sales revenues of each  
1799 electric distribution company.

1800       (b) The Department of Energy and Environmental Protection shall  
1801 net out the incentives paid by the Renewable Energy Investment Fund  
1802 pursuant to section 16-245n of the general statutes, as amended by this  
1803 act, for solar deployment programs against the aggregate annual costs  
1804 identified in this section.

1805       (c) The Department of Energy and Environmental Protection shall  
1806 report to the joint standing committee of the General Assembly having  
1807 cognizance of matters relating to energy when the annual cost cap is  
1808 within twenty per cent of being exceeded. If the department projects

1809 that the annual cost cap will be exceeded, the department shall take  
1810 measures to ensure such cap will not be exceeded. Such measures may  
1811 include: (1) Delay or modify the development of solar electric  
1812 generating facilities by electric distribution companies pursuant to  
1813 subsection (e) of section 28 of this act; (2) temporarily suspend the  
1814 availability of production-based incentives to customers not already  
1815 eligible to receive such incentives under section 28 of this act; and (3)  
1816 extend the scheduled electric distribution company solar renewable  
1817 energy credit procurement plans under subsection (i) of section 16-  
1818 245n of the general statutes, as amended by this act. If the department  
1819 determines that cost mitigation measures are required, it shall reduce  
1820 proportionally the annual funding for the programs identified in  
1821 subdivisions (1) to (3), inclusive, of this subsection and only to the  
1822 extent required to bring projected annual costs below the cost cap.

1823 (d) On or before January 1, 2015, the Department of Energy and  
1824 Environmental Protection shall report to the joint standing committee  
1825 of the General Assembly having cognizance of matters relating to  
1826 energy on the cost and charges involved in the implementation of this  
1827 program, including a cost-benefit analysis.

1828 Sec. 25. (NEW) (*Effective July 1, 2011*) (a) The Renewable Energy  
1829 Investments Board, created in section 16-245n of the general statutes,  
1830 as amended by this act, shall structure and implement a residential  
1831 solar investment program pursuant to this section and shall result in a  
1832 minimum of thirty megawatts of new residential solar photovoltaic  
1833 installations located in this state on or before December 31, 2022. For  
1834 the purposes of this section and sections 7 and 33 of this act,  
1835 "residential" means dwellings with one to four units.

1836 (b) The Renewable Energy Investments Board shall offer direct  
1837 financial incentives, in the form of performance-based incentives or  
1838 expected performance-based buydowns, for the purchase or lease of  
1839 qualifying residential solar photovoltaic systems. For the purposes of  
1840 this section, "performance-based incentives" means incentives paid out  
1841 on a per kilowatt-hour basis, and "expected performance-based

1842 buydowns" means incentives paid out as a one-time upfront incentive  
1843 based on expected system performance. The board shall consider  
1844 willingness to pay studies and verified solar photovoltaic system  
1845 characteristics, such as operational efficiency, size, location, shading  
1846 and orientation, when determining the type and amount of incentive.  
1847 Notwithstanding the provisions of subdivision (1) of subsection (j) of  
1848 section 16-244c of the general statutes, as amended by this act, the  
1849 amount of renewable energy produced from Class I renewable energy  
1850 sources receiving tariff payments or included in utility rates under this  
1851 section shall be applied to reduce the electric distribution company's  
1852 Class I renewable energy source portfolio standard.

1853 (c) Beginning with the comprehensive plan covering the period  
1854 from July 1, 2011, to June 30, 2013, the Renewable Energy Investments  
1855 Board shall develop and publish in each such plan a proposed  
1856 schedule for the offering of performance-based incentives or expected  
1857 performance-based buydowns over the duration of any such solar  
1858 incentive program. Such schedule shall: (1) Provide for a series of solar  
1859 capacity blocks the combined total of which shall be a minimum of  
1860 thirty megawatts and projected incentive levels for each such block; (2)  
1861 provide incentives that are sufficient to meet reasonable payback  
1862 expectations of the residential consumer, taking into consideration the  
1863 estimated cost of residential solar installations, the value of the energy  
1864 offset by the system and the availability and estimated value of other  
1865 incentives, including, but not limited to, federal and state tax  
1866 incentives and revenues from the sale of solar renewable energy  
1867 credits; (3) provide incentives that decline over time and will foster the  
1868 sustained, orderly development of a state-based solar industry; (4)  
1869 automatically adjust to the next block once the board has issued  
1870 reservations for financial incentives provided pursuant to this section  
1871 from the board fully committing the target solar capacity and available  
1872 incentives in that block; and (5) provide comparable economic  
1873 incentives for the purchase or lease of qualifying residential solar  
1874 photovoltaic systems. The board may retain the services of a third-  
1875 party entity with expertise in the area of solar energy program design

1876 to assist in the development of the incentive schedule or schedules.  
1877 The department shall review and approve such schedule. Nothing in  
1878 this subsection shall restrict the board from modifying the approved  
1879 incentive schedule before the issuance of its next comprehensive plan  
1880 to account for changes in federal or state law or regulation or  
1881 developments in the solar market when such changes would affect the  
1882 expected return on investment for a typical residential solar  
1883 photovoltaic system by twenty per cent or more.

1884 (d) The Renewable Energy Investments Board shall establish and  
1885 periodically update program guidelines, including, but not limited to,  
1886 requirements for systems and program participants related to: (1)  
1887 Eligibility criteria; (2) standards for deployment of energy efficient  
1888 equipment or building practices as a condition for receiving incentive  
1889 funding; (3) procedures to provide reasonable assurance that such  
1890 reservations are made and incentives are paid out only to qualifying  
1891 residential solar photovoltaic systems demonstrating a high likelihood  
1892 of being installed and operated as indicated in application materials;  
1893 and (4) reasonable protocols for the measurement and verification of  
1894 energy production.

1895 (e) The Renewable Energy Investments Board shall maintain on its  
1896 web site the schedule of incentives, solar capacity remaining in the  
1897 current block and available funding and incentive estimators.

1898 (f) Funding for the residential performance-based incentive  
1899 program and expected performance-based buydowns shall be  
1900 apportioned from the moneys collected under the surcharge specified  
1901 in section 16-245n of the general statutes, as amended by this act,  
1902 provided such apportionment shall not exceed one-third of the total  
1903 surcharge collected annually, and supplemented by federal funding as  
1904 may become available.

1905 (g) The Renewable Energy Investments Board shall identify barriers  
1906 to the development of a permanent Connecticut-based solar workforce  
1907 and shall make provision for comprehensive training, accreditation

1908 and certification programs through institutions and individuals  
1909 accredited and certified to national standards.

1910 (h) On or before January 1, 2014, and every two years thereafter for  
1911 the duration of the program, the Renewable Energy Investments Board  
1912 shall report to the joint standing committee of the General Assembly  
1913 having cognizance of matters relating to energy on progress toward  
1914 the goals identified in subsection (a) of this section.

1915 Sec. 26. (NEW) (*Effective July 1, 2011*) (a) Commencing on January 1,  
1916 2012, and within the period established in subsection (a) of section 33  
1917 of this act, each electric distribution company shall solicit and file with  
1918 the Department of Energy and Environmental Protection for its  
1919 approval, one or more long-term power purchase contracts with  
1920 owners or developers of customer-sited solar photovoltaic generation  
1921 projects that are less than two thousand kilowatts in size, located on  
1922 the customer side of the revenue meter and serve the distribution  
1923 system of the electric distribution company.

1924 (b) Solicitations conducted by the electric distribution company  
1925 shall be for the purchase of solar renewable energy credits produced  
1926 by eligible customer-sited solar photovoltaic generating projects over  
1927 the duration of the long-term contract. For purposes of this section, a  
1928 long-term contract is a contract for a minimum of fifteen years. The  
1929 electric distribution company may solicit proposals for a combination  
1930 of renewable energy and associated solar renewable energy credits.

1931 (c) The aggregate procurement of solar renewable energy credits by  
1932 electric distribution companies pursuant to this section shall be no less  
1933 than four million three hundred fifty thousand. The production of a  
1934 megawatt hour of electricity from a Class I solar renewable energy  
1935 source first placed in service on or after the effective date of this  
1936 section shall create one solar renewable energy credit. A solar  
1937 renewable energy credit shall have an effective life covering the year in  
1938 which the credit was created and the following calendar year. The  
1939 obligation to purchase solar renewable energy credits shall be

1940 apportioned to electric distribution companies based on their  
1941 respective distribution system loads at the commencement of the  
1942 procurement period, as determined by the department. An electric  
1943 distribution company shall not be required to enter into a contract that  
1944 provides a payment of more than three hundred fifty dollars per  
1945 megawatt hour over the term of the contract.

1946 (d) Notwithstanding subdivision (1) of subsection (j) of section 16-  
1947 244c of the general statutes, as amended by this act, an electric  
1948 distribution company may retire the solar renewable energy credits it  
1949 procures through long-term contracting to satisfy its obligation  
1950 pursuant to section 16-245a of the general statutes.

1951 (e) Nothing in this section shall preclude the resale or other  
1952 disposition of energy or associated solar renewable energy credits  
1953 purchased by the electric distribution company, provided the  
1954 distribution company shall net the cost of payments made to projects  
1955 under the long-term contracts against the proceeds of the sale of  
1956 energy or solar renewable energy credits and the difference shall be  
1957 credited or charged to distribution customers through a reconciling  
1958 component of electric rates as determined by the department.

1959 Sec. 27. (NEW) (*Effective July 1, 2011*) (a) Each electric distribution  
1960 company shall, not later than one hundred eighty days after the  
1961 effective date of this section, propose a five-year solar solicitation plan  
1962 that shall include a timetable and methodology for soliciting proposals  
1963 for long-term solar renewable energy credits or energy contracts from  
1964 in-state generators and that shall end in calendar year 2022. The  
1965 electric distribution company's solar solicitation plan shall be subject to  
1966 the review and approval of the department, provided contracts  
1967 comprising no less than twenty-five per cent of the electric distribution  
1968 company's obligation shall be submitted for department approval on  
1969 or before January 1, 2013, no less than fifty per cent of such obligation  
1970 shall be submitted for such approval on or before July 1, 2015, and no  
1971 less than seventy-five per cent of such obligation shall be submitted for  
1972 such approval on or before July 1, 2017.

1973 (b) The electric distribution company's approved solar solicitation  
1974 plan shall be designed to foster a diversity of solar project sizes and  
1975 participation among all eligible customer classes subject to cost-  
1976 effectiveness considerations. Separate procurement processes shall be  
1977 conducted for (1) systems up to fifty kilowatts; (2) systems greater than  
1978 fifty kilowatts but less than two hundred kilowatts; and (3) systems  
1979 between two hundred and two thousand kilowatts. The Department of  
1980 Energy and Environmental Protection shall give preference to  
1981 competitive bidding for resources of more than fifty kilowatts, unless  
1982 the department determines that an alternative methodology is in the  
1983 best interests of the electric distribution company's customers and the  
1984 development of a competitive and self-sustaining solar market.  
1985 Systems up to fifty kilowatts in size shall be eligible to receive, on an  
1986 ongoing and continuous basis, a solar renewable energy credit offer  
1987 price equivalent to the weighted average accepted bid price in the  
1988 most recent solicitation for systems greater than fifty kilowatts but less  
1989 than two hundred kilowatts, plus an additional incentive of ten per  
1990 cent. The offer price shall remain open at least until the electric  
1991 distribution company has satisfied its procurement requirement for  
1992 solar renewable energy credits, as specified in section 26 of this act.  
1993 Once the offer price is closed, the owner or holder of a residential solar  
1994 renewable energy credit may bid any outstanding or future credits in a  
1995 competitive solicitation conducted by the electric distribution company  
1996 pursuant to this subsection.

1997 (c) Each electric distribution company shall execute its approved  
1998 five-year solicitation plan and submit for review by the Department of  
1999 Energy and Environmental Protection and approval of its preferred  
2000 solar procurement plan comprised of any proposed contract or  
2001 contracts with independent solar developers.

2002 (d) The Department of Energy and Environmental Protection shall  
2003 hold a hearing that shall be conducted as an uncontested case, in  
2004 accordance with the provisions of chapter 54 of the general statutes, to  
2005 approve, reject or modify an application for approval of the electric  
2006 distribution company's solar procurement plan. The department shall

2007 only approve such proposed plan if the department finds that (1) the  
2008 solicitation and evaluation conducted by the electric distribution  
2009 company was the result of a fair, open, competitive and transparent  
2010 process; (2) approval of the solar procurement plan would result in the  
2011 greatest expected ratepayer value from solar energy or solar renewable  
2012 energy credits at the lowest reasonable cost; and (3) such procurement  
2013 plan satisfies other criteria established in the approved solicitation  
2014 plan. The department shall not approve any proposal made under  
2015 such plan unless it determines that the plan and proposals encompass  
2016 all foreseeable sources of revenue or benefits and that such proposals,  
2017 together with such revenue or benefits, would result in the greatest  
2018 expected ratepayer value from solar energy or solar renewable energy  
2019 credits. The department may, in its discretion, retain the services of an  
2020 independent consultant with expertise in the area of energy  
2021 procurement. The independent consultant shall be unaffiliated with  
2022 the electric distribution company or its affiliates and shall not, directly  
2023 or indirectly, have benefited from employment or contracts with the  
2024 electric distribution company or its affiliates in the preceding five  
2025 years, except as an independent consultant. For purposes of such  
2026 audit, the electric distribution company shall provide the independent  
2027 consultant immediate and continuing access to all documents and data  
2028 reviewed, used or produced by the electric distribution company in its  
2029 bid solicitation and evaluation process. The electric distribution  
2030 company shall make all its personnel, agents and contractors used in  
2031 the bid solicitation and evaluation available for interview by the  
2032 consultant. The electric distribution company shall conduct any  
2033 additional modeling requested by the independent auditor to test the  
2034 assumptions and results of the bid evaluation process. The  
2035 independent consultant shall not participate in or advise the electric  
2036 distribution company with respect to any decisions in the bid  
2037 solicitation or bid evaluation process. The department's administrative  
2038 costs in reviewing the electric distribution company's solar  
2039 procurement plan and the costs of the consultant shall be recovered  
2040 through a reconciling component of electric rates as determined by the  
2041 department.

2042 (e) The electric distribution company shall be entitled to recover its  
2043 reasonable costs of complying with its approved solar procurement  
2044 plan through a reconciling component of electric rates as determined  
2045 by the department.

2046 (f) If, by January 1, 2013, the department has not received proposed  
2047 long-term solar renewable energy credit contracts consisting of at least  
2048 twenty-five per cent of each electric distribution company's  
2049 procurement obligation or by July 1, 2015, has not received proposed  
2050 long-term solar renewable energy contracts consisting of at least fifty  
2051 per cent of each electric distribution company's procurement  
2052 obligation, or by July 1, 2017, has not received proposed long-term  
2053 solar renewable energy contracts consisting of at least seventy-five per  
2054 cent of each electric distribution company's procurement obligation,  
2055 respectively, the department shall notify the electric distribution  
2056 company of the shortfall. Unless, upon petition by the electric  
2057 distribution company, the department grants the distribution company  
2058 an extension not to exceed ninety days to correct this deficiency, the  
2059 electric distribution company shall be assessed a noncompliance fee of  
2060 five hundred dollars for each solar renewable energy credit shortfall in  
2061 the initial year of the procurement, with the per credit fee declining by  
2062 seven per cent annually over the duration of the ten-year solicitation  
2063 plan. The noncompliance fees associated with the procurement  
2064 shortfall shall be collected by the distribution company, maintained in  
2065 a separate interest-bearing account and disbursed to the department  
2066 on a quarterly basis. Funds collected by the department pursuant to  
2067 this section shall be used to support the deployment of solar  
2068 photovoltaic generating systems installed in the state with priority  
2069 given to otherwise underserved market segments, including, but not  
2070 limited to, low-income housing, schools and other public buildings  
2071 and nonprofits.

2072 (g) No project that receives funding pursuant to this section shall be  
2073 eligible for funding pursuant to section 29 of this act.

2074 (h) Not later than sixty days after its approval of the distribution

2075 company procurement plans submitted on or before January 1, 2013,  
2076 the Department of Energy and Environmental Protection shall submit  
2077 a report to the joint standing committee of the General Assembly  
2078 having cognizance of matters relating to energy. The report shall  
2079 document for each distribution company procurement plan: (1) The  
2080 total number of solar renewable energy credits bid relative to the  
2081 number of solar renewable energy credits requested by the distribution  
2082 company; (2) the total number of bidders in each market segment; (3)  
2083 the number of contracts awarded; and (4) the total weighted average  
2084 price of the solar renewable energy credits or energy so purchased.  
2085 The department shall not report individual bid information or other  
2086 proprietary information.

2087       Sec. 28. (NEW) (*Effective July 1, 2011*) (a) On or before July 1, 2012,  
2088 the Department of Energy and Environmental Protection, in  
2089 consultation with the Office of Policy and Management and the  
2090 Department of Public Works, shall, within available funding,  
2091 complete, or cause to be completed by private vendors, a  
2092 comprehensive solar feasibility survey of facilities owned or operated  
2093 by the state with a load of fifty kilowatts or more. The survey shall  
2094 rank state-owned or operated facilities based on their technical  
2095 feasibility to accommodate solar photovoltaic generating systems by  
2096 considering such factors as: (1) On-site energy consumption; (2)  
2097 building orientation; (3) roof age and condition; (4) shading and the  
2098 potential for obstruction to sunlight over the life of the solar system; (5)  
2099 structural load capacity; (6) availability of ancillary facilities, such as  
2100 parking lots, walkways or maintenance areas; (7) nonenergy related  
2101 amenities; and (8) other factors that the Department of Energy and  
2102 Environmental Protection deems may bear on the technical feasibility  
2103 of such solar deployment.

2104       (b) The Department of Energy and Environmental Protection, shall,  
2105 within available funding, issue one or more requests for proposals for  
2106 the deployment of solar photovoltaic generating systems at state-  
2107 owned or operated facilities. Any such request for proposals shall be  
2108 structured to maximize the state's ability to secure incentives available

2109 from the federal government or other sources. The department may  
2110 seek in any request for proposals the services of an entity to finance,  
2111 design, construct, own or maintain such solar photovoltaic system  
2112 under a long-term solar services agreement. Any such entity chosen to  
2113 provide such services shall not be considered a public service company  
2114 under section 16-1 of the general statutes, as amended by this act.

2115       Sec. 29. (NEW) (*Effective July 1, 2011*) (a) Each electric distribution  
2116 company shall, not later than July 1, 2012, file with the Department of  
2117 Energy and Environmental Protection for its approval a tariff for  
2118 production-based payments to owners or operators of Class I solar  
2119 renewable energy source projects located in this state that are not less  
2120 than one megawatt and connected directly to the distribution system  
2121 of an electric distribution company.

2122       (b) Such tariffs shall provide production-based payments for a  
2123 period not less than fifteen years from the in-service date of the Class I  
2124 solar renewable energy source project at a price that is, at the  
2125 determination of the Department of Energy and Environmental  
2126 Protection, a cost-based payment consisting of the fully allocated cost  
2127 of constructing and operating a Class I solar renewable energy source  
2128 of from one megawatt to seven and one-half megawatts were such  
2129 construction and operation to be undertaken or procured by the  
2130 electric distribution company itself. In calculating the cost-based tariff,  
2131 the department shall consider actual cost data for Class I solar energy  
2132 sources constructed and operated by the electric distribution company  
2133 pursuant to subsection (e) of this section taking into consideration all  
2134 available state and federal incentives.

2135       (c) Such tariffs shall include a per project eligibility cap of seven and  
2136 one-half megawatts and an aggregate eligibility cap of fifty megawatts,  
2137 apportioned among each electric distribution company in proportion  
2138 to distribution load.

2139       (d) The cost of such tariff payments shall be eligible for inclusion in  
2140 any subsequent rates, provided such payments are for projects

2141 operational on or after the effective date of this section, and recovered  
2142 through a reconciling component of electric rates as determined by the  
2143 Department of Energy and Environmental Protection.

2144 (e) On and after July 1, 2012, electric distribution companies may  
2145 construct, own and operate solar electric generating facilities up to  
2146 one-third of their proportional share of the total cap amounts specified  
2147 under subsection (c) of this section, provided any such development  
2148 shall be phased in over a period of no less than three years. Such  
2149 projects shall be located on brownfields or other locations in a targeted  
2150 investment community. The Department of Energy and Environmental  
2151 Protection in a contested case, shall authorize the electric distribution  
2152 company to recover in rates its costs to construct, own and operate  
2153 solar electric generating facilities, including a reasonable return on its  
2154 investment not to exceed eight per cent, if such approval would result  
2155 in a reasonable cost of meeting the solar energy requirements pursuant  
2156 to said subsection (c) of this section and that such investment will not  
2157 restrict competition or restrict growth in the state's solar energy  
2158 industry or unfairly employ in a manner which would restrict  
2159 competition in the market for solar energy systems any financial,  
2160 marketing, distributing or generating advantage that the electric  
2161 distribution company may exercise as a result of its authority to  
2162 operate as a public service company.

2163 (f) Notwithstanding the provisions of subdivision (1) of subsection  
2164 (j) of section 16-244c of the general statutes, as amended by this act, the  
2165 amount of renewable energy produced from Class I renewable energy  
2166 sources receiving tariff payments or included in utility rates under this  
2167 section shall be applied to reduce the electric distribution company's  
2168 Class I renewable energy source portfolio standard.

2169 (g) No project that receives funding pursuant to this section shall be  
2170 eligible for funding pursuant to section 27 of this act.

2171 (h) On or before September 1, 2013, the department, in consultation  
2172 with the Office of Consumer Counsel and the Renewable Energy

2173 Investments Board, shall study the operation of solar renewable  
2174 energy tariffs and shall report, in accordance with the provisions of  
2175 section 11-4a of the general statutes, its findings and recommendations  
2176 to the joint standing committee of the General Assembly having  
2177 cognizance of matters relating to energy.

2178 (i) The department shall suspend the tariff established pursuant to  
2179 this section upon the earlier of (1) an electric distribution company  
2180 reaching its aggregate cap pursuant to subsection (c) of this section, or  
2181 (2) three years from the effective date of the tariff.

2182 Sec. 30. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
2183 Environmental Protection in consultation with the Renewable Energy  
2184 Investment Fund established in section 16-245n of the general statutes,  
2185 as amended by this act, and the Conservation and Load Management  
2186 Fund established in section 16-245m of the general statutes, as  
2187 amended by this act, shall develop coordinated programs to create a  
2188 self-sustaining market for solar thermal systems for electricity, natural  
2189 gas and fuel oil customers.

2190 Sec. 31. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
2191 Environmental Protection shall provide an additional incentive of up  
2192 to five per cent of the then-applicable incentive provided pursuant to  
2193 sections 25 and 30 of this act for the use of major system components  
2194 manufactured or assembled in Connecticut, and another additional  
2195 incentive of up to five per cent of the then applicable incentive  
2196 provided pursuant to sections 25 and 30 of this act for the use of major  
2197 system components manufactured or assembled in a distressed  
2198 municipality, as defined in section 32-9p of the general statutes, or a  
2199 targeted investment community, as defined in section 32-222 of the  
2200 general statutes.

2201 Sec. 32. (NEW) (*Effective July 1, 2011*) (a) On or before January 1,  
2202 2012, the Department of Energy and Environmental Protection shall  
2203 initiate an uncontested proceeding to establish a feed-in tariff that shall  
2204 decline over time to include, but not be limited to, wind, fuel cells,

2205 biomass, geothermal and energy efficiency projects. As a result of such  
2206 proceeding, the department shall establish the parameters of such  
2207 program, which shall include, but not be limited to, a requirement that  
2208 no ratepayer money fund such program.

2209 (b) On or before January 1, 2012, and annually thereafter, the  
2210 department shall report, in accordance with the provisions of section  
2211 11-4a of the general statutes, to the joint standing committee of the  
2212 General Assembly having cognizance of matters relating to energy  
2213 regarding the feed-in tariff established pursuant to this section.

2214 Sec. 33. (NEW) (*Effective October 1, 2011*) The Renewable Energy  
2215 Investments Board created pursuant to section 16-245n of the general  
2216 statutes, as amended by this act, in consultation with the Department  
2217 of Energy and Environmental Protection, may establish a program to  
2218 be known as the "condominium renewable energy grant program".  
2219 Under such program, the board may provide grants to residential  
2220 condominium associations and residential condominium owners,  
2221 within available funds, for purchasing renewable energy sources,  
2222 including solar energy, geothermal energy and fuel cells or other  
2223 energy-efficient hydrogen-fueled energy.

2224 Sec. 34. (NEW) (*Effective July 1, 2011*) The Department of Energy and  
2225 Environmental Protection shall establish a pilot program to support  
2226 through loans, grants or power purchase agreements sustainable  
2227 practices and economic prosperity of Connecticut farms by using  
2228 agricultural waste with on-site anaerobic digestion facilities to  
2229 generate electricity and heat. As part of the pilot program, the  
2230 department may approve no more than five projects, each of which  
2231 shall have a maximum size of five hundred kilowatts. On or before  
2232 January 1, 2012, and annually thereafter, the department shall report,  
2233 in accordance with the provisions of section 11-4a of the general  
2234 statutes, to the joint standing committee of the General Assembly  
2235 having cognizance of matters relating to energy regarding the program  
2236 established pursuant to this subsection.

2237       Sec. 35. (NEW) (*Effective July 1, 2011*) (a) On or before June 30, 2012,  
2238 the Department of Energy and Environmental Protection shall conduct  
2239 a proceeding regarding development of low-income discounted rates  
2240 for service provided by electric distribution companies, as defined in  
2241 section 16-1 of the general statutes, as amended by this act, to low-  
2242 income customers with an annual income that does not exceed sixty  
2243 per cent of median income. Such proceeding shall include, but not be  
2244 limited to, a review, for individuals who receive means-tested  
2245 assistance administered by the state or federal governments, of the  
2246 current and future availability of rate discounts through the  
2247 department's electricity purchasing pool operated pursuant to section  
2248 16a-14e of the general statutes, energy assistance benefits available  
2249 through any plan adopted pursuant to section 16a-41a of the general  
2250 statutes, state funded or administered programs, conservation  
2251 assistance available pursuant to section 16-245m of the general  
2252 statutes, as amended by this act, assistance funded or administered by  
2253 said department or the Department of Social Services, or matching  
2254 payment program benefits available pursuant to subsection (b) of  
2255 section 16-262c of the general statutes. Such proceeding shall also  
2256 include an analysis of the cost of imposing a utility termination  
2257 moratorium in households with a child two years of age or younger.  
2258 The department shall (1) coordinate resources and programs, to the  
2259 extent practicable; (2) develop rates that take into account the  
2260 indigency of persons of poverty status and allow such persons'  
2261 households to meet the costs of essential energy needs; (3) encourage  
2262 the households to agree to have a home energy audit as a prerequisite  
2263 to qualification; and (4) prepare an analysis of the benefits and  
2264 anticipated costs of such low-income discounted rates.

2265       (b) The department shall determine which, if any, of its programs  
2266 shall be modified, terminated or have their funding reduced because  
2267 such program beneficiaries would benefit more by the establishment of  
2268 a low-income or discount rate. The department shall establish a rate  
2269 reduction that is equal to the anticipated funds transferred from the  
2270 programs modified, terminated or reduced by the department

2271 pursuant to this section and the reduced cost of providing service to  
2272 those eligible for such discounted or low-income rates, any available  
2273 energy assistance and other sources of coverage for such rates,  
2274 including, but not limited to, generation available through the  
2275 electricity purchasing pool operated by the department. The  
2276 department may issue recommendations regarding programs  
2277 administered by the Department of Social Services.

2278 (c) The department shall order (1) filing by each electric distribution  
2279 company of proposed rates consistent with the department's decision  
2280 pursuant to subsection (a) of this section not later than sixty days after  
2281 its issuance; and (2) appropriate modification of existing low-income  
2282 programs. Each company shall conduct outreach to make its low-  
2283 income or discounted rates available to eligible customers and report  
2284 to the department at least annually regarding its outreach activities  
2285 and the results of such activities.

2286 (d) The cost of low-income and discounted rates and related  
2287 outreach activities pursuant to this section shall be paid (1) through the  
2288 normal rate-making procedures of the department, (2) on a semiannual  
2289 basis through the systems benefits charge for an electric distribution  
2290 company, and (3) solely from the funds of the programs modified,  
2291 terminated or reduced by the department pursuant to this section and  
2292 the reduced cost of providing service to those eligible for such  
2293 discounted or low-income rates, any available energy assistance and  
2294 other sources of coverage for such rates, including, but not limited to,  
2295 generation available through the electricity purchasing pool operated  
2296 by the department.

2297 (e) On or before July 1, 2013, the department shall report, in  
2298 accordance with section 11-4a of the general statutes, to the joint  
2299 standing committee of the General Assembly having cognizance of  
2300 matters relating to energy regarding the benefits and costs of the low-  
2301 income or discounted rates established pursuant to subsection (a) of  
2302 this section, including, but not limited to, possible impacts on existing  
2303 customers who qualify for state assistance, and any recommended

2304 modifications. If the low-income rate is not less than ninety per cent of  
2305 the standard service rate, the department shall include in its report  
2306 steps to achieve that goal.

2307 Sec. 36. Section 16-245o of the general statutes is repealed and the  
2308 following is substituted in lieu thereof (*Effective July 1, 2011*):

2309 (a) To protect a customer's right to privacy from unwanted  
2310 solicitation, each electric company or electric distribution company, as  
2311 the case may be, shall distribute to each customer a form approved by  
2312 the Department of [Public Utility Control] Energy and Environmental  
2313 Protection which the customer shall submit to the customer's electric  
2314 or electric distribution company in a timely manner if the customer  
2315 does not want the customer's name, address, telephone number and  
2316 rate class to be released to electric suppliers. On and after July 1, 1999,  
2317 each electric or electric distribution company, as the case may be, shall  
2318 make available to all electric suppliers customer names, addresses,  
2319 telephone numbers, if known, and rate class, unless the electric  
2320 company or electric distribution company has received a form from a  
2321 customer requesting that such information not be released. Additional  
2322 information about a customer for marketing purposes shall not be  
2323 released to any electric supplier unless a customer consents to a release  
2324 by one of the following: (1) An independent third-party telephone  
2325 verification; (2) receipt of a written confirmation received in the mail  
2326 from the customer after the customer has received an information  
2327 package confirming any telephone agreement; (3) the customer signs a  
2328 document fully explaining the nature and effect of the release; or (4)  
2329 the customer's consent is obtained through electronic means,  
2330 including, but not limited to, a computer transaction.

2331 (b) All electric suppliers shall have equal access to customer  
2332 information required to be disclosed under subsection (a) of this  
2333 section. No electric supplier shall have preferential access to historical  
2334 distribution company customer usage data.

2335 (c) No electric or electric distribution company shall include in any

2336 bill or bill insert anything that directly or indirectly promotes a  
2337 generation entity or affiliate of the electric distribution company. No  
2338 electric supplier shall include a bill insert in an electric bill of an  
2339 electric distribution company.

2340 (d) All marketing information provided pursuant to the provisions  
2341 of this section shall be formatted electronically by the electric company  
2342 or electric distribution company, as the case may be, in a form that is  
2343 readily usable by standard commercial software packages. Updated  
2344 lists shall be made available within a reasonable time, as determined  
2345 by the department, following a request by an electric supplier. Each  
2346 electric supplier seeking the information shall pay a fee to the electric  
2347 company or electric distribution company, as the case may be, which  
2348 reflects the incremental costs of formatting, sorting and distributing  
2349 this information, together with related software changes. Customers  
2350 shall be entitled to any available individual information about their  
2351 loads or usage at no cost.

2352 (e) Each electric supplier shall, prior to the initiation of electric  
2353 generation services, provide the potential customer with a written  
2354 notice describing the rates, information on air emissions and resource  
2355 mix of generation facilities operated by and under long-term contract  
2356 to the supplier, terms and conditions of the service, and a notice  
2357 describing the customer's right to cancel the service, as provided in this  
2358 section. No electric supplier shall provide electric generation services  
2359 unless the customer has signed a service contract or consents to such  
2360 services by one of the following: (1) An independent third-party  
2361 telephone verification; (2) receipt of a written confirmation received in  
2362 the mail from the customer after the customer has received an  
2363 information package confirming any telephone agreement; (3) the  
2364 customer signs a [document fully explaining the nature and effect of  
2365 the initiation of the service] contract that conforms with the provisions  
2366 of this section; or (4) the customer's consent is obtained through  
2367 electronic means, including, but not limited to, a computer transaction.  
2368 Each electric supplier shall provide each customer with a demand of  
2369 less than one hundred kilowatts, a written contract that conforms with

2370 the provisions of this section and maintain records of such signed  
2371 service contract or consent to service for a period of not less than two  
2372 years from the date of expiration of such contract, which records shall  
2373 be provided to the division or the customer upon request. Each  
2374 contract for electric generation services shall contain all material terms  
2375 of the agreement, a clear and conspicuous statement explaining the  
2376 rates that such customer will be paying, including the circumstances  
2377 under which the rates may change, a statement that provides specific  
2378 directions to the customer as to how to compare the price term in the  
2379 contract to the customer's existing electric generation service charge on  
2380 the electric bill and how long those rates are guaranteed. Such contract  
2381 shall also include a clear and conspicuous statement providing the  
2382 customer's right to cancel such contract not later than three days after  
2383 signature or receipt in accordance with the provisions of this  
2384 subsection, describing under what circumstances, if any, the supplier  
2385 may terminate the contract and describing any penalty for early  
2386 termination of such contract. Each contract shall be signed by the  
2387 customer, or otherwise agreed to in accordance with the provisions of  
2388 this subsection. A customer who has a maximum demand of five  
2389 hundred kilowatts or less shall, until midnight of the third business  
2390 day after the latter of the day on which the customer enters into a  
2391 service agreement or the day on which the customer receives the  
2392 written contract from the electric supplier as provided in this section,  
2393 have the right to cancel a contract for electric generation services  
2394 entered into with an electric supplier.

2395 [(f) An electric supplier shall not advertise or disclose the price of  
2396 electricity in such a manner as to mislead a reasonable person into  
2397 believing that the electric generation services portion of the bill will be  
2398 the total bill amount for the delivery of electricity to the customer's  
2399 location. When advertising or disclosing the price for electricity, the  
2400 electric supplier shall also disclose the electric distribution company's  
2401 average current charges, including the competitive transition  
2402 assessment and the systems benefits charge, for that customer class.]

2403 (f) (1) Any third-party agent who contracts with or is otherwise

2404 compensated by an electric supplier to sell electric generation services  
2405 shall be a legal agent of the electric supplier. No third-party agent may  
2406 sell electric generation services on behalf of an electric supplier unless  
2407 (A) the third-party agent is an employee or independent contractor of  
2408 such electric supplier, and (B) the third-party agent has received  
2409 appropriate training directly from such electric supplier.

2410 (2) On or after July 1, 2011, all sales and solicitations of electric  
2411 generation services by an electric supplier, aggregator or agent of an  
2412 electric supplier or aggregator to a customer with a maximum demand  
2413 of one hundred kilowatts or less conducted and consummated entirely  
2414 by mail, door-to-door sale, telephone or other electronic means, during  
2415 a scheduled appointment at the premises of a customer or at a fair,  
2416 trade or business show, convention or exposition in addition to  
2417 complying with the provisions of subsection (e) of this section shall:

2418 (A) For any sale or solicitation, including from any person  
2419 representing such electric supplier, aggregator or agent of an electric  
2420 supplier or aggregator (i) identify the person and the electric  
2421 generation services company or companies the person represents; (ii)  
2422 provide a statement that the person does not represent an electric  
2423 distribution company; (iii) explain the purpose of the solicitation; and  
2424 (iv) explain all rates, fees, variable charges and terms and conditions  
2425 for the services provided; and

2426 (B) For door-to-door sales to customers with a maximum demand of  
2427 one hundred kilowatts, which shall include the sale of electric  
2428 generation services in which the electric supplier, aggregator or agent  
2429 of an electric supplier or aggregator solicits the sale and receives the  
2430 customer's agreement or offer to purchase at a place other than the  
2431 seller's place of business, be conducted (i) in accordance with any  
2432 municipal and local ordinances regarding door-to-door solicitations,  
2433 (ii) between the hours of ten o'clock a.m. and six o'clock p.m., and (iii)  
2434 with both English and Spanish written materials available. Any  
2435 representative of an electric supplier, aggregator or agent of an electric  
2436 supplier or aggregator shall prominently display or wear a photo

2437 identification badge stating the name of such person's employer or the  
2438 electric supplier the person represents. Each such supplier, aggregator  
2439 or agent shall conduct a criminal background check on each person  
2440 such entity employs to conduct such door-to-door sales.

2441 (3) No electric supplier, aggregator or agent of an electric supplier  
2442 or aggregator shall advertise or disclose the price of electricity to  
2443 mislead a reasonable person into believing that the electric generation  
2444 services portion of the bill will be the total bill amount for the delivery  
2445 of electricity to the customer's location. When advertising or disclosing  
2446 the price for electricity, the electric supplier, aggregator or agent of an  
2447 electric supplier or aggregator shall also disclose the electric  
2448 distribution company's current charges, including the competitive  
2449 transition assessment and the systems benefits charge, for that  
2450 customer class.

2451 (4) No entity, including an aggregator or agent of an electric  
2452 supplier or aggregator, who sells or offers for sale any electric  
2453 generation services for or on behalf of an electric supplier, shall engage  
2454 in any deceptive acts or practices in the marketing, sale or solicitation  
2455 of electric generation services.

2456 (5) Each electric supplier shall disclose to the Department of Energy  
2457 and Environmental Protection in a standardized format (A) the  
2458 amount of additional renewable energy credits such supplier will  
2459 purchase beyond required credits, (B) where such additional credits  
2460 are being sourced from, and (C) the types of renewable energy sources  
2461 that will be purchased. Each electric supplier shall only advertise  
2462 renewable energy credits purchased beyond those required pursuant  
2463 to section 16-245a and shall report to the department the renewable  
2464 energy sources of such credits and whenever the mix of such sources  
2465 changes.

2466 (6) No contract for electric generation services by an electric supplier  
2467 shall require a residential customer to pay any fee for termination or  
2468 early cancellation of a contract in excess of (A) one hundred dollars; or

2469 (B) twice the estimated bill for energy services for an average month,  
2470 whichever is less, provided when an electric supplier offers a contract,  
2471 it provides the residential customer an estimate of such customer's  
2472 average monthly bill.

2473 (7) An electric supplier shall not make a material change in the  
2474 terms or duration of any contract for the provision of electric  
2475 generation services by an electric supplier without the express consent  
2476 of the customer. Nothing in this subdivision shall restrict an electric  
2477 supplier from renewing a contract by clearly informing the customer,  
2478 in writing, not less than thirty days nor more than sixty days before the  
2479 renewal date, of the renewal terms and of the option not to accept the  
2480 renewal offer, provided no fee pursuant to subdivision (6) of this  
2481 section shall be charged to a customer who terminates or cancels such  
2482 renewal not later than seven business days after receiving the first  
2483 billing statement for the renewed contract.

2484 (g) Each electric supplier, aggregator or agent of an electric supplier  
2485 or aggregator shall comply with the provisions of the telemarketing  
2486 regulations adopted pursuant to 15 USC 6102.

2487 (h) Any violation of this section shall be deemed an unfair or  
2488 deceptive trade practice under subsection (a) of section 42-110b. Any  
2489 contract for electric generation services that the division finds to be the  
2490 product of unfair or deceptive marketing practices or in material  
2491 violation of the provisions of this section shall be void and  
2492 unenforceable. Any waiver of the provisions of this section by a  
2493 customer of electric generation services shall be deemed void and  
2494 unenforceable by the electric supplier.

2495 (i) Any violation or failure to comply with any provision of this  
2496 section shall be subject to (1) civil penalties by the department in  
2497 accordance with section 16-41, (2) the suspension or revocation of an  
2498 electric supplier or aggregator's license, or (3) a prohibition on  
2499 accepting new customers following a hearing that is conducted as a  
2500 contested case in accordance with chapter 54.

2501 (j) The department may adopt regulations, in accordance with the  
2502 provisions of chapter 54, to include, but not be limited to, abusive  
2503 switching practices, solicitations and renewals by electric suppliers.

2504 Sec. 37. Section 16-245d of the general statutes is repealed and the  
2505 following is substituted in lieu thereof (*Effective July 1, 2011*):

2506 (a) The Department of [Public Utility Control] Energy and  
2507 Environmental Protection shall, by regulations adopted pursuant to  
2508 chapter 54, develop a standard billing format that enables customers to  
2509 compare pricing policies and charges among electric suppliers. [Not  
2510 later than January 1, 2006, the] The department shall adopt regulations,  
2511 in accordance with the provisions of chapter 54, to provide that an  
2512 electric supplier, until October 1, 2011, may provide direct billing and  
2513 collection services for electric generation services and related federally  
2514 mandated congestion charges that such supplier provides to its  
2515 customers [that have] with a maximum demand of not less than one  
2516 hundred kilowatts [and] that choose to receive a bill directly from such  
2517 supplier and, on and after October 1, 2011, shall provide direct billing  
2518 and collection services for electric generation services and related  
2519 federally mandated congestion charges that such suppliers provide to  
2520 their customers or may choose to obtain such billing and collection  
2521 service through an electric distribution company and pay its pro rata  
2522 share in accordance with the provisions of subsection (h) of section 16-  
2523 244c, as amended by this act. Any customer of an electric supplier,  
2524 which is choosing to provide direct billing, who paid for the cost of  
2525 billing and other services to an electric distribution company shall  
2526 receive a credit on their monthly bill.

2527 (1) An electric supplier that chooses to provide billing and collection  
2528 services shall, in accordance with the billing format developed by the  
2529 department, include the following information in each customer's bill:  
2530 (A) The total amount owed by the customer, which shall be itemized to  
2531 show (i) the electric generation services component and any additional  
2532 charges imposed by the electric supplier, and (ii) federally mandated  
2533 congestion charges applicable to the generation services; (B) any

2534 unpaid amounts from previous bills, which shall be listed separately  
2535 from current charges; (C) the rate and usage for the current month and  
2536 each of the previous twelve months in bar graph form or other visual  
2537 format; (D) the payment due date; (E) the interest rate applicable to  
2538 any unpaid amount; (F) the toll-free telephone number of the  
2539 Department of Public Utility Control for questions or complaints; and  
2540 (G) the toll-free telephone number and address of the electric supplier.

2541 (2) An [electric company,] electric distribution company [or electric  
2542 supplier that provides direct billing of the electric generation service  
2543 component and related federally mandated congestion charges, as the  
2544 case may be,] shall, in accordance with the billing format developed by  
2545 the department, include the following information in each customer's  
2546 bill: [, as appropriate: (1)] (A) The total amount owed by the customer,  
2547 which shall be itemized to show, [(A)] (i) the electric generation  
2548 services component [and any additional charges imposed by the  
2549 electric supplier, if applicable, (B)] if the customer obtains standard  
2550 service or last resort service from the electric distribution company, (ii)  
2551 the distribution charge, including all applicable taxes and the systems  
2552 benefits charge, as provided in section 16-245l, [(C)] (iii) the  
2553 transmission rate as adjusted pursuant to subsection (d) of section 16-  
2554 19b, [(D)] (iv) the competitive transition assessment, as provided in  
2555 section 16-245g, [(E)] (v) federally mandated congestion charges, and  
2556 [(F)] (vi) the conservation and renewable energy charge, consisting of  
2557 the conservation and load management program charge, as provided  
2558 in section 16-245m, as amended by this act, and the renewable energy  
2559 investment charge, as provided in section 16-245n, as amended by this  
2560 act; [(2)] (B) any unpaid amounts from previous bills which shall be  
2561 listed separately from current charges; [(3)] (C) except for customers  
2562 subject to a demand charge, the rate and usage for the current month  
2563 and each of the previous twelve months in the form of a bar graph or  
2564 other visual form; [(4)] (D) the payment due date; [(5)] (E) the interest  
2565 rate applicable to any unpaid amount; [(6)] (F) the toll-free telephone  
2566 number of the electric distribution company to report power losses;  
2567 [(7)] (G) the toll-free telephone number of the Department of Public

2568 Utility Control for questions or complaints; [(8) the toll-free telephone  
2569 number and address of the electric supplier; and (9)] and (H) if a  
2570 customer has a demand of five hundred kilowatts or less during the  
2571 preceding twelve months, a statement about the availability of  
2572 information concerning electric suppliers pursuant to section 16-245p.

2573 (b) The regulations shall provide guidelines for determining until  
2574 October 1, 2011, the billing relationship between the electric  
2575 distribution company and electric suppliers, including, but not limited  
2576 to, the allocation of partial bill payments and late payments between  
2577 the electric distribution company and the electric supplier. An electric  
2578 distribution company that provides billing services for an electric  
2579 supplier shall be entitled to recover from the electric supplier all  
2580 reasonable transaction costs to provide such billing services as well as  
2581 a reasonable rate of return, in accordance with the principles in  
2582 subsection (a) of section 16-19e.

2583 Sec. 38. (NEW) (*Effective July 1, 2011*) The commissioner shall  
2584 administer a state-appropriated weatherization assistance program to  
2585 provide, within available appropriations, weatherization assistance in  
2586 accordance with the provisions of the state plan implementing the  
2587 weatherization assistance block grant program authorized by the  
2588 federal Low-Income Home Energy Assistance Act of 1981, and  
2589 programs of fuel assistance and weatherization assistance with funds  
2590 authorized by the federal Low-Income Home Energy Assistance Act of  
2591 1981 and by the United States Department of Energy in accordance  
2592 with 10 CFR Part 440 promulgated under Title IV of the Energy  
2593 Conservation and Production Act, as amended, and oil settlement  
2594 funds in accordance with subsections (b) and (c) of section 4-28 of the  
2595 general statutes. The commissioner shall adopt regulations in  
2596 accordance with the provisions of chapter 54 of the general statutes, (1)  
2597 establishing priorities for determining which households shall receive  
2598 such weatherization assistance, (2) requiring that such weatherization  
2599 assistance for energy conservation measures other than the retrofitting  
2600 of heating systems be provided only for any dwelling unit for which  
2601 an energy audit has been conducted in accordance with the provisions

2602 of sections 16a-45a to 16a-46c, inclusive, of the general statutes, (3)  
2603 requiring that the only criterion for determining which energy  
2604 conservation measures shall be implemented pursuant to this  
2605 subsection in any such dwelling unit shall be the simple payback  
2606 calculated for each energy conservation measure recommended in the  
2607 energy audit conducted for such unit, (4) establishing the maximum  
2608 allowable payback period for such energy conservation measures, and  
2609 (5) establishing conditions for the waiver of the provisions of  
2610 subdivisions (1) to (4), inclusive, of this subsection in the event of  
2611 emergencies. The programs provided for under this subsection shall  
2612 include a program of fuel and weatherization assistance for emergency  
2613 shelters for homeless individuals and victims of domestic violence. The  
2614 commissioner may adopt regulations, in accordance with the  
2615 provisions of chapter 54 of the general statutes, to implement and  
2616 administer the program of fuel and weatherization assistance for  
2617 emergency shelters.

2618       Sec. 39. (NEW) (*Effective July 1, 2011*) On or before October 1, 2011,  
2619 the Department of Energy and Environmental Protection shall  
2620 establish a natural gas conversion program to allow a gas company to  
2621 finance the conversion to gas heat by potential residential customers  
2622 who heat their homes with electricity. The department shall adopt  
2623 regulations in accordance with the provisions of chapter 54 of the  
2624 general statutes to establish procedures and terms for such program  
2625 and shall, on or before January 1, 2012, and annually thereafter, report  
2626 in accordance with the provisions of section 11-4a of the general  
2627 statutes to the joint standing committees of the General Assembly  
2628 having cognizance of matters relating to energy and the environment  
2629 regarding the progress of said program.

2630       Sec. 40. Section 16-245z of the general statutes is repealed and the  
2631 following is substituted in lieu thereof (*Effective July 1, 2011*):

2632       Not later than October 1, 2005, the Department of [Public Utility  
2633 Control] Energy and Environmental Protection and the Energy  
2634 Conservation Management Board, established in section 16-245m, as

2635 amended by this act, shall establish links on their Internet web sites to  
2636 the Energy Star program or successor program that promotes energy  
2637 efficiency and each electric distribution company shall establish a link  
2638 under its conservation programs on its Internet web site to the Energy  
2639 Star program or such successor program.

2640 Sec. 41. Section 17b-801 of the general statutes is repealed and the  
2641 following is substituted in lieu thereof (*Effective July 1, 2011*):

2642 (a) The Commissioner of Social Services shall administer a state-  
2643 appropriated fuel assistance program to provide, within available  
2644 appropriations, fuel assistance to elderly and disabled persons whose  
2645 household gross income is above the income eligibility guidelines for  
2646 the Connecticut energy assistance program but does not exceed two  
2647 hundred per cent of federal poverty guidelines. The income eligibility  
2648 guidelines for the state-appropriated fuel assistance program shall be  
2649 determined, annually, by the Commissioner of Social Services, in  
2650 conjunction with the Secretary of the Office of Policy and  
2651 Management. The commissioner may adopt regulations, in accordance  
2652 with the provisions of chapter 54, to implement the provisions of this  
2653 subsection.

2654 [(b) The commissioner shall administer a state-appropriated  
2655 weatherization assistance program to provide, within available  
2656 appropriations, weatherization assistance in accordance with the  
2657 provisions of the state plan implementing the weatherization  
2658 assistance block grant program authorized by the federal Low-Income  
2659 Home Energy Assistance Act of 1981, and programs of fuel assistance  
2660 and weatherization assistance with funds authorized by the federal  
2661 Low-Income Home Energy Assistance Act of 1981 and by the U.S.  
2662 Department of Energy in accordance with 10 CFR Part 440  
2663 promulgated under Title IV of the Energy Conservation and  
2664 Production Act, as amended, and oil settlement funds in accordance  
2665 with subsections (b) and (c) of section 4-28. The commissioner shall  
2666 adopt regulations in accordance with the provisions of chapter 54, (1)  
2667 establishing priorities for determining which households shall receive

2668 such weatherization assistance, (2) requiring that such weatherization  
2669 assistance for energy conservation measures other than the retrofitting  
2670 of heating systems be provided only for any dwelling unit for which  
2671 an energy audit has been conducted in accordance with the provisions  
2672 of sections 16a-45a to 16a-46c, inclusive, (3) requiring that the only  
2673 criterion for determining which energy conservation measures shall be  
2674 implemented pursuant to this subsection in any such dwelling unit  
2675 shall be the simple payback calculated for each energy conservation  
2676 measure recommended in the energy audit conducted for such unit, (4)  
2677 establishing the maximum allowable payback period for such energy  
2678 conservation measures and (5) establishing conditions for the waiver  
2679 of the provisions of subdivisions (1) to (4), inclusive, of this subsection  
2680 in the event of emergencies. The programs provided for under this  
2681 subsection shall include a program of fuel and weatherization  
2682 assistance for emergency shelters for homeless individuals and victims  
2683 of domestic violence. The commissioner may adopt regulations, in  
2684 accordance with the provisions of chapter 54, to implement and  
2685 administer the program of fuel and weatherization assistance for  
2686 emergency shelters.]

2687 [(c)] (b) The Commissioner of Social Services shall administer,  
2688 within available appropriations, a crime prevention and safety  
2689 program for residences occupied by elderly and disabled persons who  
2690 are eligible for the weatherization assistance block grant program  
2691 authorized by the federal Low-Income Home Energy Assistance Act of  
2692 1981 or the state-appropriated weatherization assistance program. The  
2693 program shall be operated through the community action agencies and  
2694 the municipal agency responsible for said low income weatherization  
2695 program. The program may provide for the purchase and installation,  
2696 where necessary, of devices which allow a person inside a dwelling  
2697 unit to view the area outside the door, or doors with windows, locks  
2698 on windows and doors, and smoke detectors. The installation of  
2699 devices under this program shall be done at the time weatherization is  
2700 done.

2701 Sec. 42. (NEW) (*Effective July 1, 2011*) (a) As used in this section:

2702 (1) "Eligible entity" means (A) any residential, commercial,  
2703 institutional or industrial customer of an electric distribution company  
2704 or natural gas company, as defined in section 16-1 of the general  
2705 statutes, as amended by this act, who employs or installs an eligible in-  
2706 state energy savings technology, (B) an energy service company  
2707 certified as a Connecticut electric efficiency partner by the Department  
2708 of Energy and Environmental Protection, or (C) an installer certified by  
2709 the Renewable Energy Investments Fund; and

2710 (2) "Energy savings infrastructure" means tangible equipment,  
2711 installation, labor, cost of engineering, permits, application fees and  
2712 other reasonable costs incurred by eligible entities for operating  
2713 eligible in-state energy savings technologies designed to reduce  
2714 electricity consumption, natural gas consumption or heating oil  
2715 consumption.

2716 (b) The Department of Energy and Environmental Protection shall  
2717 establish an energy savings infrastructure pilot program consisting of  
2718 financial incentives for the installation of energy efficient heating oil  
2719 burners, boilers and furnaces and natural gas boilers and furnaces by  
2720 eligible entities. On or before June 30, 2014, the department shall  
2721 evaluate the efficacy of the program established pursuant to this  
2722 section.

2723 (c) On or before December 31, 2011, the department shall begin  
2724 accepting applications for financial incentives for the installation of  
2725 more efficient fuel oil and natural gas boilers and furnaces that replace  
2726 existing boilers or furnaces that are not less than seven years old with  
2727 an efficiency rating of not more than seventy-five per cent. A  
2728 qualifying fuel oil furnace shall have an efficiency rating of not less  
2729 than eighty-six per cent. A qualifying fuel oil boiler shall have an  
2730 efficiency rating of not less than eighty-six per cent with thermal purge  
2731 or temperature reset controls. A qualifying natural gas boiler shall  
2732 have an annual fuel utilization efficiency rating of not less than ninety  
2733 per cent and a qualifying natural gas furnace shall have an annual fuel  
2734 utilization efficiency rating of not less than ninety-five per cent. The

2735 department shall review the current market conditions for such  
2736 systems and equipment upgrades, including, but not limited to, any  
2737 existing federal or state financial incentives, and establish the  
2738 appropriate financial incentives under this program necessary to  
2739 encourage such upgrades. Financial incentives shall provide private  
2740 financial institutions with loan loss protection or grants to lower  
2741 borrowing costs and, if the department deems it necessary, grants to  
2742 the lending financial institution to lower borrowing costs and allow for  
2743 a ten-year loan. Such financial incentive package shall ensure that the  
2744 annual loan payment by the applicant shall be at not more than the  
2745 projected annual energy savings less one hundred dollars. Any loan  
2746 provided as a financial incentive pursuant to this subdivision shall  
2747 include the cost of any related incentives, as determined by the  
2748 department. The department shall arrange with an electric distribution  
2749 or gas company to provide for payment of any loan made as financial  
2750 assistance under this subdivision through the loan recipient's monthly  
2751 electric or gas bill, as applicable.

2752 (d) Eligible entities seeking a loan under the loan program  
2753 established in this section shall (1) contract with Connecticut-based  
2754 licensed contractors, installers or tradesmen for the installation of an  
2755 eligible in-state energy savings technology; (2) provide evidence of the  
2756 cost of purchase and installation of the eligible in-state energy savings  
2757 technology; and (3) periodically provide evidence of the operation and  
2758 functionality of the eligible in-state energy savings technology to  
2759 ensure that such technology is operating as intended during the term  
2760 of the loan.

2761 (e) The department shall develop a prescriptive one-page loan  
2762 application. Such application shall include, but not be limited to: (1)  
2763 Detailed information, specifications and documentation of the eligible  
2764 in-state energy technology's installed costs and projected energy  
2765 savings, and (2) for requests for loans in excess of one hundred  
2766 thousand dollars, certification by a licensed professional engineer,  
2767 licensed contractor, installer or tradesman with a state license held in  
2768 good standing.

2769 (f) On or before October 1, 2011, the department shall establish a  
2770 plan that includes procedures and parameters for its energy savings  
2771 infrastructure pilot program established pursuant to this section.

2772 (g) On or before October 1, 2014, the department shall, in  
2773 accordance with the provisions of section 11-4a of the general statutes,  
2774 report to the joint standing committee of the General Assembly having  
2775 cognizance of matters relating to energy with regard to the projects  
2776 assisted by the energy savings infrastructure pilot program established  
2777 pursuant to this section, the amount of public funding, the energy  
2778 savings from the technologies installed and any recommendations for  
2779 changes to the program, including, but not limited to, incentives that  
2780 encourage consumers to install more efficient fuel oil and natural gas  
2781 boilers and furnaces prior to failure or gross inefficiency of their  
2782 current heating system.

2783 Sec. 43. Section 16-49 of the general statutes is repealed and the  
2784 following is substituted in lieu thereof (*Effective July 1, 2011*):

2785 (a) As used in this section:

2786 (1) "Company" means (A) any public service company other than a  
2787 telephone company, that had more than one hundred thousand dollars  
2788 of gross revenues in the state in the calendar year preceding the  
2789 assessment year under this section, except any such company not  
2790 providing service to retail customers in the state, (B) any telephone  
2791 company that had more than one hundred thousand dollars of gross  
2792 revenues in the state from telecommunications services in the calendar  
2793 year preceding the assessment year under this section, except any such  
2794 company not providing service to retail customers in the state, (C) any  
2795 certified telecommunications provider that had more than one  
2796 hundred thousand dollars of gross revenues in the state from  
2797 telecommunications services in the calendar year preceding the  
2798 assessment year under this section, except any such certified  
2799 telecommunications provider not providing service to retail customers  
2800 in the state, or (D) any electric supplier that had more than one

2801 hundred thousand dollars of gross revenues in the state in the calendar  
2802 year preceding the assessment year under this section, except any such  
2803 supplier not providing electric generation services to retail customers  
2804 in the state;

2805 (2) "Telecommunications services" means (A) in the case of  
2806 telecommunications services provided by a telephone company, any  
2807 service provided pursuant to a tariff approved by the [department]  
2808 Department of Energy and Environmental Protection's Bureau of  
2809 Energy and Bureau of Public Utility Control other than wholesale  
2810 services and resold access and interconnections services, and (B) in the  
2811 case of telecommunications services provided by a certified  
2812 telecommunications provider other than a telephone company, any  
2813 service provided pursuant to a tariff approved by the department and  
2814 pursuant to a certificate of public convenience and necessity; and

2815 (3) "Fiscal year" means the period beginning July first and ending  
2816 June thirtieth.

2817 (b) On or before July 15, 1999, and on or before May first, annually  
2818 thereafter, each company shall report its intrastate gross revenues of  
2819 the preceding calendar year to the department, which amount shall be  
2820 subject to audit by the department. For each fiscal year, each company  
2821 shall pay the [Department of Public Utility Control] department the  
2822 company's share of all expenses of the department and the Office of  
2823 Consumer Counsel for such fiscal year. On or before September first,  
2824 annually, the department shall give to each company a statement  
2825 which shall include: (1) The amount appropriated to the department  
2826 and the Office of Consumer Counsel for the fiscal year beginning July  
2827 first of the same year; (2) the total gross revenues of all companies; and  
2828 (3) the proposed assessment against the company for the fiscal year  
2829 beginning on July first of the same year, adjusted to reflect the  
2830 estimated payment required under subdivision (1) of subsection (c) of  
2831 this section. Such proposed assessment shall be calculated by  
2832 multiplying the company's percentage share of the total gross revenues  
2833 as specified in subdivision (2) of this subsection by the total revenue

2834 appropriated to the department and the Office of Consumer Counsel  
2835 as specified in subdivision (1) of this subsection.

2836 (c) Each company shall pay the department: (1) On or before June  
2837 thirtieth, annually, an estimated payment for the expenses of the  
2838 following year equal to twenty-five per cent of its assessment for the  
2839 fiscal year ending on such June thirtieth, (2) on or before September  
2840 thirtieth, annually, twenty-five per cent of its proposed assessment,  
2841 adjusted to reflect any credit or amount due under the recalculated  
2842 assessment for the preceding fiscal year, as determined by the  
2843 department under subsection (d) of this section, provided if the  
2844 company files an objection in accordance with subsection (e) of this  
2845 section, it may withhold the amount stated in its objection, and (3) on  
2846 or before the following December thirty-first and March thirty-first,  
2847 annually, the remaining fifty per cent of its proposed assessment in  
2848 two equal installments.

2849 (d) Immediately following the close of each fiscal year, the  
2850 department shall recalculate the proposed assessment of each  
2851 company, based on the expenses, as determined by the Comptroller, of  
2852 the department and the Office of Consumer Counsel for such fiscal  
2853 year. On or before September first, annually, the department shall give  
2854 to each company a statement showing the difference between its  
2855 recalculated assessment and the amount previously paid by the  
2856 company.

2857 (e) Any company may object to a proposed or recalculated  
2858 assessment by filing with the department, not later than September  
2859 fifteenth of the year of said assessment, a petition stating the amount of  
2860 the proposed or recalculated assessment to which it objects and the  
2861 grounds upon which it claims such assessment is excessive, erroneous,  
2862 unlawful or invalid. After a company has filed a petition, the  
2863 department shall hold a hearing. After reviewing the company's  
2864 petition and testimony, if any, the department shall issue an order in  
2865 accordance with its findings. The company shall pay the department  
2866 the amount indicated in the order not later than thirty days after the

2867 date of the order.

2868 (f) The department shall remit all payments received under this  
2869 section to the State Treasurer for deposit in the Consumer Counsel and  
2870 Public Utility Control Fund established under section 16-48a. Such  
2871 funds shall be accounted for as expenses recovered from public service  
2872 companies and certified telecommunications providers. All payments  
2873 made under this section shall be in addition to any taxes payable to the  
2874 state under chapters 211, 212, 212a and 219.

2875 (g) Any assessment unpaid on the due date or any portion of an  
2876 assessment withheld after the due date under subsection (c) of this  
2877 section shall be subject to interest at the rate of one and one-fourth per  
2878 cent per month or fraction thereof, or fifty dollars, whichever is  
2879 greater.

2880 (h) Any company that fails to report in accordance with this section  
2881 shall be subject to civil penalties in accordance with section 16-41.

2882 Sec. 44. (NEW) (*Effective from passage*) Each state agency shall  
2883 develop a plan to reduce its energy use by at least ten per cent and  
2884 shall submit such plan to the Office of Policy and Management on or  
2885 before October 1, 2011. On or before October 1, 2012, and annually  
2886 thereafter, each state agency shall report, in accordance with the  
2887 provisions of section 11-4a of the general statutes, to the joint standing  
2888 committee of the General Assembly having cognizance of matters  
2889 relating to energy regarding the plan and its implementation.

2890 Sec. 45. (NEW) (*Effective July 1, 2011*) There is established within the  
2891 Department of Energy and Environmental Protection an Office of  
2892 Energy Efficient Businesses. The office shall provide in-state businesses  
2893 (1) a single point of contact for any state business interested in energy  
2894 efficiency, renewable energy or conservation projects, (2) information  
2895 on loans and grants for energy efficiency, renewable energy projects  
2896 and conservation, (3) audit and assessment services, including, but not  
2897 limited to, outreach to businesses by qualified entities, and (4) any  
2898 other service deemed relevant by said office.

2899        Sec. 46. Sections 16-1b and 16-261a of the general statutes are  
 2900        repealed. (*Effective July 1, 2011*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	New section
Sec. 2	<i>July 1, 2011</i>	4-5
Sec. 3	<i>July 1, 2011</i>	4-38c
Sec. 4	<i>July 1, 2011</i>	16a-3a
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2011</i>	16-244c
Sec. 7	<i>July 1, 2011</i>	New section
Sec. 8	<i>July 1, 2011</i>	New section
Sec. 9	<i>July 1, 2011</i>	7-233e(b)
Sec. 10	<i>July 1, 2011</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>July 1, 2011</i>	New section
Sec. 13	<i>July 1, 2011</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>July 1, 2011</i>	New section
Sec. 16	<i>July 1, 2011</i>	New section
Sec. 17	<i>July 1, 2011</i>	New section
Sec. 18	<i>July 1, 2011</i>	7-148(c)(6)(B)
Sec. 19	<i>July 1, 2011</i>	New section
Sec. 20	<i>July 1, 2011</i>	16a-48
Sec. 21	<i>July 1, 2011</i>	16-243i
Sec. 22	<i>July 1, 2011</i>	16-245(g)
Sec. 23	<i>July 1, 2011</i>	New section
Sec. 24	<i>July 1, 2011</i>	New section
Sec. 25	<i>July 1, 2011</i>	New section
Sec. 26	<i>July 1, 2011</i>	New section
Sec. 27	<i>July 1, 2011</i>	New section
Sec. 28	<i>July 1, 2011</i>	New section
Sec. 29	<i>July 1, 2011</i>	New section
Sec. 30	<i>July 1, 2011</i>	New section
Sec. 31	<i>July 1, 2011</i>	New section
Sec. 32	<i>July 1, 2011</i>	New section
Sec. 33	<i>October 1, 2011</i>	New section
Sec. 34	<i>July 1, 2011</i>	New section

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Sec. 35	<i>July 1, 2011</i>	New section
Sec. 36	<i>July 1, 2011</i>	16-245o
Sec. 37	<i>July 1, 2011</i>	16-245d
Sec. 38	<i>July 1, 2011</i>	New section
Sec. 39	<i>July 1, 2011</i>	New section
Sec. 40	<i>July 1, 2011</i>	16-245z
Sec. 41	<i>July 1, 2011</i>	17b-801
Sec. 42	<i>July 1, 2011</i>	New section
Sec. 43	<i>July 1, 2011</i>	16-49
Sec. 44	<i>from passage</i>	New section
Sec. 45	<i>July 1, 2011</i>	New section
Sec. 46	<i>July 1, 2011</i>	Repealer section