



Senate

General Assembly

File No. 434

February Session, 2012

Substitute Senate Bill No. 450

Senate, April 16, 2012

The Committee on Energy and Technology reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING ENERGY CONSERVATION AND RENEWABLE ENERGY, ENERGY INFRASTRUCTURE IMPROVEMENTS, ENERGY EQUIPMENT EFFICIENCY, TREE TRIMMING AND ELECTRIC VEHICLE INFRASTRUCTURE.

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

1 Section 1. (*Effective from passage*) The Department of Energy and
2 Environmental Protection shall conduct a study to identify the
3 instances in which it is more cost effective to promote policies for
4 natural gas line extension or to develop programs to increase the
5 efficiency of heating oil equipment. On or before January 1, 2013, the
6 department shall report, in accordance with the provisions of section
7 11-4a of the general statutes, the findings of such study to the joint
8 standing committee of the General Assembly having cognizance of
9 matters relating to energy.

10 Sec. 2. (*Effective from passage*) The Department of Energy and
11 Environmental Protection shall conduct a study, in consultation with

12 the Department of Consumer Protection, to identify barriers to
13 participation by heating oil dealers in providing other energy services,
14 including, but not limited to, the installation of nonpetroleum-based
15 energy equipment. On or before January 1, 2013, the department shall
16 report, in accordance with the provisions of section 11-4a of the general
17 statutes, the findings of such study and identify such barriers to the
18 joint standing committee of the General Assembly having cognizance
19 of matters relating to energy.

20 Sec. 3. Subsection (a) of section 20-417d of the general statutes is
21 repealed and the following is substituted in lieu thereof (*Effective July*
22 *1, 2012*):

23 (a) A new home construction contractor shall (1) prior to entering
24 into a contract with a consumer for new home construction, provide to
25 the consumer a copy of the new home construction contractor's
26 certificate of registration and a written notice that (A) discloses that the
27 certificate of registration does not represent in any manner that such
28 contractor's registration constitutes an endorsement of the quality of
29 such person's work or of such contractor's competency by the
30 commissioner, (B) advises the consumer to contact the Department of
31 Consumer Protection to determine (i) if such contractor is registered in
32 this state as a new home construction contractor, (ii) if any complaints
33 have been filed against such contractor, and (iii) the disposition of any
34 such complaints, (C) advises the consumer to request from such
35 contractor a list of consumers of new homes constructed to completion
36 by the contractor during the previous twenty-four months and to
37 contact several individuals on the list to discuss the quality of such
38 contractor's new home construction work, and (D) discloses each
39 corporation, limited liability company, partnership, sole proprietorship
40 or other legal entity, which is or has been a new home construction
41 contractor under the provisions of this chapter or a home
42 improvement contractor under the provisions of chapter 400, in which
43 the owner or owners of the new home construction contractor
44 providing the written notice required by this section are or have been a
45 shareholder, member, partner or owner during the previous five years,

46 (2) state in any advertisement, including any advertisement in a
47 telephone directory, the fact that such contractor is registered, and (3)
48 include such contractor's registration number in any such
49 advertisement. The new home construction contractor, or his agent,
50 shall also discuss with the consumer the installation of an automatic
51 fire extinguishing system and inform such consumer of the availability
52 of any state or federal incentives for installing energy efficient options
53 in a new home.

54 Sec. 4. (NEW) (*Effective July 1, 2012*) Any contractor, prior to
55 entering into a contract with a consumer for construction of any new
56 commercial or industrial building, shall inform such consumer of any
57 state or federal incentives for installing energy efficient options in such
58 building.

59 Sec. 5. Section 16-234 of the general statutes is repealed and the
60 following is substituted in lieu thereof (*Effective July 1, 2012*):

61 (a) As used in this section, "utility clearance zone" means any
62 rectangular area extending horizontally for a distance of ten feet from
63 any outermost electrical conductor and vertically from the ground to
64 the sky.

65 (b) No telegraph, telephone or electric light company or association,
66 nor any company or association engaged in distributing electricity by
67 wires or similar conductors or in using an electric wire or conductor
68 for any purpose, shall exercise any powers which may have been
69 conferred upon it to change the location of, or to erect or place, wires,
70 conductors, fixtures, structures or apparatus of any kind over, on or
71 under any highway or public ground, without the consent of the
72 adjoining proprietors, or, if such company or association is unable to
73 obtain such consent, without the approval of the Public Utilities
74 Regulatory Authority, which shall be given only after a hearing upon
75 notice to such proprietors; or to cut or trim any tree on or overhanging
76 any highway, [or] utility right-of-way or easement, public ground,
77 [without the consent of the owner thereof, or, if such company or
78 association is unable to obtain such consent, without the approval of

79 the tree warden or the consent of the authority, which consent shall be
80 given only after] or any property adjoining the property on which such
81 tree or any limb of such tree may fall onto any such wire or conductor
82 as a result of any natural cause, including wind, snow, ice or disease,
83 prior to (1) publication, in a newspaper of general circulation in the
84 area in which such tree is located, of such company's or association's
85 intent to cut or trim such tree or limb, and (2) providing notice to the
86 municipal tree warden of the municipality in which such tree is located
87 and the Commissioner of Transportation. The owner of any property
88 adjoining the property on which such tree is located, such tree warden
89 or the commissioner may object to the cutting or trimming of such tree
90 by filing a formal objection with the authority not later than ten days
91 after such publication or such notice was received. If such property
92 owner, such tree warden or the commissioner files any such objection,
93 the authority shall hold a hearing [upon] and shall provide notice of
94 such hearing to such property owner, such tree warden or the
95 commissioner; but the authority may, if it finds that public
96 convenience and necessity require, authorize the changing of the
97 location of, or the erection or placing of, such wires, conductors,
98 fixtures, structures or apparatus over, on or under such highway or
99 public ground; and the [tree warden in any town or the] authority
100 may, if [he or] it finds that public convenience and necessity require,
101 authorize the cutting and trimming and the keeping trimmed of any
102 brush or tree in such town on or overhanging such highway or public
103 ground, which action shall be taken only after notice and hearing as
104 aforesaid, which hearing shall be held within a reasonable time after
105 the [application] objection therefor.

106 (c) No telegraph, telephone or electric light company or association
107 nor any company or association engaged in distributing electricity by
108 wires or similar conductors or in using an electric wire or conductor
109 for any purpose shall be required to provide notice for any tree cutting
110 or trimming pursuant to subsection (b) of this section if such tree
111 cutting or trimming removes branches, limbs and other vegetation
112 inside the utility clearance zone and such tree has a diameter not
113 greater than twelve inches when measured four and one-half feet

114 above the ground.

115 Sec. 6. Subsection (a) of section 13a-140 of the general statutes is
116 repealed and the following is substituted in lieu thereof (*Effective July*
117 *1, 2012*):

118 (a) The commissioner may cut, remove or prune any tree, shrub or
119 other vegetation situated wholly or partially within the limits of any
120 state highway so far as is reasonably necessary for safe and convenient
121 travel thereon. No person, firm or corporation, and no officer, agent or
122 employee of any municipal or other corporation, shall cut, remove or
123 prune any tree, shrub or vegetation situated partially or wholly within
124 the limits of any such highway without first obtaining from said
125 commissioner a written permit therefor, provided however, that
126 nothing contained in this [subsection] section shall limit the rights of
127 public service companies, as defined in section 16-1, to cut and trim
128 trees and branches and otherwise protect their lines, wires, conduits,
129 cables and other equipment from encroaching vegetation pursuant to
130 section 16-234, as amended by this act. [No such permit shall be issued
131 by the commissioner unless the chief elected official of the
132 municipality in which any tree with a diameter greater than eighteen
133 inches is situated is notified in writing. The notice shall include the
134 location and a description of such tree to be cut or removed.] No such
135 permit for the removal of any such tree, shrub or vegetation shall be
136 refused if such removal is necessary for that use of such adjoining land
137 which is of the highest pecuniary value. If such permit is refused on
138 any state highway right-of-way, where the state does not own the
139 right-of-way in fee, the owner of such tree, shrub or vegetation may,
140 within thirty days thereafter, request said commissioner in writing to
141 purchase or condemn an easement for the purpose of maintaining such
142 tree, shrub or vegetation and, if said commissioner does not purchase
143 the same, he shall condemn it, in the manner provided for the
144 condemnation of land for the construction, alteration, extension or
145 widening of state highways. Any payment so made shall be from
146 funds appropriated to the Department of Transportation. Said
147 commissioner may plant, set out and care for trees, shrubs or

148 vegetation within the limits of such highways and, by agreement with
149 the owner of land adjoining such highways, upon such adjoining land.
150 Upon request in writing within thirty days of planting of trees, shrubs
151 or vegetation to delimit boundaries of a highway by an adjoining
152 owner not agreeing thereto, said commissioner shall purchase or
153 condemn an easement for the purpose of maintaining such tree, shrub
154 or vegetation in the manner provided in this subsection. When the
155 removal of such tree, shrub or vegetation is necessary for that use of
156 such adjoining land which is of the highest pecuniary value, said
157 commissioner shall remove the same upon payment to him of all sums
158 paid for said planting and for any such easement with interest at the
159 rate of six per cent per annum. Any person, firm or corporation
160 cutting, removing, damaging or pruning any tree, shrub or vegetation
161 in violation of the provisions of this subsection, whether it was planted
162 by the commissioner or not, without a permit from said commissioner,
163 shall be fined not more than one thousand dollars for each such
164 violation and shall be liable civilly for any damage in an action
165 brought by said commissioner.

166 Sec. 7. Section 23-65 of the general statutes is repealed and the
167 following is substituted in lieu thereof (*Effective July 1, 2012*):

168 (a) Any person, firm or corporation which affixes to a telegraph,
169 telephone, electric light or power pole, or to a tree, shrub, rock or other
170 natural object in any public way or grounds, a playbill, picture, notice,
171 advertisement or other similar thing, or cuts, paints or marks such tree,
172 shrub, rock or other natural object, except for the purpose of protecting
173 it or the public and under a written permit from the town tree warden,
174 the borough tree warden, city forester or Commissioner of
175 Transportation, as the case may be, or, without the consent of the tree
176 warden or of the officer with similar duties, uses climbing spurs for the
177 purpose of climbing any ornamental or shade tree within the limits of
178 any public highway or grounds, shall be fined not more than fifty
179 dollars for each offense.

180 (b) Any person, firm or corporation, other than a tree warden or

181 deputy tree warden, who removes, prunes, injures or defaces any
182 shrub or ornamental or shade tree, within the limits of a public way or
183 grounds, without the legal right or written permission of the town tree
184 warden, the borough tree warden, the city forester, the Commissioner
185 of Transportation, the Public Utilities Regulatory Authority or other
186 authority having jurisdiction, may be ordered by the court in any
187 action brought by the property owner or the authority having
188 jurisdiction affected thereby to restore the land to its condition as it
189 existed prior to such violation or shall award the landowner the costs
190 of such restoration, including reasonable management costs necessary
191 to achieve such restoration, reasonable attorney's fees and costs and
192 such injunctive or equitable relief as the court deems appropriate. In
193 addition, the court may award damages of up to five times the cost of
194 restoration or statutory damages of up to five thousand dollars. In
195 determining the amount of the award, the court shall consider the
196 willfulness of the violation, the extent of damage done to natural
197 resources, if any, the appraised value of the shrub or ornamental or
198 shade tree, any economic gain realized by the violator and any other
199 relevant factors. The appraised value shall be determined by the town
200 tree warden, the borough tree warden, the city forester, the
201 Commissioner of Transportation, the Public Utilities Regulatory
202 Authority or other authority having jurisdiction and shall be
203 determined in accordance with regulations adopted by the
204 Commissioner of Energy and Environmental Protection. The
205 commissioner shall adopt regulations, in accordance with the
206 provisions of chapter 54, to develop guidelines for such plant
207 appraisal. The regulations may incorporate by reference the latest
208 revision of The Guide for Plant Appraisal, as published by the
209 International Society of Arboriculture, Urbana, Illinois. Until such time
210 as regulations are adopted, appraisals may be made in accordance
211 with said Guide for Plant Appraisal. The provisions of this subsection
212 shall not apply to any public service company acting in accordance
213 with section 16-234, as amended by this act.

214 (c) Any person, firm or corporation which deposits or throws any
215 advertisement within the limits of any public way or grounds, or upon

216 private premises or property, unless the same is left at the door of the
217 residence or place of business of the occupant of such premises or
218 property, or deposits or throws any refuse paper, camp or picnic
219 refuse, junk or other material within the limits of any public way or
220 grounds, except at a place designated for that purpose by the authority
221 having supervision and control of such public way or grounds, or
222 upon private premises or property without permission of the owner
223 thereof, or affixes to or maintains upon any tree, rock or other natural
224 object within the limits of a public way or grounds any paper or
225 advertisement other than notices posted in accordance with the
226 provisions of the statutes, or affixes to or maintains, upon the property
227 of another without his consent, any word, letter, character or device
228 intended to advertise the sale of any article, shall be fined not more
229 than fifty dollars or imprisoned not more than six months or both for
230 each offense.

231 (d) The removal, pruning or wilful injury of any shrub or
232 ornamental or shade tree, or the use of climbing spurs upon any
233 ornamental or shade tree without the consent of the tree warden or of
234 the officer with similar duties or the affixing of any playbill, picture,
235 notice, advertisement or other similar thing concerning the business or
236 affairs of any person, firm or corporation, to a pole, shrub, tree, rock or
237 other natural object, within the limits of any public way or grounds in
238 violation of the provisions of this section by an agent or employee of
239 such person, firm or corporation, shall be deemed to be the act of such
240 person, firm or corporation, and such person, or any member of such
241 firm or any officer of such corporation, as the case may be, shall be
242 subject to the penalty herein provided, unless such act is shown to
243 have been done without his knowledge or consent.

244 (e) The affixing of each individual playbill, picture, notice,
245 advertisement or other similar thing to a pole, shrub, tree, rock or
246 other natural object, or the wilful removing, pruning, injuring or
247 defacing of each shrub or tree, or the throwing of each individual
248 advertisement or lot of refuse paper or other material within the limits
249 of any public way or grounds or on private premises, shall constitute a

250 separate violation of the provisions of this section. Nothing in this
251 section shall affect the authority of a tree warden, either by himself or
252 by a person receiving a written permit from him, to remove, prune or
253 otherwise deal with a shrub or tree under his jurisdiction.

254 [(f) Any person, firm or corporation, other than a tree warden or his
255 deputy, who desires the cutting or removal, in whole or in part, of any
256 tree or shrub or part thereof within the limits of any public road or
257 grounds, may apply in writing to the town tree warden, the borough
258 tree warden or the Commissioner of Transportation or other authority
259 having jurisdiction thereof for a permit so to do. Upon receipt of such
260 permit, but not before, he may proceed with such cutting or removal.
261 Before granting or denying such permit, such authority may hold a
262 public hearing as provided in section 23-59, and when the applicant is
263 a public utility corporation, the party aggrieved by such decision may,
264 within ten days, appeal therefrom to the Public Utilities Regulatory
265 Authority, which shall have the power to review, confirm, change or
266 set aside the decision appealed from and its decision shall be final. This
267 shall be in addition to the powers granted to it under section 16-234,
268 provided, if an application for such permit has been made to either a
269 tree warden or the Commissioner of Transportation or other authority
270 and denied by him, an application for a permit for the same relief shall
271 not be made to any other such authority. Upon any approval of such a
272 permit by the Commissioner of Transportation, he shall notify the tree
273 warden for the town in which the tree is located. Upon any approval of
274 such a permit by the Commissioner of Transportation, the permittee
275 shall notify the tree warden for the town in which the tree is located
276 prior to cutting any such tree.]

277 Sec. 8. Section 16-245l of the general statutes is repealed and the
278 following is substituted in lieu thereof (*Effective July 1, 2012*):

279 (a) The Public Utilities Regulatory Authority shall establish and
280 each electric distribution company shall collect a systems benefits
281 charge to be imposed against all end use customers of each electric
282 distribution company beginning January 1, 2000. The authority shall

283 hold a hearing that shall be conducted as a contested case in
284 accordance with chapter 54 to establish the amount of the systems
285 benefits charge. The authority may revise the systems benefits charge
286 or any element of said charge as the need arises. The systems benefits
287 charge shall be used to fund (1) the expenses of the public education
288 outreach program developed under subsections (a), (f) and (g) of
289 section 16-244d other than expenses for authority staff, (2) the
290 reasonable and proper expenses of the education outreach consultant
291 pursuant to subsection (d) of section 16-244d, (3) the cost of hardship
292 protection measures under sections 16-262c and 16-262d and other
293 hardship protections, including, but not limited to, electric service bill
294 payment programs, funding and technical support for energy
295 assistance, fuel bank and weatherization programs and weatherization
296 services, (4) the payment program to offset tax losses described in
297 section 12-94d, (5) any sums paid to a resource recovery authority
298 pursuant to subsection (b) of section 16-243e, (6) low income
299 conservation programs approved by the Public Utilities Regulatory
300 Authority, (7) displaced worker protection costs, (8) unfunded storage
301 and disposal costs for spent nuclear fuel generated before January 1,
302 2000, approved by the appropriate regulatory agencies, (9)
303 postretirement safe shutdown and site protection costs that are
304 incurred in preparation for decommissioning, (10) decommissioning
305 fund contributions, (11) the costs of temporary electric generation
306 facilities incurred pursuant to section 16-19ss, (12) operating expenses
307 for the Connecticut Energy Advisory Board, (13) costs associated with
308 the Connecticut electric efficiency partner program established
309 pursuant to section 16-243v, (14) reinvestments and investments in
310 energy efficiency programs and technologies pursuant to section 16a-
311 38l, costs associated with the electricity conservation incentive
312 program established pursuant to section 119 of public act 07-242, [and]
313 (15) legal, appraisal and purchase costs of a conservation or land use
314 restriction and other related costs as the authority in its discretion
315 deems appropriate, incurred by a municipality on or before January 1,
316 2000, to ensure the environmental, recreational and scenic preservation
317 of any reservoir located within this state created by a pump storage

318 hydroelectric generating facility, (16) any tree cutting or trimming
319 performed pursuant to section 16-234, as amended by this act, and (17)
320 the cost of the study of the operation of the regional independent
321 system operator initiated by the Department of Energy and
322 Environmental Protection pursuant to section 35 of public act 11-80. As
323 used in this subsection, "displaced worker protection costs" means the
324 reasonable costs incurred, prior to January 1, 2008, (A) by an electric
325 supplier, exempt wholesale generator, electric company, an operator of
326 a nuclear power generating facility in this state or a generation entity
327 or affiliate arising from the dislocation of any employee other than an
328 officer, provided such dislocation is a result of (i) restructuring of the
329 electric generation market and such dislocation occurs on or after July
330 1, 1998, or (ii) the closing of a Title IV source or an exempt wholesale
331 generator, as defined in 15 USC 79z-5a, on or after January 1, 2004, as a
332 result of such source's failure to meet requirements imposed as a result
333 of sections 22a-197 and 22a-198 and this section or those Regulations of
334 Connecticut State Agencies adopted by the Department of Energy and
335 Environmental Protection, as amended from time to time, in
336 accordance with Executive Order Number 19, issued on May 17, 2000,
337 and provided further such costs result from either the execution of
338 agreements reached through collective bargaining for union
339 employees or from the company's or entity's or affiliate's programs
340 and policies for nonunion employees, and (B) by an electric
341 distribution company or an exempt wholesale generator arising from
342 the retraining of a former employee of an unaffiliated exempt
343 wholesale generator, which employee was involuntarily dislocated on
344 or after January 1, 2004, from such wholesale generator, except for
345 cause. "Displaced worker protection costs" includes costs incurred or
346 projected for severance, retraining, early retirement, outplacement,
347 coverage for surviving spouse insurance benefits and related expenses.
348 "Displaced worker protection costs" does not include those costs
349 included in determining a tax credit pursuant to section 12-217bb.

350 (b) The amount of the systems benefits charge shall be determined
351 by the authority in a general and equitable manner and shall be
352 imposed on all end use customers of each electric distribution

353 company at a rate that is applied equally to all customers of the same
354 class in accordance with methods of allocation in effect on July 1, 1998,
355 provided the [system] systems benefits charge shall not be imposed on
356 customers receiving services under a special contract which is in effect
357 on July 1, 1998, until such special contracts expire. The [system]
358 systems benefits charge shall be imposed beginning on January 1, 2000,
359 on all customers receiving services under a special contract which are
360 entered into or renewed after July 1, 1998. The systems benefits charge
361 shall have a generally applicable manner of determination that may be
362 measured on the basis of percentages of total costs of retail sales of
363 generation services. The systems benefits charge shall be payable on an
364 equal basis on the same payment terms and shall be eligible or subject
365 to prepayment on an equal basis. Any exemption of the systems
366 benefits charge by customers under a special contract shall not result
367 in an increase in rates to any customer.

368 Sec. 9. (*Effective from passage*) The Department of Energy and
369 Environmental Protection shall conduct a study to review the existing
370 renewable portfolio standards, established in section 16-245a of the
371 general statutes, to maximize in-state participation. Said study shall
372 identify methods to increase such participation, including, but not
373 limited to, the use of combined heat and power systems, zero emission
374 vehicles and energy conservation programs. On or before January 1,
375 2013, the department shall report, in accordance with the provisions of
376 section 11-4a of the general statutes, the findings of such study to the
377 joint standing committee of the General Assembly having cognizance
378 of matters relating to energy.

379 Sec. 10. (NEW) (*Effective from passage*) On or before January 1, 2013,
380 the Public Utilities Regulatory Authority shall conduct a proceeding to
381 establish rates that would promote the use of geothermal systems.

382 Sec. 11. (NEW) (*Effective July 1, 2012*) The Public Utilities Regulatory
383 Authority shall establish a pilot program for not more than three
384 municipalities that own, lease or operate any Class I renewable energy
385 source, as defined in section 16-1 of the general statutes, that will allow

386 such municipalities to distribute electricity generated from any such
387 Class I renewable energy source, using wires, conduits or other
388 fixtures, across a public highway or street, provided (1) each such
389 municipality only distributes such generated electricity across one
390 public highway or street, and (2) such generated electricity is
391 distributed to a facility owned or operated by such municipality.

392 Sec. 12. Subparagraph (B) of subdivision (2) of subsection (f) of
393 section 16-245o of the 2012 supplement to the general statutes is
394 repealed and the following is substituted in lieu thereof (*Effective July*
395 *1, 2012*):

396 (B) For door-to-door sales to customers with a maximum demand of
397 one hundred kilowatts, which shall include the sale of electric
398 generation services in which the electric supplier, aggregator or agent
399 of an electric supplier or aggregator solicits the sale and receives the
400 customer's agreement or offer to purchase at a place other than the
401 seller's place of business, provided such agreement or offer to purchase
402 resulted from an unsolicited sales call, be conducted (i) in accordance
403 with any municipal and local ordinances regarding door-to-door
404 solicitations, (ii) between the hours of ten o'clock a.m. and six o'clock
405 p.m., [unless the customer schedules an earlier or later appointment,]
406 and (iii) with both English and Spanish written materials available.
407 Any representative of an electric supplier, aggregator or agent of an
408 electric supplier or aggregator shall prominently display or wear a
409 photo identification badge stating the name of such person's employer
410 or the electric supplier the person represents.

411 Sec. 13. Subsection (b) of section 16-244r of the 2012 supplement to
412 the general statutes is repealed and the following is substituted in lieu
413 thereof (*Effective July 1, 2012*):

414 (b) Solicitations conducted by the electric distribution company
415 shall be for the purchase of renewable energy credits produced by
416 eligible customer-sited generating projects over the duration of the
417 long-term contract. For purposes of this section, a long-term contract is
418 a contract for fifteen years. Such renewable energy credits shall be

419 eligible for use in renewable energy portfolio standards compliance in
420 the year during which such credits are generated and the following
421 two years.

422 Sec. 14. Subsection (b) of section 16-244t of the 2012 supplement to
423 the general statutes is repealed and the following is substituted in lieu
424 thereof (*Effective July 1, 2012*):

425 (b) Solicitations conducted by the electric distribution company
426 shall be for the purchase of renewable energy credits produced by
427 eligible customer-sited generating projects over the duration of the
428 contract. Such renewable energy credits shall be eligible for use in
429 renewable energy portfolio standards compliance in the year during
430 which such credits are generated and the following two years.

431 Sec. 15. Section 16-244v of the 2012 supplement to the general
432 statutes is repealed and the following is substituted in lieu thereof
433 (*Effective from passage*):

434 (a) Notwithstanding subsection (a) of section 16-244e, an electric
435 distribution company, or owner or developer of generation projects
436 that emit no pollutants, may submit a proposal to the Department of
437 Energy and Environmental Protection to build, own or operate one or
438 more generation facilities up to an aggregate of thirty megawatts,
439 except as provided in subsection (e) of this section, using Class I
440 renewable energy sources as defined in section 16-1 from July 1, 2011,
441 to July 1, 2013. Each facility shall be greater than one megawatt but not
442 more than five megawatts. Each electric distribution company may
443 enter into joint ownership agreements, partnerships or other
444 agreements with private developers to carry out the provisions of this
445 section. The aggregate ownership for an electric distribution company
446 pursuant to this section shall not exceed ten megawatts, except as
447 provided in subsection (e) of this section. The department shall
448 evaluate such proposals pursuant to sections 16-19 and 16-19e and
449 may approve one or more of such proposals if it finds that the proposal
450 serves the long-term interest of ratepayers. The department (1) shall
451 not approve any proposal supported in any form of cross subsidization

452 by entities affiliated with the electric distribution company, and (2)
453 shall give preference to proposals that make efficient use of existing
454 sites and supply infrastructure. No such company may, under any
455 circumstances, recover more than the full costs identified in a proposal,
456 as approved by the department. Nothing in this section shall preclude
457 the resale or other disposition of energy or associated renewable
458 energy credits purchased by the electric distribution company,
459 provided the distribution company shall net the cost of payments
460 made to projects under the long-term contracts against the proceeds of
461 the sale of energy or renewable energy credits and the difference shall
462 be credited or charged to distribution customers through a reconciling
463 component of electric rates as determined by the authority that is
464 nonbypassable when switching electric suppliers.

465 (b) The company shall use the power, capacity and related products
466 produced by such facility to meet the needs of customers served
467 pursuant to section 16-244c.

468 (c) Notwithstanding the provisions of subdivision (1) of subsection
469 (j) of section 16-244c, the amount of renewable energy produced from
470 such facilities shall be applied to reduce the electric distribution
471 company's Class I renewable energy source portfolio standard
472 obligations.

473 (d) The department shall evaluate the proposals approved pursuant
474 to this section and report in accordance with the provisions of section
475 11-4a to the joint standing committee of the General Assembly having
476 cognizance of matters relating to energy whether proposals shall be
477 accepted beyond July 1, 2013.

478 (e) The department may approve proposals to build, own or operate
479 generation facilities using Class I renewable energy sources that exceed
480 an aggregate of thirty megawatts, or may approve any aggregate
481 ownership for any electric distribution company owning any such
482 facility that exceeds ten megawatts, if the department determines that
483 the cost to ratepayers of any such facility is lower than the cost
484 anticipated by the department, in which case the department may

485 approve such proposals exceeding an aggregate of thirty megawatts or
486 any such ownership exceeding ten megawatts for any electric
487 distribution company by any amount of megawatts that reflects the
488 difference between the anticipated cost to ratepayers of such facility
489 and the actual cost to ratepayers of such facility.

490 Sec. 16. Section 16a-46h of the 2012 supplement to the general
491 statutes is repealed and the following is substituted in lieu thereof
492 (*Effective from passage*):

493 Each electric, gas or heating fuel customer, regardless of heating
494 source, shall be assessed the same fees, charges, co-pays or other
495 similar terms to access any audits administered by the Home Energy
496 Solutions program [, provided the costs of subsidizing such audits to
497 ratepayers whose primary source of heat is not electricity or natural
498 gas shall not exceed five hundred thousand dollars per year] for the
499 period of time funding is available for such audits pursuant to the
500 comprehensive plan approved by the Commissioner of Energy and
501 Environmental Protection in accordance with section 16-245m.

502 Sec. 17. (NEW) (*Effective July 1, 2012*) Not later than July 1, 2013, the
503 State Building Inspector and the Codes and Standards Committee shall
504 revise the State Building Code adopted pursuant to section 29-252 of
505 the general statutes to (1) provide for an electric vehicle infrastructure
506 to support any make, model or type of electric vehicle, including a
507 plug-in electric vehicle or an electric vehicle capable of being charged
508 by a forty-ampere, two hundred forty-volt electrical charging circuit,
509 (2) provide for bidirectional charging without significant upgrading,
510 provided electric distribution companies have achieved the capability
511 to draw electricity from electric vehicles connected to the utility grid,
512 and (3) require all new residential and certain commercial construction
513 to have the capacity to support such infrastructure.

514 Sec. 18. (NEW) (*Effective July 1, 2012*) There is established an account
515 to be known as the "electric vehicle infrastructure support account"
516 which shall be a separate, nonlapsing account within the General
517 Fund. The account shall contain any moneys required by law to be

518 deposited in the account. Moneys in the account shall be expended by
519 the Public Utilities Regulatory Authority for the purposes of providing
520 grants to businesses seeking to upgrade infrastructure to support the
521 use of electric and hydrogen fuel-cell powered vehicles state-wide.

522 Sec. 19. Subdivision (110) of section 12-412 of the 2012 supplement
523 to the general statutes is repealed and the following is substituted in
524 lieu thereof (*Effective July 1, 2012, and applicable to sales on and after July*
525 *1, 2012*):

526 (110) (A) On and after January 1, 2008, and prior to July 1, 2010, the
527 sale of any passenger motor vehicle, as defined in section 14-1, that has
528 a United States Environmental Protection Agency estimated city or
529 highway gasoline mileage rating of at least forty miles per gallon.

530 (B) On and after July 1, 2012, and prior to July 1, 2014, the sale of
531 any hydrogen fuel cell or electric passenger motor vehicle, as defined
532 in section 14-1.

533 Sec. 20. Subdivision (16) of section 38a-816 of the 2012 supplement
534 to the general statutes is repealed and the following is substituted in
535 lieu thereof (*Effective July 1, 2012*):

536 (16) Failure to pay, as part of any claim for a damaged motor vehicle
537 under any automobile insurance policy where the vehicle has been
538 declared to be a constructive total loss, an amount equal to the sum of
539 (A) the settlement amount on such vehicle plus, whenever the insurer
540 takes title to such vehicle, (B) an amount determined by multiplying
541 such settlement amount by a percentage equivalent to the current sales
542 tax rate established in section 12-408, provided the insured paid sales
543 tax on such vehicle. For purposes of this subdivision, "constructive
544 total loss" means the cost to repair or salvage damaged property, or the
545 cost to both repair and salvage such property, equals or exceeds the
546 total value of the property at the time of the loss.

547 Sec. 21. (NEW) (*Effective from passage*) (a) For the purposes of this
548 section: (1) "Level III fast charging station" means a facility for charging

549 electric vehicles with equipment that uses direct current energy from
 550 an off-board charger; and (2) "off-board charger" means a device for
 551 charging an electric vehicle that is not mounted inside such vehicle.

552 (b) The Commissioner of Energy and Environmental Protection
 553 shall develop a plan to promote the use of electric vehicles in the state
 554 and to facilitate the state-wide installation of Level III fast charging
 555 stations. Such plan shall identify the resources necessary to promote
 556 such state-wide installation. On or before February 1, 2013, the
 557 commissioner shall submit such plan, in accordance with the
 558 provisions of section 11-4a of the general statutes, to the joint standing
 559 committee of the General Assembly having cognizance of matters
 560 relating to energy and technology.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2012</i>	20-417d(a)
Sec. 4	<i>July 1, 2012</i>	New section
Sec. 5	<i>July 1, 2012</i>	16-234
Sec. 6	<i>July 1, 2012</i>	13a-140(a)
Sec. 7	<i>July 1, 2012</i>	23-65
Sec. 8	<i>July 1, 2012</i>	16-245l
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>July 1, 2012</i>	New section
Sec. 12	<i>July 1, 2012</i>	16-245o(f)(2)(B)
Sec. 13	<i>July 1, 2012</i>	16-244r(b)
Sec. 14	<i>July 1, 2012</i>	16-244t(b)
Sec. 15	<i>from passage</i>	16-244v
Sec. 16	<i>from passage</i>	16a-46h
Sec. 17	<i>July 1, 2012</i>	New section
Sec. 18	<i>July 1, 2012</i>	New section
Sec. 19	<i>July 1, 2012, and applicable to sales on and after July 1, 2012</i>	12-412(110)
Sec. 20	<i>July 1, 2012</i>	38a-816(16)
Sec. 21	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In section 5(b), "abutting" was changed to "adjoining" for internal consistency and "a hearing [upon] shall be held by the authority and the authority shall provide" was changed to "the authority shall hold a hearing [upon] and shall provide" for clarity; in section 15(e), "Notwithstanding the provisions of subsection (a) of this section," was removed for internal consistency and clarity; in section 17, "electrical" was changed to "electric" for statutory consistency; and section 19 was rewritten for clarity and statutory consistency.

ET *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	GF - Revenue	285,000 -	285,000 -
	Loss	550,000	550,000

Note: GF=General Fund

Municipal Impact: See Below

Explanation

The bill allows sales tax exemption on hydrogen fuel cell or electric passenger cars sold between July 1, 2012 and July 1, 2014. Assuming 100 to 250 of these types of vehicles are sold during each fiscal year that the exemption is active, the revenue loss to the state would be approximately 285,000 to 550,000 per year.

The bill also requires that the cost of tree trimming by electric and telephone companies be recovered by the systems benefits charge.¹ The state and municipalities, as ratepayers, would incur increased costs to the extent the systems benefits charge is insufficient to cover these expenses.

The bill also makes a number of provisions to promote energy efficiency. These provisions have no fiscal impact.

The Out Years

The annualized ongoing fiscal impact of the systems benefits charge

¹ The systems benefits charge is funded by a rate set by the Public Utilities Regulatory Authority. Effective January 1, 2012, the average systems benefits charge for CL&P is 0.143 cents per kilowatt-hour to collect \$23.7 million in 2012. The average systems benefits charge for UI is 0.2367 cents per kilowatt-hour to collect \$13.3 million in 2012.

would continue into the future subject to inflation.

There is no ongoing fiscal impact to the sales tax exemption for hydrogen fuel cell or electric passenger vehicles as the exemption only applies to sales prior to July 1, 2014.

OLR Bill Analysis**sSB 450*****AN ACT CONCERNING ENERGY CONSERVATION AND RENEWABLE ENERGY, ENERGY INFRASTRUCTURE IMPROVEMENTS, ENERGY EQUIPMENT EFFICIENCY, TREE TRIMMING AND ELECTRIC VEHICLE INFRASTRUCTURE.*****SUMMARY:**

This bill eliminates the need to obtain a permit from a tree warden, the Department of Transportation (DOT), or other authority to cut or remove any tree or shrub within the limits of a public road or grounds. Under current law, in cases involving utilities, a permit denial can be appealed to the Public Utilities Regulatory Authority (PURA), which makes the final decision. The bill makes it easier for electric and telephone companies to cut or trim trees, both on their easements and on private property.

The bill requires that the costs of tree trimming by electric and telephone companies be recovered by the systems benefits charge (SBC) on electric bills. In current practice, these costs are primarily recovered through the distribution charge on electric bills.

The bill contains a number of provisions to promote energy efficiency, renewable energy, and electric vehicles. Among other things, it:

1. eliminates the cap on subsidies for energy audits for people who heat with oil or other non-utility fuels,
2. potentially increases the amount of renewable generation that electric companies and non-utility generators can build,
3. require DEEP to develop a plan to promote fast charging stations for electric vehicles, and

4. exempts electric and fuel cell vehicles from the sales tax until July 1, 2014.

The bill limits the applicability of the code of conduct for sales by competitive electric suppliers and aggregators.

The bill also requires that:

1. residential and commercial building contractors inform consumers of any state or federal incentives for installing energy efficient options before entering into a contract to construct a building;
2. the Department of Energy and Environmental Protection (DEEP) study issues regarding natural gas line extensions and heating oil dealers and the renewable portfolio standard (RPS), under which electric companies and competitive suppliers must get part of their power from renewable resources;
3. PURA conduct a proceeding by January 1, 2013 to establish rates to promote the use of geothermal systems; and
4. the costs of a PURA study, mandated by current law, on the electric wholesale market be funded by the SBC.

EFFECTIVE DATE: Upon passage for the energy audit, renewable generation, and electric vehicle plan provisions, the studies, and the geothermal proceeding; July 1, 2012 for the remaining provisions, with the sales tax exemption for electric and hydrogen fuel cell vehicles applying to sales made on or after this date.

TREE TRIMMING

§ 5 — Property Owner's Consent

Under current law, electric and telephone companies must seek the consent of property owners when they cut or trim trees overhanging highways or public grounds. (The strip between a sidewalk and a street is typically part of the highway right of way.) If the owner does not consent, the company can proceed with the approval of PURA or

the municipal tree warden, following notice and an opportunity for a hearing.

The bill eliminates the consent requirement and instead requires the company to (1) publish a newspaper notice of its intent and (2) notify the tree warden and DOT. It eliminates the tree warden's ability to permit the cutting or trimming. The bill allows the adjoining property owner, tree warden, or DOT to object within 10 days of the publication or notice, in which case PURA must hold a hearing after notifying the owner, tree warden, or DOT. PURA can then authorize the company to proceed with the trimming if it finds that the public convenience and necessity require it.

The bill extends the new procedures to trees on or overhanging private property that may fall into a utility line as a result of natural causes, such as wind, snow, ice, or disease. The bill also exempts from the notice requirement trimming any tree branches or other vegetation within 10 feet of the utility line if the tree is up to 12 inches in diameter measured at 4.5 feet above the ground.

The bill applies the above provisions to trees in all utility rights-of-way or easements, some of which are not located along highways. It is unclear whether cutting or trimming trees on private property under these provisions would constitute a taking or trespass (see COMMENT).

§ 7 — Tree Trimming Permits

The bill eliminates (1) a requirement that a person, other than a tree warden, obtain a permit from the tree warden, DOT, or other authority before cutting or removing a tree or shrub in the limits of a road or public grounds and (2) related provisions. Under current law, the authority must hold a hearing on the application. If a utility company is the applicant, a party aggrieved by the decision can appeal to PURA, which makes the final decision. If DOT approves an application, it and the permittee must notify the tree warden.

§ 6 — DOT Permits

By law, a DOT permit is needed for anyone to cut, trim, or remove a tree on a state highway, but this does not limit the ability of utility companies to cut and trim trees. The bill specifies that the utilities must do so in accordance with the law, as amended by the bill. It eliminates a provision requiring DOT to notify the municipal chief elected official if anyone seeks a permit to trim or remove a tree that is 18 inches or more in diameter located on a state highway in town.

§ 7 — *Penalty for Unauthorized Cutting or Trimming*

The bill exempts utility companies that act in accordance with the law's provisions on tree trimming from a provision that allows the courts to (1) order restoration of affected property or (2) award damages of up to five times the restoration cost or \$5,000 if an entity prunes or injures a tree in a public way or grounds without (a) the legal right to do so or (b) a permit from PURA, a tree warden or city forester, or DOT.

ENERGY EFFICIENCY

§ 16 — *Energy Audits*

Under current law, the home energy services audit program subsidizes customers who heat with oil or other nonutility fuels. Although the program is funded by charges on gas and electric bills, the law requires that audit charge must be the same, regardless of how the property owner heats his or her home. Current law limits the subsidy that customers who heat with gas or electricity provide to those who heat with oil or other nonutility fuels to \$500,000 per year. The bill eliminates the subsidy cap so long as funding for the audits is provided under the utilities' conservation plans.

RENEWABLE ENERGY

§ 15 — *Renewable Electric Generation*

Under current law, (1) each electric company can build, own, or operate up to 10 megawatts of renewable energy generation facilities using Class I renewable energy sources and (2) non-utility generators can collectively build, own, or operate another 10 megawatts, for a total of 30 megawatts. The bill allows DEEP to approve proposals to

build, own, or operate generation facilities that exceed the 30 megawatts total cap or the 10 megawatt cap per electric company. The bill allows DEEP to do this if it determines that the cost to ratepayers of any facility is lower than the cost it anticipated. In this case, DEEP may approve proposals exceeding the caps by any amount of megawatts that reflects the difference between the anticipated cost to ratepayers of the facility and its actual cost to ratepayers.

§ 11 — Municipal Renewable Energy Program

The bill requires PURA to establish a pilot program for up to three municipalities that own, lease, or operate any Class I renewable energy sources (e.g., solar or wind) to distribute electricity they generate from these sources using wires or other fixtures across a public road, so long as each municipality distributes the electricity across only one public road to a facility it owns or operates.

§§ 13 & 14 — Renewable Energy Credits

By law, electric companies and competitive suppliers can meet their RPS obligations by buying renewable energy credits. The bill allows these credits to be used under two related programs in the year when they are generated and the following two years. The programs require electric companies to enter into long-term contracts to buy credits produced by zero- and low-emission renewable energy sources.

§§ 17-21 — ALTERNATIVE FUEL AND FUEL CELL VEHICLES

The bill:

1. requires the state building inspector and the Codes and Standards Committee to revise the state building code by July 1, 2013 to (a) provide for an electric vehicle infrastructure for all types of electric vehicles, including those that can be charged by 240 volt circuits; (b) provide for systems that allow electric vehicles to take power from the grid or put power onto the grid without significant upgrading, if the electric companies can accommodate the latter; and (c) require all new residential and certain commercial construction to be capable of supporting this

infrastructure;

2. establishes an “electric vehicle infrastructure support account” (although it does not specify funding for the account), for PURA to provide grants to businesses seeking to upgrade infrastructure to support the use of electric and hydrogen fuel-cell powered vehicles;
3. exempts electric and fuel cell vehicles from the sales tax until July 1, 2014; and
4. requires DEEP to develop a plan to promote the use of electric vehicles in the state and to facilitate the statewide installation of Level III fast charging stations, i.e., those that charge electric vehicles with direct current using devices that are not mounted in the vehicle.

The plan must identify the resources necessary to promote statewide installation of these chargers. DEEP must submit the plan to the Energy and Technology Committee by February 1, 2013.

§ 12 — CODE OF CONDUCT FOR ELECTRIC SUPPLIERS

The bill limits the scope of the law that regulates how competitive electric suppliers and aggregators (entities that group customers together to make them more attractive to suppliers) market their services to residential and small business. Under current law, sales by suppliers, aggregators, or their agents that offer electric supply services to customers whose maximum demand is less than 100 kilowatts that are made at a location other than the marketer’s place of business must be conducted:

1. in accordance with any municipal and local ordinances regarding door-to-door solicitations;
2. between 10 a.m. and 6 p.m., unless the customer schedules an earlier or later appointment; and
3. with both English and Spanish written material available.

The bill eliminates the option of a customer scheduling an appointment before 10 a.m. or after 6 p.m. It limits the above provisions to sales made based on unsolicited sales calls. Thus, they would continue to apply to door-to-door sales, but would not apply if a prospective customer called the supplier or aggregator first.

§§ 1, 2, & 9 — DEEP STUDIES

The bill requires DEEP to conduct studies to identify:

1. the instances when it is more cost effective to (a) promote policies for natural gas line extension or (b) develop programs to increase the efficiency of heating oil equipment and
2. barriers to heating oil dealers in providing other energy services, such as the installation of energy equipment that does not use petroleum products.

DEEP must consult with the Department of Consumer Protection on the second study. DEEP must report its findings on both studies to the Energy and Technology Committee by January 1, 2013.

The bill requires DEEP to review the existing renewable portfolio standards. The study must identify methods to increase participation by in-state generators under this provision, including the use of combined heat and power (cogeneration) systems, zero emission vehicles, and energy conservation programs. By January 1, 2013, DEEP must report its findings to the Energy and Technology Committee.

BACKGROUND

Related Bills

sSB 415, reported favorably by the Energy and Technology Committee also has a provision on energy audits. It eliminates the (1) requirement that the audit charge be the same regardless of how a person heats his or her home and (2) cap on the subsidy provided to customers who use non-utility heating systems. Instead, it requires that the charge reflect the contributions made to the Energy Efficiency Fund by each type of customer, subject to a \$75 cap (the current

charge). SB 415 also has provisions specifying how the zero- and low-emission renewable energy credit purchase programs are funded.

COMMENT

Cutting and Trimming Trees on Private Property

The bill allows electric and telephone companies to cut and trim trees on private property, under certain circumstances, without the property owner's consent. This might constitute trespass by the company if the company entered the customer's property, since neither current law or the bill grant the company a right to enter the property. To the extent that the cutting or trimming reduces the property's value, it might constitute a taking for which the state would be obligated to provide compensation.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 15 Nay 6 (03/28/2012)