



General Assembly

February Session, 2012

Raised Bill No. 415

LCO No. 2016

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Referred to Committee on Energy and Technology

Introduced by:

(ET)

AN ACT CONCERNING THE OPERATIONS OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION, THE ESTABLISHMENT OF A COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM, WATER CONSERVATION AND THE OPERATIONS OF THE CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY.

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

1 Section 1. Subdivision (52) of subsection (a) of section 16-1 of the
2 2012 supplement to the general statutes is repealed and the following
3 is substituted in lieu thereof (*Effective from passage*):

4 (52) "Commissioner of Energy and Environmental Protection"
5 means the Commissioner of Energy and Environmental Protection
6 appointed pursuant to title 4, or the commissioner's designee.

7 Sec. 2. Section 16-2 of the 2012 supplement to the general statutes is
8 repealed and the following is substituted in lieu thereof (*Effective from*
9 *passage*):

10 (a) There shall continue to be a Public Utilities Regulatory Authority
11 within the Department of Energy and Environmental Protection,

12 which shall consist of three electors of this state, appointed by the
13 Governor with the advice and consent of both houses of the General
14 Assembly. Not more than two members of said authority in office at
15 any one time shall be members of any one political party. On or before
16 July 1, 2011, the Governor shall appoint three members to the
17 authority. The first director appointed by the Governor on or before
18 July 1, 2011, who is of the same political party as that of the Governor
19 shall serve a term of five years. The second director appointed by the
20 Governor on or before July 1, 2011, who is of the same political party
21 as that of the Governor shall serve a term of four years. The first
22 director appointed by the Governor on or before July 1, 2011, who is of
23 a different political party as that of the Governor shall serve a term of
24 three years. Any director appointed on or after January 1, 2014, shall
25 serve a term of four years. The procedure prescribed by section 4-7
26 shall apply to such appointments, except that the Governor shall
27 submit each nomination on or before May first, and both houses shall
28 confirm or reject it before adjournment sine die. The directors shall be
29 sworn to the faithful performance of their duties. The term of any
30 commissioner serving on June 30, 2011, shall be terminated.

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

35 (c) Any matter coming before the authority may be assigned by the
36 chairperson to a panel of one or more directors. Except as otherwise
37 provided by statute or regulation, the panel shall determine whether a
38 public hearing shall be held on the matter, and may designate one or
39 two of its members to conduct such hearing or [request the
40 appointment of] may assign a hearing officer to ascertain the facts and
41 report thereon to the panel. The decision of the panel, if unanimous,
42 shall be the decision of the authority. If the decision of the panel is not
43 unanimous, the matter shall be approved by a majority vote of the
44 [panel] directors of the authority.

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

55 (e) To insure the highest standard of public utility regulation, on
56 and after October 1, 2007, any newly appointed director of the
57 authority shall have education or training and three or more years of
58 experience in one or more of the following fields: Economics,
59 engineering, law, accounting, finance, utility regulation, public or
60 government administration, consumer advocacy, business
61 management, and environmental management. On and after July 1,
62 1997, at least three of these fields shall be represented on the authority
63 by individual directors at all times. Any time a director is newly
64 appointed, at least one of the directors shall have experience in utility
65 customer advocacy.

66 (f) The chairperson of the authority, with the approval of the
67 Commissioner of Energy and Environmental Protection, shall
68 prescribe the duties of the staff assigned to the authority in order to (1)
69 conduct comprehensive planning with respect to the functions of the
70 authority; (2) coordinate the activities of the authority; (3) cause the
71 administrative organization of the authority to be examined with a
72 view to promoting economy and efficiency; (4) organize the authority
73 into such divisions, bureaus or other units as necessary for the efficient
74 conduct of the business of the authority and may from time to time
75 make recommendations to the commissioner regarding staff and
76 resources; (5) for any proceeding on a proposed rate amendment in
77 which staff of the authority are to be made a party pursuant to section

78 16-19j, determine which staff shall appear and participate in the
79 proceedings and which shall serve the members of the authority; (6)
80 enter into such contractual agreements, in accordance with established
81 procedures, as may be necessary for the discharge of the authority's
82 duties; (7) subject to the provisions of section 4-32, and unless
83 otherwise provided by law, receive any money, revenue or services
84 from the federal government, corporations, associations or individuals,
85 including payments from the sale of printed matter or any other
86 material or services; and (8) require the staff of the authority to have
87 expertise in public utility engineering and accounting, finance,
88 economics, computers and rate design.

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

104 [(h) No member of the authority or employee of the department
105 assigned to work with the authority, during such assignment, shall
106 accept other employment which will either impair his or her
107 independence of judgment as to his or her official duties or
108 employment or require him or her, or induce him or her, to disclose
109 confidential information acquired by him or her in the course of and
110 by reason of his or her official duties.

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

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

128 (k) No director of the authority shall, for a period of one year
129 following the termination of his or her service as a director, accept
130 employment: (1) By a public service company or by any person, firm or
131 corporation engaged in lobbying activities with regard to
132 governmental regulation of public service companies; (2) by a certified
133 telecommunications provider or by any person, firm or corporation
134 engaged in lobbying activities with regard to governmental regulation
135 of persons, firms or corporations so certified; or (3) by an electric
136 supplier or by any person, firm or corporation engaged in lobbying
137 activities with regard to governmental regulation of electric suppliers.
138 No such director who is also an attorney shall in any capacity, appear
139 or participate in any matter, or accept any compensation regarding a
140 matter, before the authority, for a period of one year following the
141 termination of his or her service as a director.]

142 [(l)] (h) The Public Utilities Regulatory Authority shall include a

143 procurement manager whose duties, in addition to any other duty
144 prescribed by law, shall include, but not be limited to, overseeing the
145 procurement of electricity for standard service and who shall have
146 experience in energy markets and procuring energy on a commercial
147 scale.

148 Sec. 3. Section 16-3 of the 2012 supplement to the general statutes is
149 repealed and the following is substituted in lieu thereof (*Effective from*
150 *passage*):

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

157 Sec. 4. Section 16-6b of the 2012 supplement to the general statutes is
158 repealed and the following is substituted in lieu thereof (*Effective from*
159 *passage*):

160 The Public Utilities Regulatory Authority, in consultation with the
161 [Department] Commissioner of Energy and Environmental Protection,
162 may, in accordance with chapter 54, adopt such regulations with
163 respect to: [rates] (1) Rates and charges, services, accounting practices,
164 safety and the conduct of operations generally of public service
165 companies subject to its jurisdiction as it deems reasonable and
166 necessary; [. The department in consultation with the authority may, in
167 accordance with chapter 54, adopt such regulations with respect to] (2)
168 services, accounting practices, safety and the conduct of operations
169 generally of electric suppliers subject to its jurisdiction as it deems
170 reasonable and necessary; [. After consultation with the Secretary of
171 the Office of Policy and Management, the department may also adopt
172 regulations, in accordance with chapter 54,] and (3) establishing
173 standards for systems utilizing cogeneration technology and
174 renewable fuel resources.

175 Sec. 5. Section 16-7 of the 2012 supplement to the general statutes is
176 repealed and the following is substituted in lieu thereof (*Effective from*
177 *passage*):

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

187 Sec. 6. Section 16-8 of the 2012 supplement to the general statutes is
188 repealed and the following is substituted in lieu thereof (*Effective from*
189 *passage*):

190 (a) The Public Utilities Regulatory Authority may, in its discretion,
191 delegate its powers, in specific cases, to one or more of its directors or
192 to a hearing officer to ascertain the facts and report thereon to the
193 authority. The authority, or any director thereof, in the performance of
194 its duties or in connection with any hearing, or at the request of any
195 person, corporation, company, town, borough or association, may
196 summon and examine, under oath, such witnesses, and may direct the
197 production of, and examine or cause to be produced and examined,
198 such books, records, vouchers, memoranda, documents, letters,
199 contracts or other papers in relation to the affairs of any public service
200 company as it may find advisable, and shall have the same powers in
201 reference thereto as are vested in magistrates taking depositions. If any
202 witness objects to testifying or to producing any book or paper on the
203 ground that such testimony, book or paper may tend to incriminate
204 him, and the authority directs such witness to testify or to produce
205 such book or paper, and he complies, or if he is compelled so to do by
206 order of court, he shall not be prosecuted for any matter concerning

207 which he or she has so testified. The fees of witnesses summoned by
208 the [department] authority to appear before it under the provisions of
209 this section, and the fees for summoning witnesses shall be the same as
210 in the Superior Court. All such fees, together with any other expenses
211 authorized by statute, the method of payment of which is not
212 otherwise provided, shall, when taxed by the authority, be paid by the
213 state, through the business office of the authority, in the same manner
214 as court expenses. The authority may designate in specific cases a
215 hearing officer who may be a member of its technical staff or a member
216 of the Connecticut Bar engaged for that purpose under a contract
217 approved by the Secretary of the Office of Policy and Management to
218 hold a hearing and make report thereon to the authority. A hearing
219 officer so designated shall have the same powers as the authority, or
220 any director thereof, to conduct a hearing, except that only a director of
221 the authority shall have the power to grant immunity from
222 prosecution to any witness who objects to testifying or to producing
223 any book or paper on the ground that such testimony, book or paper
224 may tend to incriminate him or her.

225 (b) (1) The authority may [, within available appropriations,]
226 employ professional personnel to perform management audits. The
227 authority shall promptly establish such procedures as it deems
228 necessary or desirable to provide for management audits to be
229 performed on a regular or irregular schedule on all or any portion of
230 the operating procedures and any other internal workings of any
231 public service company, including the relationship between any public
232 service company and a related holding company or subsidiary,
233 consistent with the provisions of section 16-8c, provided no such audit
234 shall be performed on a community antenna television company,
235 except with regard to any noncable communications services which
236 the company may provide, or when (A) such an audit is necessary for
237 the authority to perform its regulatory functions under the
238 Communications Act of 1934, 47 USC 151, et seq., as amended from
239 time to time, other federal law or state law, (B) the cost of such an audit
240 is warranted by a reasonably foreseeable financial, safety or service

241 benefit to subscribers of the company which is the subject of such an
242 audit, and (C) such an audit is restricted to examination of the
243 operating procedures that affect operations within the state.

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

260 (3) For purposes of this section, a complete audit shall consist of (A)
261 a diagnostic review of all functions of the audited company, which
262 shall include, but not be limited to, documentation of the operations of
263 the company, assessment of the company's system of internal controls,
264 and identification of any areas of the company which may require
265 subsequent audits, and (B) the performance of subsequent focused
266 audits identified in the diagnostic review and determined necessary by
267 the authority. All audits performed pursuant to this section shall be
268 performed in accordance with generally accepted management audit
269 standards. The [department] authority shall adopt regulations in
270 accordance with the provisions of chapter 54 setting forth such
271 generally accepted management audit standards. Each audit of a
272 community antenna television company shall be consistent with the
273 provisions of the Communications Act of 1934, 47 USC 151, et seq., as

274 amended from time to time, and of any other applicable federal law.
275 The authority shall certify whether a portion of an audit conforms to
276 the provisions of this section and constitutes a portion of a complete
277 audit.

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

285 (5) The results of an audit performed pursuant to this section shall
286 be filed with the authority and shall be open to public inspection.
287 Upon completion and review of the audit, if the person or firm
288 performing or supervising the audit determines that any of the
289 operating procedures or any other internal workings of the affected
290 public service company are inefficient, improvident, unreasonable,
291 negligent or in abuse of discretion, the authority may, after notice and
292 opportunity for a hearing, order the affected public service company to
293 adopt such new or altered practices and procedures as the authority
294 shall find necessary to promote efficient and adequate service to meet
295 the public convenience and necessity. The authority shall annually
296 submit a report of audits performed pursuant to this section to the
297 joint standing committee of the General Assembly having cognizance
298 of matters relating to public utilities which report shall include the
299 status of audits begun but not yet completed and a summary of the
300 results of audits completed. Any such report may be submitted
301 electronically.

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

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

310 (c) Nothing in this section shall be deemed to interfere or conflict
311 with any powers of the authority or its staff provided elsewhere in the
312 general statutes, including, but not limited to, the provisions of this
313 section and sections 16-7, as amended by this act, 16-28 and 16-32, to
314 conduct an audit, investigation or review of the books, records, plant
315 and equipment of any regulated public service company.

316 Sec. 7. Subsection (b) of section 16-19e of the 2012 supplement to the
317 general statutes is repealed and the following is substituted in lieu
318 thereof (*Effective from passage*):

319 (b) The Public Utilities Regulatory Authority shall promptly
320 undertake a separate, general investigation of, and shall hold at least
321 one public hearing on new pricing principles and rate structures for
322 electric companies and for gas companies to consider, without
323 limitation, long run incremental cost of marginal cost pricing, peak
324 load or time of day pricing and proposals for optimizing the utilization
325 of energy and restraining its wasteful use and encouraging energy
326 conservation, and any other matter with respect to pricing principles
327 and rate structures as the authority shall deem appropriate. The
328 authority shall determine whether existing or future rate structures
329 place an undue burden upon those persons of poverty status and shall
330 make such adjustment in the rate structure as is necessary or desirable
331 to take account of their indigency. The authority shall require the
332 utilization of such new principles and structures to the extent that the
333 authority determines that their implementation is in the public interest
334 and necessary or desirable to accomplish the purposes of this
335 provision without being unfair or discriminatory or unduly
336 burdensome or disruptive to any group or class of customers, and
337 determines that such principles and structures are capable of yielding

338 required revenues. In reviewing the rates and rate structures of electric
339 and gas companies, the authority shall take into consideration
340 [appropriate energy policies, including those of the state as expressed
341 in subsection (c) of this section] the goals of the Department of Energy
342 and Environmental Protection, as described in section 22a-2d, the
343 comprehensive energy plan prepared pursuant to section 16a-3d, as
344 amended by this act, and the integrated resources plan developed
345 pursuant to section 16a-3a, as amended by this act. The authority shall
346 issue its initial findings on such investigation by December 1, 1976, and
347 its final findings and order by June 1, 1977; provided that after such
348 final findings and order are issued, the authority shall at least once
349 every two years undertake such further investigations as it deems
350 appropriate with respect to new developments or desirable
351 modifications in pricing principles and rate structures and, after
352 holding at least one public hearing thereon, shall issue its findings and
353 order thereon.

354 Sec. 8. Subsection (d) of section 16-19e of the 2012 supplement to the
355 general statutes is repealed and the following is substituted in lieu
356 thereof (*Effective from passage*):

357 (d) The Commissioner of Energy and Environmental Protection, the
358 Commissioner of Economic and Community Development, and the
359 Connecticut Siting Council may be made parties to each proceeding on
360 a rate amendment proposed by a gas, electric or electric distribution
361 company [based upon an alleged need for increased revenues to
362 finance an expansion of capital equipment and facilities,] and shall
363 participate in such proceedings to the extent necessary.

364 Sec. 9. Subsection (a) of section 16-49 of the 2012 supplement to the
365 general statutes is repealed and the following is substituted in lieu
366 thereof (*Effective from passage*):

367 (a) As used in this section:

368 (1) "Company" means (A) any public service company other than a

369 telephone company, that had more than one hundred thousand dollars
370 of gross revenues in the state in the calendar year preceding the
371 assessment year under this section, except any such company not
372 providing service to retail customers in the state, (B) any telephone
373 company that had more than one hundred thousand dollars of gross
374 revenues in the state from telecommunications services in the calendar
375 year preceding the assessment year under this section, except any such
376 company not providing service to retail customers in the state, (C) any
377 certified telecommunications provider that had more than one
378 hundred thousand dollars of gross revenues in the state from
379 telecommunications services in the calendar year preceding the
380 assessment year under this section, except any such certified
381 telecommunications provider not providing service to retail customers
382 in the state, (D) any electric supplier that had more than one hundred
383 thousand dollars of gross revenues in the state in the calendar year
384 preceding the assessment year under this section, except any such
385 supplier not providing electric generation services to retail customers
386 in the state, or (E) any certified competitive video service provider
387 issued a certificate of video franchise authority by the [Department of
388 Energy and Environmental Protection] Public Utilities Regulatory
389 Authority in accordance with section 16-331e that had more than one
390 hundred thousand dollars of gross revenues in the state in the calendar
391 year preceding the assessment year under this section, except any such
392 certified competitive video service provider not providing service to
393 retail customers in the state;

394 (2) "Telecommunications services" means (A) in the case of
395 telecommunications services provided by a telephone company, any
396 service provided pursuant to a tariff approved by the authority other
397 than wholesale services and resold access and interconnections
398 services, and (B) in the case of telecommunications services provided
399 by a certified telecommunications provider other than a telephone
400 company, any service provided pursuant to a tariff approved by the
401 authority and pursuant to a certificate of public convenience and
402 necessity; and

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

405 Sec. 10. Subsection (b) of section 16-245m of the 2012 supplement to
406 the general statutes is repealed and the following is substituted in lieu
407 thereof (*Effective from passage*):

408 (b) The electric distribution company shall establish an Energy
409 Conservation and Load Management Fund which shall be held
410 separate and apart from all other funds or accounts. Receipts from the
411 charge imposed under subsection (a) of this section shall be deposited
412 into the fund. Any balance remaining in the fund at the end of any
413 fiscal year shall be carried forward in the fiscal year next succeeding.
414 Disbursements from the fund [by] to electric distribution companies, to
415 carry out the plan [developed under] approved by the Commissioner
416 of Energy and Environmental Protection pursuant to subsection (d) of
417 this section, shall be authorized by the Public Utilities Regulatory
418 Authority. [upon its approval of such plan.]

419 Sec. 11. Subsection (d) of section 16-245m of the 2012 supplement to
420 the general statutes is repealed and the following is substituted in lieu
421 thereof (*Effective from passage*):

422 (d) (1) Not later than October 1, 2012, and every three years
423 thereafter, each electric distribution company and gas company shall
424 submit to the commissioner a plan to implement cost-effective energy
425 conservation programs and market transformation initiatives. The
426 Energy Conservation Management Board shall advise and assist the
427 electric distribution companies in the development and
428 implementation of [a comprehensive] such plan. [, which plan shall be
429 approved by the Department of Energy and Environmental Protection,
430 to implement cost-effective energy conservation programs and market
431 transformation initiatives.] Such plan shall include steps that would be
432 needed to achieve the goal of weatherization of eighty per cent of the
433 state's residential units by 2030. Each program contained in the plan
434 shall be reviewed by the electric distribution company and either

435 accepted or rejected by the Energy Conservation Management Board
436 prior to submission to the [department] commissioner for approval.
437 The Energy Conservation Management Board shall, as part of its
438 review, examine opportunities to offer joint programs providing
439 similar efficiency measures that save more than one fuel resource or
440 otherwise to coordinate programs targeted at saving more than one
441 fuel resource. Any costs for joint programs shall be allocated equitably
442 among the conservation programs. The Energy Conservation
443 Management Board shall give preference to projects that maximize the
444 reduction of federally mandated congestion charges. The [Department
445 of Energy and Environmental Protection] commissioner shall, in an
446 uncontested proceeding during which the [department] commissioner
447 may hold a public [hearing] meeting, approve, modify or reject the
448 [comprehensive] plan prepared pursuant to this subsection.

449 (2) There shall be a joint committee of the Energy Conservation
450 Management Board and the board of directors of the Connecticut
451 Clean Energy [Finance and Investment] Authority. The [board and the
452 advisory committee] boards shall each appoint members to such joint
453 committee. The joint committee shall examine opportunities to
454 coordinate the programs and activities funded by the Clean Energy
455 Fund pursuant to section 16-245n, as amended by this act, with the
456 programs and activities contained in the plan developed under this
457 subsection to reduce the long-term cost, environmental impacts and
458 security risks of energy in the state. Such joint committee shall hold its
459 first meeting on or before August 1, 2005.

460 (3) Programs included in the plan developed under subdivision (1)
461 of this subsection shall be screened through cost-effectiveness testing
462 that compares the value and payback period of program benefits for
463 any energy savings to program costs to ensure that programs are
464 designed to obtain energy savings and system benefits, including
465 mitigation of federally mandated congestion charges, whose value is
466 greater than the costs of the programs. Program cost-effectiveness shall
467 be reviewed annually, or otherwise as is practicable, and shall

468 incorporate the results of the evaluation process set forth in
469 subdivision (4) of this subsection. If a program is determined to fail the
470 cost-effectiveness test as part of the review process, it shall either be
471 modified to meet the test or shall be terminated. On or before March 1,
472 2005, and on or before March first annually thereafter, the board shall
473 provide a report, in accordance with the provisions of section 11-4a, to
474 the joint standing committees of the General Assembly having
475 cognizance of matters relating to energy and the environment that
476 documents (A) expenditures and fund balances and evaluates the cost-
477 effectiveness of such programs conducted in the preceding year, and
478 (B) the extent to and manner in which the programs of such board
479 collaborated and cooperated with programs, established under section
480 7-233y, of municipal electric energy cooperatives. To maximize the
481 reduction of federally mandated congestion charges, programs in the
482 plan may allow for disproportionate allocations between the amount
483 of contributions to the Energy Conservation and Load Management
484 Funds by a certain rate class and the programs that benefit such a rate
485 class. Before conducting such evaluation, the board shall consult with
486 the board of directors of the Connecticut Clean Energy [Finance and
487 Investment] Authority. The report shall include a description of the
488 activities undertaken during the reporting period. [jointly or in
489 collaboration with the Clean Energy Fund established pursuant to
490 subsection (c) of section 16-245n.]

491 (4) The Department of Energy and Environmental Protection shall
492 adopt an independent, comprehensive program evaluation,
493 measurement and verification process to ensure the Energy
494 Conservation Management Board's programs are administered
495 appropriately and efficiently, comply with statutory requirements,
496 programs and measures are cost effective, evaluation reports are
497 accurate and issued in a timely manner, evaluation results are
498 appropriately and accurately taken into account in program
499 development and implementation, and information necessary to meet
500 any third-party evaluation requirements is provided. An annual
501 schedule and budget for evaluations as determined by the board shall

502 be included in the plan filed with the department pursuant to
503 subdivision (1) of this subsection. The electric distribution and gas
504 company representatives and the representative of a municipal electric
505 energy cooperative may not vote on board plans, budgets,
506 recommendations, actions or decisions regarding such process or its
507 program evaluations and their implementation. Program and measure
508 evaluation, measurement and verification shall be conducted on an
509 ongoing basis, with emphasis on impact and process evaluations,
510 programs or measures that have not been studied, and those that
511 account for a relatively high percentage of program spending.
512 Evaluations shall use statistically valid monitoring and data collection
513 techniques appropriate for the programs or measures being evaluated.
514 All evaluations shall contain a description of any problems
515 encountered in the process of the evaluation, including, but not limited
516 to, data collection issues, and recommendations regarding addressing
517 those problems in future evaluations. The board shall contract with
518 one or more consultants not affiliated with the board members to act as
519 an evaluation administrator, advising the board regarding
520 development of a schedule and plans for evaluations and overseeing
521 the program evaluation, measurement and verification process on
522 behalf of the board. Consistent with board processes and approvals
523 and department decisions regarding evaluation, such evaluation
524 administrator shall implement the evaluation process by preparing
525 requests for proposals and selecting evaluation contractors to perform
526 program and measure evaluations and by facilitating communications
527 between evaluation contractors and program administrators to ensure
528 accurate and independent evaluations. In the evaluation
529 administrator's discretion and at his or her request, the electric
530 distribution and gas companies shall communicate with the evaluation
531 administrator for purposes of data collection, vendor contract
532 administration, and providing necessary factual information during
533 the course of evaluations. The evaluation administrator shall bring
534 unresolved administrative issues or problems that arise during the
535 course of an evaluation to the board for resolution, but shall have sole

536 authority regarding substantive and implementation decisions
537 regarding any evaluation. Board members, including electric
538 distribution and gas company representatives, may not communicate
539 with an evaluation contractor about an ongoing evaluation except with
540 the express permission of the evaluation administrator, which may
541 only be granted if the administrator believes the communication will
542 not compromise the independence of the evaluation. The evaluation
543 administrator shall file evaluation reports with the board and with the
544 department in its most recent uncontested proceeding pursuant to
545 subdivision (1) of this subsection and the board shall post a copy of
546 each report on its Internet web site. The board and its members,
547 including electric distribution and gas company representatives, may
548 file written comments regarding any evaluation with the department
549 or for posting on the board's Internet web site. Within fourteen days of
550 the filing of any evaluation report, the department, members of the
551 board or other interested persons may request in writing, and the
552 department shall conduct, a transcribed technical meeting to review
553 the methodology, results and recommendations of any evaluation.
554 Participants in any such transcribed technical meeting shall include the
555 evaluation administrator, the evaluation contractor and the Office of
556 Consumer Counsel at its discretion. On or before November 1, 2011,
557 and annually thereafter, the board shall report to the joint standing
558 committee of the General Assembly having cognizance of matters
559 relating to energy, with the results and recommendations of completed
560 program evaluations.

561 (5) Programs included in the plan developed under subdivision (1)
562 of this subsection may include, but not be limited to: (A) Conservation
563 and load management programs, including programs that benefit low-
564 income individuals; (B) research, development and commercialization
565 of products or processes which are more energy-efficient than those
566 generally available; (C) development of markets for such products and
567 processes; (D) support for energy use assessment, real-time monitoring
568 systems, engineering studies and services related to new construction
569 or major building renovation; (E) the design, manufacture,

570 commercialization and purchase of energy-efficient appliances and
571 heating, air conditioning and lighting devices; (F) program planning
572 and evaluation; (G) indoor air quality programs relating to energy
573 conservation; (H) joint fuel conservation initiatives programs targeted
574 at reducing consumption of more than one fuel resource; (I) public
575 education regarding conservation; and (J) demand-side technology
576 programs recommended by the integrated resources plan approved by
577 the Department of Energy and Environmental Protection pursuant to
578 section 16a-3a, as amended by this act. [The board shall periodically
579 review contractors to determine whether they are qualified to conduct
580 work related to such programs. Such support] Support for such
581 programs may be by direct funding, manufacturers' rebates, sale price
582 and loan subsidies, leases and promotional and educational activities.
583 The Energy Conservation Management Board shall periodically review
584 contractors to determine whether they are qualified to conduct work
585 related to such programs. The plan shall also provide for expenditures
586 by the [Energy Conservation Management Board] board for the
587 retention of expert consultants and reasonable administrative costs
588 provided such consultants shall not be employed by, or have any
589 contractual relationship with, an electric distribution company. Such
590 costs shall not exceed five per cent of the total revenue collected from
591 the assessment.

592 Sec. 12. Subsection (f) of section 16-245m of the 2012 supplement to
593 the general statutes is repealed and the following is substituted in lieu
594 thereof (*Effective from passage*):

595 (f) No later than December 31, 2006, and no later than December
596 thirty-first every five years thereafter, the Energy Conservation
597 Management Board shall, after consulting with the Clean Energy
598 Finance and Investment Authority, conduct an evaluation of the
599 performance of the programs and activities [of the fund] specified in
600 the plan approved by the commissioner pursuant to subsection (d) of
601 this section and submit a report, in accordance with the provisions of
602 section 11-4a, of the evaluation to the joint standing committee of the

603 General Assembly having cognizance of matters relating to energy.

604 Sec. 13. Subsection (a) of section 16-245y of the 2012 supplement to
605 the general statutes is repealed and the following is substituted in lieu
606 thereof (*Effective from passage*):

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

626 Sec. 14. Subsection (c) of section 16-245y of the 2012 supplement to
627 the general statutes is repealed and the following is substituted in lieu
628 thereof (*Effective from passage*):

629 (c) Not later than January 1, 2011, and annually thereafter, the
630 [Department of Energy and Environmental Protection] Public Utilities
631 Regulatory Authority shall report to the joint standing committee of
632 the General Assembly having cognizance of matters relating to energy
633 the number of applicants for licensure pursuant to section 16-245
634 during the preceding twelve months, the number of applicants

635 licensed by the [department] authority and the average period of time
636 taken to process a license application. Any such report may be
637 submitted electronically.

638 Sec. 15. Subsection (b) of section 16a-3 of the 2012 supplement to the
639 general statutes is repealed and the following is substituted in lieu
640 thereof (*Effective from passage*):

641 (b) The board shall (1) report to the General Assembly on the status
642 of programs administered by the Department of Energy and
643 Environmental Protection pursuant to title 16 or 16a, (2) consult with
644 the Commissioner of Energy and Environmental Protection regarding
645 the integrated [resource] resources plan developed pursuant to section
646 16a-3a, as amended by this act, and the comprehensive energy plan
647 prepared pursuant to section 16a-3d, as amended by this act, and (3)
648 review, within available resources, requests from the General
649 Assembly.

650 Sec. 16. Section 16a-3b of the 2012 supplement to the general statutes
651 is repealed and the following is substituted in lieu thereof (*Effective*
652 *from passage*):

653 (a) The Public Utilities Regulatory Authority shall oversee the
654 implementation of the integrated resources plan approved by the
655 Commissioner of Energy and Environmental Protection pursuant to
656 section 16a-3a, as amended by this act, and the procurement plan
657 approved by the authority pursuant to section 16-244m, as amended
658 by this act. The electric distribution companies shall implement the
659 demand-side measures, including, but not limited to, energy
660 efficiency, load management, demand response, combined heat and
661 power facilities, distributed generation and other emerging energy
662 technologies, specified in [said] the integrated resources plan through
663 the comprehensive conservation and load management plan prepared
664 pursuant to section 16-245m, as amended by this act, for review by the
665 Energy Conservation Management Board. The electric distribution
666 companies shall submit proposals to appropriate regulatory agencies

667 to address transmission and distribution upgrades as specified in
668 [said] the integrated resources plan.

669 (b) If the integrated resources plan specifies the construction of a
670 generating facility, the authority shall develop and issue a request for
671 proposals, shall publish such request for proposals in one or more
672 newspapers or periodicals, as selected by the authority, and shall post
673 such request for proposals on its web site. Pursuant to a nondisclosure
674 agreement, the authority shall make available to the commissioner, the
675 Office of Consumer Counsel and the Attorney General all confidential
676 bid information it receives pursuant to this subsection, provided the
677 bids and any analysis of such bids shall not be subject to disclosure
678 under the Freedom of Information Act. Three months after the
679 authority issues a final decision, it shall make available all financial bid
680 information, provided such information regarding the bidders not
681 selected be presented in a manner that conceals the identities of such
682 bidders.

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

700 other requirements the authority may impose.

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

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

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

715 (c) The electric distribution companies shall issue requests for
716 proposals to acquire any other resource needs not identified in
717 subsection (a) or (b) of this section but specified in the integrated
718 resources plan approved by the Commissioner of Energy and
719 Environmental Protection pursuant to section 16a-3a, as amended by
720 this act. Such requests for proposals shall be subject to approval by the
721 authority.

722 Sec. 17. Subsection (a) of section 16a-3c of the 2012 supplement to
723 the general statutes is repealed and the following is substituted in lieu
724 thereof (*Effective from passage*):

725 (a) On and after July 1, 2011, if the Public Utilities Regulatory
726 Authority does not receive and approve proposals [pursuant to the
727 requests for proposals processes, pursuant to section 16a-3b,] sufficient
728 to reach the goal set by the integrated resources plan approved
729 pursuant to section 16a-3a, as amended by this act, the authority may

730 order an electric distribution company to submit for the authority's
731 review in a contested case proceeding, in accordance with chapter 54, a
732 proposal to build and operate an electric generation facility in the state.
733 An electric distribution company shall be eligible to recover its
734 prudently incurred costs consistent with the principles set forth in
735 section 16-19e, as amended by this act, for any generation project
736 approved pursuant to this section.

737 Sec. 18. Subsection (b) of section 16a-7b of the 2012 supplement to
738 the general statutes is repealed and the following is substituted in lieu
739 thereof (*Effective from passage*):

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

753 Sec. 19. Section 16a-3d of the 2012 supplement to the general
754 statutes is repealed and the following is substituted in lieu thereof
755 (*Effective from passage*):

756 (a) On or before July 1, 2012, and every three years thereafter, the
757 Commissioner of Energy and Environmental Protection, in
758 consultation with the Connecticut Energy Advisory Board, shall
759 prepare a comprehensive energy plan. Such plan shall reflect the
760 legislative findings and policy stated in section 16a-35k and shall
761 incorporate (1) an assessment and plan for all energy needs in the

762 state, including, but not limited to, electricity, heating, cooling, and
763 transportation, (2) the findings of the integrated resources plan, (3) the
764 findings of the plan for energy efficiency adopted pursuant to section
765 16-245m, as amended by this act, and (4) the findings of the plan for
766 renewable energy adopted pursuant to section 16-245n, as amended by
767 this act. Such plan shall further include, but not be limited to, (A) an
768 assessment of current energy supplies, demand and costs, (B)
769 identification and evaluation of the factors likely to affect future
770 energy supplies, demand and costs, (C) a statement of progress made
771 toward achieving the goals and milestones set in the preceding
772 comprehensive energy plan, (D) a statement of energy policies and
773 long-range energy planning objectives and strategies appropriate to
774 achieve, among other things, a sound economy, the least-cost mix of
775 energy supply sources and measures that reduce demand for energy,
776 giving due regard to such factors as consumer price impacts, security
777 and diversity of fuel supplies and energy generating methods,
778 protection of public health and safety, environmental goals and
779 standards, conservation of energy and energy resources and the ability
780 of the state to compete economically, (E) recommendations for
781 administrative and legislative actions to implement such policies,
782 objectives and strategies, (F) an assessment of the potential costs
783 savings and benefits to ratepayers, including, but not limited to,
784 carbon dioxide emissions reductions or voluntary joint ventures to
785 repower some or all of the state's coal-fired and oil-fired generation
786 facilities built before 1990, and (G) the benefits, costs, obstacles and
787 solutions related to the expansion and use and availability of natural
788 gas in Connecticut. If the department finds that such expansion is in
789 the public interest, it shall develop a plan to increase the use and
790 availability of natural gas for transportation purposes.

791 (b) In adopting the comprehensive energy plan, the Commissioner
792 of Energy and Environmental Protection [, or the commissioner's
793 designee,] shall conduct a proceeding [and such proceeding] that shall
794 not be considered a contested case under chapter 54, [provided a
795 hearing pursuant to chapter 54 shall be held] but shall include not less

796 than one public meeting. [The commissioner shall give not less than
797 fifteen days' notice of such proceeding by electronic publication on the
798 department's Internet web site.] Not later than fifteen days prior to
799 such public meeting, the commissioner shall publish notice of any such
800 meeting on the Internet web site of the Department of Energy and
801 Environmental Protection. Notice of such hearing may also be
802 published in one or more newspapers having a state-wide circulation if
803 deemed necessary by the commissioner. Such notice shall state the
804 date, time, and place of the meeting, the procedures for submitting
805 comments to the commissioner, the subject matter of the meeting, the
806 statutory authority for the proposed plan and the location where a
807 copy of the proposed plan may be obtained or examined in addition to
808 posting the proposed plan on the department's Internet web site. [The
809 Public Utilities Regulatory Authority shall comment on the plan's
810 impact on ratepayers and any other person may comment on the
811 proposed plan.] The commissioner shall provide a time period of not
812 less than forty-five days from the date the notice is published on the
813 department's Internet web site for public review and comment and,
814 during such time period, any person may provide comments
815 concerning the proposed plan to the commissioner. The commissioner
816 shall consider fully, after all public meetings, all written and oral
817 comments concerning the proposed plan and shall finalize the plan.
818 The commissioner shall post on the department's Internet web site,
819 and notify by electronic mail each person who requests such notice, [.
820 The commissioner shall make available] the electronic text of the final
821 plan or an Internet web site where the final plan is posted, and a report
822 summarizing [(1)] all public comments [,] and [(2)] the changes made
823 to the final plan in response to such comments and the reasons
824 therefore.

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

828 (d) The commissioner may, in consultation with the Connecticut

829 Energy Advisory Board, modify the comprehensive energy plan in
830 accordance with the procedures outlined in subsections (b) and (c) of
831 this section. [The commissioner may approve or reject such plan with
832 comments.]

833 [(e) The decisions of the Public Utilities Regulatory Authority shall
834 be guided by the goals of the Department of Energy and
835 Environmental Protection, as listed in section 22a-2d, and by the goals
836 of the comprehensive energy plan and the integrated resources plan
837 approved pursuant to section 16a-3a and shall be based on the
838 evidence in the record of each proceeding.]

839 [(f)] (e) All [electric distribution companies'] reasonable costs
840 associated with the development of the [resource assessment]
841 comprehensive energy plan approved by the commissioner shall be
842 recoverable through [the systems benefits charge] an assessment
843 pursuant to section 16-49, as amended by this act.

844 Sec. 20. Section 16a-3a of the 2012 supplement to the general statutes
845 is repealed and the following is substituted in lieu thereof (*Effective*
846 *from passage*):

847 (a) The [Department] Commissioner of Energy and Environmental
848 Protection, in consultation with the Connecticut Energy Advisory
849 Board and the electric distribution companies, shall review the state's
850 energy and capacity resource assessment and [develop] adopt an
851 integrated resources plan for the procurement of energy resources,
852 including, but not limited to, conventional and renewable generating
853 facilities, energy efficiency, load management, demand response,
854 combined heat and power facilities, distributed generation and other
855 emerging energy technologies to meet the projected requirements of
856 their customers in a manner that minimizes the cost of such resources
857 to customers over time and maximizes consumer benefits consistent
858 with the state's environmental goals and standards. Such integrated
859 resources plan shall seek to lower the cost of electricity.

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

874 (c) Resource needs shall first be met through all available energy
875 efficiency and demand reduction resources that are cost-effective,
876 reliable and feasible. The projected customer cost impact of any
877 demand-side resources considered pursuant to this subsection shall be
878 reviewed on an equitable basis with nondemand-side resources. The
879 integrated resources plan shall specify (1) the total amount of energy
880 and capacity resources needed to meet the requirements of all
881 customers, (2) the extent to which demand-side measures, including
882 efficiency, conservation, demand response and load management can
883 cost-effectively meet these needs in a manner that ensures equity in
884 benefits and cost reduction to all classes and subclasses of consumers,
885 (3) needs for generating capacity and transmission and distribution
886 improvements, (4) how the development of such resources will reduce
887 and stabilize the costs of electricity to each class and subclass of
888 consumers, and (5) the manner in which each of the proposed
889 resources should be procured, including the optimal contract periods
890 for various resources.

891 (d) The integrated resources plan shall consider: (1) Approaches to
892 maximizing the impact of demand-side measures; (2) the extent to

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

908 (e) [The procurement manager of the Public Utilities Regulatory
909 Authority, in consultation with the electric distribution companies, the
910 regional independent system operator, and the Connecticut Energy
911 Advisory Board, shall develop a procurement plan and hold public
912 hearings on the proposed plan. Such hearings shall not constitute a
913 contested case and shall be held in accordance with chapter 54. The
914 Public Utilities Regulatory Authority shall give not less than fifteen
915 days' notice of such proceeding by electronic publication on the
916 department's Internet web site.] In adopting the integrated resources
917 plan, the commissioner shall conduct an uncontested proceeding that
918 shall include not less than one public meeting. Not less than fifteen
919 days before any such meeting, the commissioner shall publish notice of
920 such meeting and post the text of the proposed integrated resources
921 plan on the department's Internet web site. Notice of such [hearing]
922 meeting may also be published in one or more newspapers having a
923 state-wide circulation if deemed necessary by the commissioner. Such
924 notice shall state the date, time, and place of the [hearing] meeting, the
925 subject matter of the [hearing] meeting, the manner and time period
926 during which comments may be submitted to the commissioner, the

927 statutory authority for the proposed integrated resources plan and the
928 location where a copy of the [proposed integrated resources] plan may
929 be obtained or examined. [in addition to posting the plan on the
930 department's Internet web site.] The commissioner shall provide a time
931 period of not less than [forty-five] thirty days from the date the notice
932 is published on the department's Internet web site for public review
933 and comment. The commissioner shall consider fully, after all public
934 meetings, all written and oral comments concerning the proposed
935 integrated resources plan and shall finalize the plan. The commissioner
936 shall post on the department's Internet web site, and notify by
937 electronic mail each person who requests such notice, [. The
938 commissioner shall make available] the electronic text of the final
939 integrated resources plan [or an Internet web site where the final
940 integrated resources plan is posted,] and a report summarizing (1) all
941 public comments, and (2) the changes made to the final [integrated
942 resources] plan in response to such comments and the reasons
943 therefor. The commissioner shall submit the final integrated resources
944 plan by electronic means, or as requested, to the joint standing
945 committees of the General Assembly having cognizance of matters
946 relating to energy and the environment. [The department's Bureau of
947 Energy shall, after the public hearing, make recommendations to the
948 Commissioner of Energy and Environmental Protection regarding plan
949 modifications. Said commissioner shall approve or reject the plan with
950 comments.] The commissioner may modify the integrated resources
951 plan to correct clerical errors at any time without following the
952 procedures outlined in this subsection.

953 (f) [On or before March 1, 2012] Not later than two years after the
954 adoption of the comprehensive energy plan, adopted pursuant to
955 section 16a-3d, as amended by this act, and the integrated resources
956 plan, adopted pursuant to this section, and every two years thereafter,
957 the [Department] Commissioner of Energy and Environmental
958 Protection shall report to the joint standing committees of the General
959 Assembly having cognizance of matters relating to energy and the
960 environment regarding goals established and progress toward

961 implementation of [the integrated resources plan established pursuant
962 to this section] said plans, as well as any recommendations [for the
963 process] concerning said plans. Any such report may be submitted
964 electronically.

965 (g) All reasonable costs associated with the development of the
966 resource assessment, [and the development of] the integrated
967 resources plan, adopted pursuant to this section, and the procurement
968 plan, adopted pursuant to section 16-244m, as amended by this act,
969 shall be recoverable through the assessment in section 16-49, as
970 amended by this act.

971 [(h) The decisions of the Public Utilities Regulatory Authority shall
972 be guided by the goals of the Department of Energy and
973 Environmental Protection, as described in section 22a-2d, and with the
974 goals of the integrated resources plan approved pursuant to this
975 section and the comprehensive energy plan developed pursuant to
976 section 16a-3d and shall be based on the evidence in the record of each
977 proceeding.]

978 Sec. 21. Subdivision (5) of subsection (c) of section 16-244c of the
979 2012 supplement to the general statutes is repealed and the following
980 is substituted in lieu thereof (*Effective from passage*):

981 (5) For standard service contracts procured prior to [department]
982 the authority's approval of the procurement plan developed pursuant
983 to section 16-244m, as amended by this act, each bidder for a standard
984 service contract shall submit its bid to the electric distribution
985 company and the third-party entity who shall jointly review the bids
986 and submit an overview of all bids together with a joint
987 recommendation to the [department] authority as to the preferred
988 bidders. The [department] authority may, within ten business days of
989 submission of the overview, reject the recommendation regarding
990 preferred bidders. In the event that the [department] authority rejects
991 the preferred bids, the electric distribution company and the third-
992 party entity shall rebid the service pursuant to this subdivision. The

993 [department] authority shall review each bid in an uncontested
994 proceeding that shall include a public hearing and in which any
995 interested person, including, but not limited to, the Consumer
996 Counsel, [and] the Commissioner of Energy and Environmental
997 Protection or the Attorney General may participate.

998 Sec. 22. Subdivision (2) of subsection (j) of section 16-244c of the
999 2012 supplement to the general statutes is repealed and the following
1000 is substituted in lieu thereof (*Effective from passage*):

1001 (2) Notwithstanding the provisions of subsection (d) of this section
1002 regarding an alternative transitional standard offer option or an
1003 alternative standard service option, an electric distribution company
1004 providing transitional standard offer service, standard service,
1005 supplier of last resort service or back-up electric generation service in
1006 accordance with this section shall, not later than July 1, 2008, file with
1007 the Public Utilities Regulatory Authority for its approval one or more
1008 long-term power purchase contracts from Class I renewable energy
1009 source projects with a preference for projects located in Connecticut
1010 that receive funding from the Clean Energy Fund and that are not less
1011 than one megawatt in size, at a price that is either, at the determination
1012 of the project owner, (A) not more than the total of the comparable
1013 wholesale market price for generation plus five and one-half cents per
1014 kilowatt hour, or (B) fifty per cent of the wholesale market electricity
1015 cost at the point at which transmission lines intersect with each other
1016 or interface with the distribution system, plus the project cost of fuel
1017 indexed to natural gas futures contracts on the New York Mercantile
1018 Exchange at the natural gas pipeline interchange located in Vermillion
1019 Parish, Louisiana that serves as the delivery point for such futures
1020 contracts, plus the fuel delivery charge for transporting fuel to the
1021 project, plus five and one-half cents per kilowatt hour. In its approval
1022 of such contracts, the authority shall give preference to purchase
1023 contracts from those projects that would provide a financial benefit to
1024 ratepayers and would enhance the reliability of the electric
1025 transmission system of the state. Such projects shall be located in this

1026 state. The owner of a fuel cell project principally manufactured in this
1027 state shall be allocated all available air emissions credits and tax credits
1028 attributable to the project and no less than fifty per cent of the energy
1029 credits in the Class I renewable energy credits program established in
1030 section 16-245a attributable to the project. On and after October 1, 2007,
1031 and until September 30, 2008, such contracts shall be comprised of not
1032 less than a total, apportioned among each electric distribution
1033 company, of one hundred twenty-five megawatts; and on and after
1034 October 1, 2008, such contracts shall be comprised of not less than a
1035 total, apportioned among each electrical distribution company, of one
1036 hundred fifty megawatts. The Public Utilities Regulatory Authority
1037 shall not issue any order that results in the extension of any in-service
1038 date or contractual arrangement made as a part of Project 100 or
1039 Project 150 beyond the termination date previously approved by the
1040 authority established by the contract, provided any party to such
1041 contract may provide a notice of termination in accordance with the
1042 terms of, and to the extent permitted under, its contract, except that the
1043 authority shall grant, upon request, an extension of any in-service date
1044 to December 31, 2013, for any project located in a distressed
1045 municipality, as defined in section 32-9p, or a targeted investment
1046 community, as defined in section 32-222. The cost of such contracts and
1047 the administrative costs for the procurement of such contracts directly
1048 incurred shall be eligible for inclusion in the adjustment to the
1049 transitional standard offer as provided in this section and any
1050 subsequent rates for standard service, provided such contracts are for a
1051 period of time sufficient to provide financing for such projects, but not
1052 less than ten years, and are for projects which began operation on or
1053 after July 1, 2003. Except as provided in this subdivision, the amount
1054 from Class I renewable energy sources contracted under such contracts
1055 shall be applied to reduce the applicable Class I renewable energy
1056 source portfolio standards. For purposes of this subdivision, the
1057 department's determination of the comparable wholesale market price
1058 for generation shall be based upon a reasonable estimate. On or before
1059 September 1, 2011, the authority, in consultation with the Office of

1060 Consumer Counsel and the Connecticut Clean Energy [Finance and
1061 Investment] Authority, shall study the operation of such renewable
1062 energy contracts and report its findings and recommendations to the
1063 joint standing committee of the General Assembly having cognizance
1064 of matters relating to energy.

1065 Sec. 23. Subsection (a) of section 16-244m of the 2012 supplement to
1066 the general statutes is repealed and the following is substituted in lieu
1067 thereof (*Effective from passage*):

1068 (a) On or before January 1, 2012, and annually thereafter, the
1069 procurement manager of the [Department of Energy and
1070 Environmental Protection] Public Utilities Regulatory Authority, in
1071 consultation with each electric distribution company, the
1072 Commissioner of Energy and Environmental Protection and with
1073 others at the procurement manager's discretion, including, but not
1074 limited to, a municipal energy cooperative established pursuant to
1075 chapter 101a, other than entities, individuals and companies or their
1076 affiliates potentially involved in bidding on standard service, shall
1077 develop a plan for the procurement of electric generation services and
1078 related wholesale electricity market products that will enable each
1079 electric distribution company to manage a portfolio of contracts to
1080 reduce the average cost of standard service while maintaining
1081 standard service cost volatility within reasonable levels. Each
1082 procurement plan shall provide for the competitive solicitation for
1083 load-following electric service and may include a provision for the use
1084 of other contracts, including, but not limited to, contracts for
1085 generation or other electricity market products and financial contracts,
1086 and may provide for the use of varying lengths of contracts. If such
1087 plan includes the purchase of full requirements contracts, it shall
1088 include an explanation of why such purchases are in the best interests
1089 of standard service customers.

1090 Sec. 24. Subsection (d) of section 16-244m of the 2012 supplement to
1091 the general statutes is repealed and the following is substituted in lieu

1092 thereof (*Effective from passage*):

1093 (d) (1) The [Department of Energy and Environmental Protection]
1094 Public Utilities Regulatory Authority shall conduct an uncontested
1095 proceeding to approve, with any amendments it determines necessary,
1096 a procurement plan submitted pursuant to subsection (a) of this
1097 section.

1098 (2) The [Department of Energy and Environmental Protection]
1099 Public Utilities Regulatory Authority shall report annually in
1100 accordance with the provisions of section 11-4a to the joint standing
1101 committee of the General Assembly having cognizance of matters
1102 relating to energy regarding the procurement plan and its
1103 implementation. Any such report may be submitted electronically

1104 Sec. 25. Section 16-244n of the 2012 supplement to the general
1105 statutes is repealed and the following is substituted in lieu thereof
1106 (*Effective from passage*):

1107 Upon the request of an electric distribution company, the
1108 [Department of Energy and Environmental Protection] Public Utilities
1109 Regulatory Authority shall initiate a docket to consider the buydown
1110 of an electric distribution company's current standard service contract
1111 to reduce ratepayer bills and conduct a cost benefit analysis of such a
1112 buydown. If the [department] authority, as a result of such docket,
1113 determines such a buydown is in the best interest of ratepayers, the
1114 company shall proceed with such buydown.

1115 Sec. 26. Section 16-245n of the 2012 supplement to the general
1116 statutes is repealed and the following is substituted in lieu thereof
1117 (*Effective from passage*):

1118 (a) For purposes of this section, "clean energy" means solar
1119 photovoltaic energy, solar thermal, geothermal energy, wind, ocean
1120 thermal energy, wave or tidal energy, fuel cells, landfill gas,
1121 hydropower that meets the low-impact standards of the Low-Impact

1122 Hydropower Institute, hydrogen production and hydrogen conversion
1123 technologies, low emission advanced biomass conversion technologies,
1124 alternative fuels, used for electricity generation including ethanol,
1125 biodiesel or other fuel produced in Connecticut and derived from
1126 agricultural produce, food waste or waste vegetable oil, provided the
1127 Commissioner of Energy and Environmental Protection determines
1128 that such fuels provide net reductions in greenhouse gas emissions
1129 and fossil fuel consumption, usable electricity from combined heat and
1130 power systems with waste heat recovery systems, thermal storage
1131 systems, other energy resources and emerging technologies which
1132 have significant potential for commercialization and which do not
1133 involve the combustion of coal, petroleum or petroleum products,
1134 municipal solid waste or nuclear fission, financing of energy efficiency
1135 projects, [and] projects that seek to deploy electric, electric hybrid,
1136 natural gas or alternative fuel vehicles and associated infrastructure
1137 and any related storage, distribution, manufacturing technologies or
1138 facilities, and any Class I renewable energy source, as defined in
1139 section 16-1, as amended by this act.

1140 (b) On and after July 1, 2004, the Public Utilities Regulatory
1141 Authority shall assess or cause to be assessed a charge of not less than
1142 one mill per kilowatt hour charged to each end use customer of electric
1143 services in this state which shall be deposited into the Clean Energy
1144 Fund established under subsection (c) of this section. Notwithstanding
1145 the provisions of this section, receipts from such charges shall be
1146 disbursed to the resources of the General Fund during the period from
1147 July 1, 2003, to June 30, 2005, unless the authority shall, on or before
1148 October 30, 2003, issue a financing order for each affected distribution
1149 company in accordance with sections 16-245e to 16-245k, inclusive, to
1150 sustain funding of renewable energy investment programs by
1151 substituting an equivalent amount, as determined by the authority in
1152 such financing order, of proceeds of rate reduction bonds for
1153 disbursement to the resources of the General Fund during the period
1154 from July 1, 2003, to June 30, 2005. The authority may authorize in such
1155 financing order the issuance of rate reduction bonds that substitute for

1156 disbursement to the General Fund for receipts of both charges under
1157 this subsection and subsection (a) of section 16-245m and also may in
1158 its discretion authorize the issuance of rate reduction bonds under this
1159 subsection and subsection (a) of section 16-245m that relate to more
1160 than one electric distribution company. The authority shall, in such
1161 financing order or other appropriate order, offset any increase in the
1162 competitive transition assessment necessary to pay principal,
1163 premium, if any, interest and expenses of the issuance of such rate
1164 reduction bonds by making an equivalent reduction to the charges
1165 imposed under this subsection, provided any failure to offset all or any
1166 portion of such increase in the competitive transition assessment shall
1167 not affect the need to implement the full amount of such increase as
1168 required by this subsection and sections 16-245e to 16-245k, inclusive.
1169 Such financing order shall also provide if the rate reduction bonds are
1170 not issued, any unrecovered funds expended and committed by the
1171 electric distribution companies for renewable resource investment
1172 through deposits into the Clean Energy Fund, provided such
1173 expenditures were approved by the authority following August 20,
1174 2003, and prior to the date of determination that the rate reduction
1175 bonds cannot be issued, shall be recovered by the companies from
1176 their respective competitive transition assessment or systems benefits
1177 charge, except that such expenditures shall not exceed one million
1178 dollars per month. All receipts from the remaining charges imposed
1179 under this subsection, after reduction of such charges to offset the
1180 increase in the competitive transition assessment as provided in this
1181 subsection, shall be disbursed to the Clean Energy Fund commencing
1182 as of July 1, 2003. Any increase in the competitive transition
1183 assessment or decrease in the renewable energy investment
1184 component of an electric distribution company's rates resulting from
1185 the issuance of or obligations under rate reduction bonds shall be
1186 included as rate adjustments on customer bills.

1187 (c) There is hereby created a Clean Energy Fund which shall be
1188 within the Connecticut Clean Energy [Finance and Investment]
1189 Authority. The fund may receive any amount required by law to be

1190 deposited into the fund and may receive any federal funds as may
1191 become available to the state for clean energy investments. Upon
1192 authorization of the Connecticut Clean Energy [Finance and
1193 Investment] Authority established pursuant to subsection (d) of this
1194 section, any amount in said fund may be used for expenditures that
1195 promote investment in clean energy in accordance with a
1196 comprehensive plan developed by it to foster the growth, development
1197 and commercialization of clean energy sources, related enterprises and
1198 stimulate demand for clean energy and deployment of clean energy
1199 sources that serve end use customers in this state and for the further
1200 purpose of supporting operational demonstration projects for
1201 advanced technologies that reduce energy use from traditional
1202 sources. Such expenditures may include, but not be limited to,
1203 providing low-cost financing and credit enhancement mechanisms for
1204 clean energy projects and technologies, reimbursement of the
1205 operating expenses, including administrative expenses incurred by the
1206 authority and [the corporation] Connecticut Innovations, Incorporated,
1207 and capital costs incurred by the authority in connection with the
1208 operation of the fund, the implementation of the plan developed
1209 pursuant to subsection (d) of this section or the other permitted
1210 activities of the authority, disbursements from the fund to develop and
1211 carry out the plan developed pursuant to subsection (d) of this section,
1212 grants, direct or equity investments, contracts or other actions which
1213 support research, development, manufacture, commercialization,
1214 deployment and installation of clean energy technologies, and actions
1215 which expand the expertise of individuals, businesses and lending
1216 institutions with regard to clean energy technologies.

1217 (d) (1) (A) There is established the Connecticut Clean Energy
1218 [Finance and Investment] Authority, which [shall be deemed a quasi-
1219 public agency for purposes of chapters 5, 10 and 12 and within
1220 Connecticut Innovations, Incorporated, for administrative purposes
1221 only] is hereby established and created as a body politic and corporate,
1222 constituting a public instrumentality and political subdivision of the
1223 state of Connecticut established and created for the performance of an

1224 essential public and governmental function. The authority shall not be
1225 construed to be a department, institution or agency of the state.

1226 (B) The authority shall [(A)] (i) develop separate programs to
1227 finance and otherwise support clean energy investment in residential,
1228 municipal, small business and larger commercial projects and such
1229 others as the authority may determine; [(B)] (ii) support financing or
1230 other expenditures that promote investment in clean energy sources in
1231 accordance with a comprehensive plan developed by it to foster the
1232 growth, development and commercialization of clean energy sources
1233 and related enterprises; and [(C)] (iii) stimulate demand for clean
1234 energy and the deployment of clean energy sources within the state
1235 that serve end-use customers in the state.

1236 (C) Said authority shall constitute a successor agency to the
1237 corporation for the purposes of administrating the Clean Energy Fund
1238 in accordance with section 4-38d. Said authority shall have all the
1239 privileges, immunities, tax exemptions and other exemptions of the
1240 corporation. Said authority shall be subject to suit and liability solely
1241 from the assets, revenues and resources of the authority and without
1242 recourse to the general funds, revenues, resources or other assets of the
1243 corporation. Said authority may assume or take title to any real
1244 property, convey or dispose of its assets and pledge its revenues to
1245 secure any borrowing, convey or dispose of its assets and pledge its
1246 revenues to secure any borrowing, for the purpose of developing,
1247 acquiring, constructing, refinancing, rehabilitating or improving its
1248 assets or supporting its programs, provided each such borrowing or
1249 mortgage, unless otherwise provided by the board or the authority,
1250 shall be a special obligation of the authority, which obligation may be
1251 in the form of bonds, bond anticipation notes or other obligations
1252 which evidence an indebtedness to the extent permitted under this
1253 chapter to fund, refinance and refund the same and provide for the
1254 rights of holders thereof, and to secure the same by pledge of revenues,
1255 notes and mortgages of others, and which shall be payable solely from
1256 the assets, revenues and other resources of the authority and [in no

1257 event shall] such bonds may be secured by a special capital reserve
1258 fund [of any kind which is in any way] contributed to by the state. The
1259 authority shall have the purposes as provided by resolution of the
1260 authority's board of directors, which purposes shall be consistent with
1261 this section. No further action is required for the establishment of the
1262 authority, except the adoption of a resolution for the authority.

1263 (2) (A) The authority may seek to qualify as a Community
1264 Development Financial Institution under Section 4702 of the United
1265 States Code. If approved as a Community Development Financial
1266 Institution, the authority would be treated as a qualified community
1267 development entity for purposes of Section 45D and Section 1400N(m)
1268 of the Internal Revenue Code.

1269 (B) Before making any loan, loan guarantee, or such other form of
1270 financing support or risk management for a clean energy project, the
1271 authority shall develop standards to govern the administration of the
1272 authority through rules, policies and procedures that specify borrower
1273 eligibility, terms and conditions of support, and other relevant criteria,
1274 standards or procedures.

1275 (C) Funding sources specifically authorized include, but are not
1276 limited to:

1277 (i) Funds repurposed from existing programs providing financing
1278 support for clean energy projects, provided any transfer of funds from
1279 such existing programs shall be subject to approval by the General
1280 Assembly and shall be used for expenses of financing, grants and
1281 loans;

1282 (ii) Any federal funds that can be used for the purposes specified in
1283 subsection (c) of this section;

1284 (iii) Charitable gifts, grants, contributions as well as loans from
1285 individuals, corporations, university endowments and philanthropic
1286 foundations;

1287 (iv) Earnings and interest derived from financing support activities
1288 for clean energy projects backed by the authority;

1289 (v) If and to the extent that the authority qualifies as a Community
1290 Development Financial Institution under Section 4702 of the United
1291 States Code, funding from the Community Development Financial
1292 Institution Fund administered by the United States Department of
1293 Treasury, as well as loans from and investments by depository
1294 institutions seeking to comply with their obligations under the United
1295 States Community Reinvestment Act of 1977; and

1296 (vi) The authority may enter into contracts with private sources to
1297 raise capital. The average rate of return on such debt or equity shall be
1298 set by the authority's board of directors.

1299 (D) The authority may provide financing support under this
1300 subsection if the authority determines that the amount to be financed
1301 by the authority and other nonequity financing sources do not exceed
1302 eighty per cent of the cost to develop and deploy a clean energy project
1303 or up to one hundred per cent of the cost of financing an energy
1304 efficiency project.

1305 (E) The authority may assess reasonable fees on its financing
1306 activities to cover its reasonable costs and expenses, as determined by
1307 the board.

1308 (F) The authority shall make information regarding the rates, terms
1309 and conditions for all of its financing support transactions available to
1310 the public for inspection, including formal annual reviews by both a
1311 private auditor conducted pursuant to subdivision (2) of subsection (f)
1312 of this section and the Comptroller, and providing details to the public
1313 on the Internet, provided public disclosure shall be restricted for
1314 patentable ideas, trade secrets, proprietary or confidential commercial
1315 or financial information, disclosure of which may cause commercial
1316 harm to a nongovernmental recipient of such financing support and
1317 for other information exempt from public records disclosure pursuant

1318 to section 1-210.

1319 (3) No director, officer, employee or agent of the authority, while
1320 acting within the scope of his or her authority, shall be subject to any
1321 personal liability resulting from exercising or carrying out any of the
1322 authority's purposes or powers.

1323 (e) The powers of the Connecticut Clean Energy [Finance and
1324 Investment] Authority shall be vested in and exercised by a board of
1325 directors, which shall consist of eleven voting and two nonvoting
1326 members [each with knowledge and expertise in matters related to the
1327 purpose and activities of the authority appointed] as follows: The
1328 Treasurer or the Treasurer's designee, the Commissioner of Energy
1329 and Environmental Protection or the commissioner's designee and the
1330 Commissioner of Economic and Community Development or the
1331 commissioner's designee, each serving ex officio, one member [who
1332 shall represent a residential or low-income group] appointed by the
1333 speaker of the House of Representatives for a term of four years, one
1334 member [who shall have experience in investment fund management]
1335 appointed by the minority leader of the House of Representatives for a
1336 term of three years, one member [who shall represent an
1337 environmental organization] appointed by the president pro tempore
1338 of the Senate for a term of four years, and one member [who shall have
1339 experience in the finance or deployment of renewable energy]
1340 appointed by the minority leader of the Senate for a term of four years.
1341 Thereafter, such members of the General Assembly shall appoint
1342 members of the board to succeed such appointees whose terms expire
1343 and each member so appointed shall hold office for a period of four
1344 years from the first day of July in the year of his or her appointment.
1345 The Governor shall appoint four members to the board as follows: Two
1346 for two years [who shall have experience in the finance of renewable
1347 energy; one] and two for four years. [who shall be a representative of a
1348 labor organization; and one who shall have experience in research and
1349 development or manufacturing of clean energy.] Thereafter, the
1350 Governor shall appoint members of the board to succeed such

1351 appointees whose terms expire and each member so appointed shall
1352 hold office for a period of four years from the first day of July in the
1353 year of his or her appointment. The president of the authority shall be
1354 elected by the members of the board. The president of the authority
1355 and a member of the board of Connecticut Innovations, Incorporated,
1356 appointed by the chairperson of the corporation shall serve on the
1357 board in an ex-officio, nonvoting capacity. The Governor shall appoint
1358 the chairperson of the board. The board shall elect from its members a
1359 vice chairperson and such other officers as it deems necessary and
1360 shall adopt such bylaws and procedures it deems necessary to carry
1361 out its functions. The board may establish committees and
1362 subcommittees as necessary to conduct its business.

1363 (f) (1) The board shall issue annually a report to the Department of
1364 Energy and Environmental Protection reviewing the activities of the
1365 Connecticut Clean Energy [Finance and Investment] Authority in
1366 detail and shall provide a copy of such report, in accordance with the
1367 provisions of section 11-4a, to the joint standing committees of the
1368 General Assembly having cognizance of matters relating to energy and
1369 commerce. The report shall include a description of the programs and
1370 activities undertaken during the reporting period jointly or in
1371 collaboration with the Energy Conservation and Load Management
1372 Funds established pursuant to section 16-245m, as amended by this
1373 act.

1374 (2) The Clean Energy Fund shall be audited annually. Such audits
1375 shall be conducted with generally accepted auditing standards by
1376 independent certified public accountants certified by the State Board of
1377 Accountancy. Such accountants may be the accountants for the
1378 corporation.

1379 (3) Any entity that receives financing for a clean energy project from
1380 the fund shall provide the board an annual statement, certified as
1381 correct by the chief financial officer of the recipient of such financing,
1382 setting forth all sources and uses of funds in such detail as may be

1383 required by the authority of such project. The authority shall maintain
1384 any such audits for not less than five years. Residential projects for
1385 buildings with one to four dwelling units are exempt from this and
1386 any other annual auditing requirements, except that residential
1387 projects may be required to grant their utility companies' permission to
1388 release their usage data to the authority.

1389 (g) There shall be a joint committee of the Energy Conservation
1390 Management Board and the Connecticut Clean Energy [Finance and
1391 Investment] Authority board of directors, as provided in subdivision
1392 (2) of subsection (d) of section 16-245m, as amended by this act.

1393 Sec. 27. Section 7-233z of the 2012 supplement to the general statutes
1394 is repealed and the following is substituted in lieu thereof (*Effective*
1395 *from passage*):

1396 (a) A municipal electric energy cooperative, created pursuant to this
1397 chapter, shall submit a comprehensive report on the activities of the
1398 municipal electric utilities with regard to promotion of renewable
1399 energy resources. Such report shall identify the standards and
1400 activities of municipal electric utilities in the promotion,
1401 encouragement and expansion of the deployment and use of
1402 renewable energy sources within the service areas of the municipal
1403 electric utilities for the prior calendar year. The cooperative shall
1404 submit the report to the Connecticut Clean Energy [Finance and
1405 Investment] Authority not later than ninety days after the end of each
1406 calendar year that describes the activities undertaken pursuant to this
1407 subsection during the previous calendar year for the promotion and
1408 development of renewable energy sources for all electric customer
1409 classes.

1410 (b) Such cooperative shall develop standards for the promotion of
1411 renewable resources that apply to each municipal electric utility. On or
1412 before January 1, 2008, and annually thereafter, such cooperative shall
1413 submit such standards to the Connecticut Clean Energy [Finance and
1414 Investment] Authority.

1415 Sec. 28. Section 16-245ee of the 2012 supplement to the general
1416 statutes is repealed and the following is substituted in lieu thereof
1417 (*Effective from passage*):

1418 Before approving any plan for energy conservation and load
1419 management and [renewable] clean energy projects issued to it by the
1420 Energy Conservation and Management Board, the board of directors of
1421 the Connecticut Clean Energy [Finance and Investment] Authority or
1422 an electric distribution company, the [Department] Commissioner of
1423 Energy and Environmental Protection shall determine that an
1424 equitable amount of the electric ratepayer funds administered by each
1425 such board are to be deployed among small and large customers with
1426 a maximum average monthly peak demand of one hundred kilowatts
1427 in census tracts in which the median income is not more than sixty per
1428 cent of the state median income. The [department] commissioner shall
1429 determine such equitable share and such projects may include a
1430 mentoring component for such communities. On and after January 1,
1431 2012, and annually thereafter, the [department] commissioner shall
1432 report, in accordance with the provisions of section 11-4a, to the joint
1433 standing committee of the General Assembly having cognizance of
1434 matters relating to energy regarding the distribution of funds to such
1435 communities. Any such report may be submitted electronically.

1436 Sec. 29. Subsection (d) of section 16a-48 of the 2012 supplement to
1437 the general statutes is repealed and the following is substituted in lieu
1438 thereof (*Effective from passage*):

1439 (d) (1) The [department] commissioner shall adopt regulations, in
1440 accordance with the provisions of chapter 54, to implement the
1441 provisions of this section and to establish minimum energy efficiency
1442 standards for the types of new products set forth in subsection (b) of
1443 this section. The regulations shall provide for the following minimum
1444 energy efficiency standards:

1445 (A) Commercial clothes washers shall meet the requirements shown
1446 in Table P-3 of section 1605.3 of the California Code of Regulations,

1447 Title 20: Division 2, Chapter 4, Article 4;

1448 (B) Commercial refrigerators and freezers shall meet the August 1,
1449 2004, requirements shown in Table A-6 of said California regulation;

1450 (C) Illuminated exit signs shall meet the version 2.0 product
1451 specification of the "Energy Star Program Requirements for Exit Signs"
1452 developed by the United States Environmental Protection Agency;

1453 (D) Large packaged air-conditioning equipment having not more
1454 than seven hundred sixty thousand BTUs per hour of capacity shall
1455 meet a minimum energy efficiency ratio of 10.0 for units using both
1456 electric heat and air conditioning or units solely using electric air
1457 conditioning, and 9.8 for units using both natural gas heat and electric
1458 air conditioning;

1459 (E) Large packaged air-conditioning equipment having not less than
1460 seven hundred sixty-one thousand BTUs per hour of capacity shall
1461 meet a minimum energy efficiency ratio of 9.7 for units using both
1462 electric heat and air conditioning or units solely using electric air
1463 conditioning, and 9.5 for units using both natural gas heat and electric
1464 air conditioning;

1465 (F) Low voltage dry-type distribution transformers shall meet or
1466 exceed the energy efficiency values shown in Table 4-2 of the National
1467 Electrical Manufacturers Association Standard TP-1-2002;

1468 (G) Torchiere lighting fixtures shall not consume more than one
1469 hundred ninety watts and shall not be capable of operating with lamps
1470 that total more than one hundred ninety watts;

1471 (H) Traffic signal modules shall meet the product specification of
1472 the "Energy Star Program Requirements for Traffic Signals" developed
1473 by the United States Environmental Protection Agency that took effect
1474 in February, 2001, except where the department, in consultation with
1475 the Commissioner of Transportation, determines that such
1476 specification would compromise safe signal operation;

1477 (I) Unit heaters shall not have pilot lights and shall have either
1478 power venting or an automatic flue damper;

1479 (J) On or after January 1, 2009, residential furnaces and boilers
1480 purchased by the state shall meet or exceed the following annual fuel
1481 utilization efficiency: (i) For gas and propane furnaces, ninety per cent
1482 annual fuel utilization efficiency, (ii) for oil furnaces, eighty-three per
1483 cent annual fuel utilization efficiency, (iii) for gas and propane hot
1484 water boilers, eighty-four per cent annual fuel utilization efficiency,
1485 (iv) for oil-fired hot water boilers, eighty-four per cent annual fuel
1486 utilization efficiency, (v) for gas and propane steam boilers, eighty-two
1487 per cent annual fuel utilization efficiency, (vi) for oil-fired steam
1488 boilers, eighty-two per cent annual fuel utilization efficiency, and (vii)
1489 for furnaces with furnace air handlers, an electricity ratio of not more
1490 than 2.0, except air handlers for oil furnaces with a capacity of less than
1491 ninety-four thousand BTUs per hour shall have an electricity ratio of
1492 2.3 or less;

1493 (K) On or after January 1, 2010, metal halide lamp fixtures designed
1494 to be operated with lamps rated greater than or equal to one hundred
1495 fifty watts but less than or equal to five hundred watts shall not
1496 contain a probe-start metal halide lamp ballast;

1497 (L) Single-voltage external AC to DC power supplies manufactured
1498 on or after January 1, 2008, shall meet the energy efficiency standards
1499 of table U-1 of section 1605.3 of the January 2006 California Code of
1500 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
1501 Efficiency Regulations. This standard applies to single voltage AC to
1502 DC power supplies that are sold individually and to those that are sold
1503 as a component of or in conjunction with another product. This
1504 standard shall not apply to single-voltage external AC to DC power
1505 supplies sold with products subject to certification by the United States
1506 Food and Drug Administration. A single-voltage external AC to DC
1507 power supply that is made available by a manufacturer directly to a
1508 consumer or to a service or repair facility after and separate from the

1509 original sale of the product requiring the power supply as a service
1510 part or spare part shall not be required to meet the standards in said
1511 table U-1 until five years after the effective dates indicated in the table;

1512 (M) On or after January 1, 2009, state regulated incandescent
1513 reflector lamps shall be manufactured to meet the minimum average
1514 lamp efficacy requirements for federally regulated incandescent
1515 reflector lamps contained in 42 USC 6295(i)(1)(A). Each lamp shall
1516 indicate the date of manufacture;

1517 (N) On or after January 1, 2009, bottle-type water dispensers,
1518 commercial hot food holding cabinets, portable electric spas, walk-in
1519 refrigerators and walk-in freezers shall meet the efficiency
1520 requirements of section 1605.3 of the January 2006 California Code of
1521 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
1522 Efficiency Regulations. On or after January 1, 2010, residential pool
1523 pumps shall meet said efficiency requirements;

1524 (O) On or after January 1, 2009, pool heaters shall meet the
1525 efficiency requirements of sections 1605.1 and 1605.3 of the January
1526 2006 California Code of Regulations, Title 20, Division 2, Chapter 4,
1527 Article 4: Appliance Efficiency Regulations;

1528 (P) By January 1, 2014, compact audio players, digital versatile disc
1529 players and digital versatile disc recorders shall meet the requirements
1530 shown in Table V-1 of Section 1605.3 of the November 2009
1531 amendments to the California Code of Regulations, Title 20, Division 2,
1532 Chapter 4, Article 4, unless the commissioner, in accordance with
1533 subparagraph (B) of subdivision (3) of this subsection, determines that
1534 such standards are unwarranted and may accept, reject or modify
1535 according to subparagraph (A) of subdivision (3) of this subsection;

1536 (Q) On or after January 1, 2014, televisions manufactured on or after
1537 July 1, 2011, shall meet the requirements shown in Table V-2 of Section
1538 1605.3 of the November 2009 amendments to the California Code of
1539 Regulations, Title 20, Division 2, Chapter 4, Article 4, unless the

1540 commissioner, in accordance with subparagraph (B) of subdivision (3)
1541 of this subsection, determines that such standards are unwarranted
1542 and may accept, reject or modify according to subparagraph (A) of
1543 subdivision (3) of this subsection; and

1544 (R) In addition to the requirements of subparagraph (Q) of this
1545 subdivision, televisions manufactured on or after January 1, 2014, shall
1546 meet the efficiency requirements of Sections 1605.3(v)(3)(A),
1547 1605.3(v)(3)(B) and 1605.3(v)(3)(C) of the November 2009 amendments
1548 to the California Code of Regulations, Title 20, Division 2, Chapter 4,
1549 Article 4, unless the commissioner, in accordance with subparagraph
1550 (B) of subdivision (3) of this subsection, determines that such
1551 standards are unwarranted and may accept, reject or modify according
1552 to subparagraph (A) of subdivision (3) of this subsection.

1553 (2) Such efficiency standards, where in conflict with the State
1554 Building Code, shall take precedence over the standards contained in
1555 the Building Code. Not later than July 1, 2007, and biennially
1556 thereafter, the [department] commissioner shall review and increase
1557 the level of such efficiency standards by adopting regulations in
1558 accordance with the provisions of chapter 54 upon a determination
1559 that increased efficiency standards would serve to promote energy
1560 conservation in the state and would be cost-effective for consumers
1561 who purchase and use such new products, provided no such increased
1562 efficiency standards shall become effective within one year following
1563 the adoption of any amended regulations providing for such increased
1564 efficiency standards.

1565 (3) (A) The [department] commissioner shall adopt regulations, in
1566 accordance with the provisions of chapter 54, to designate additional
1567 products to be subject to the provisions of this section and to establish
1568 efficiency standards for such products upon a determination that such
1569 efficiency standards (i) would serve to promote energy conservation in
1570 the state, (ii) would be cost-effective for consumers who purchase and
1571 use such new products, and (iii) would not impose an unreasonable

1572 burden on Connecticut businesses.

1573 (B) The [department] commissioner, in consultation with the Multi-
1574 State Appliance Standards Collaborative, shall identify additional
1575 appliance and equipment efficiency standards. The commissioner shall
1576 review all California standards and may review standards from other
1577 states in such collaborative. The commissioner shall issue notice of
1578 such review in the Connecticut Law Journal, allow for public comment
1579 and may hold a public hearing within six months of adoption of an
1580 efficiency standard by a cooperative member state regarding a product
1581 for which no equivalent Connecticut or federal standard currently
1582 exists. The [department] commissioner shall adopt regulations in
1583 accordance with the provisions of chapter 54 adopting such efficiency
1584 standard unless the [department] commissioner makes a specific
1585 finding that such standard does not meet the criteria in subparagraph
1586 (A) of this subdivision.

1587 Sec. 30. Subsection (e) of section 16a-48 of the 2012 supplement to
1588 the general statutes is repealed and the following is substituted in lieu
1589 thereof (*Effective from passage*):

1590 (e) On or after July 1, 2006, except for commercial clothes washers,
1591 for which the date shall be July 1, 2007, commercial refrigerators and
1592 freezers, for which the date shall be July 1, 2008, and large packaged
1593 air-conditioning equipment, for which the date shall be July 1, 2009, no
1594 new product of a type set forth in subsection (b) of this section or
1595 designated by the [department] commissioner may be sold, offered for
1596 sale, or installed in the state unless the energy efficiency of the new
1597 product meets or exceeds the efficiency standards set forth in such
1598 regulations adopted pursuant to subsection (d) of this section.

1599 Sec. 31. Subsection (f) of section 16a-48 of the 2012 supplement to
1600 the general statutes is repealed and the following is substituted in lieu
1601 thereof (*Effective from passage*):

1602 (f) The [department] commissioner shall adopt procedures for

1603 testing the energy efficiency of the new products set forth in subsection
1604 (b) of this section or designated by the department if such procedures
1605 are not provided for in the State Building Code. The [department]
1606 commissioner shall use United States Department of Energy approved
1607 test methods, or in the absence of such test methods, other appropriate
1608 nationally recognized test methods. The manufacturers of such
1609 products shall cause samples of such products to be tested in
1610 accordance with the test procedures adopted pursuant to this
1611 subsection or those specified in the State Building Code.

1612 Sec. 32. Subsection (g) of section 16a-48 of the 2012 supplement to
1613 the general statutes is repealed and the following is substituted in lieu
1614 thereof (*Effective from passage*):

1615 (g) Manufacturers of new products set forth in subsection (b) of this
1616 section or designated by the [department] commissioner shall certify to
1617 the commissioner that such products are in compliance with the
1618 provisions of this section, except that certification is not required for
1619 single voltage external AC to DC power supplies and walk-in
1620 refrigerators and walk-in freezers. All single voltage external AC to DC
1621 power supplies shall be labeled as described in the January 2006
1622 California Code of Regulations, Title 20, Section 1607 (9). The
1623 [department] commissioner shall promulgate regulations governing
1624 the certification of such products. The commissioner shall publish an
1625 annual list of such products.

1626 Sec. 33. Subsection (g) of section 16-245 of the 2012 supplement to
1627 the general statutes is repealed and the following is substituted in lieu
1628 thereof (*Effective from passage*):

1629 (g) As conditions of continued licensure, in addition to the
1630 requirements of subsection (c) of this section: (1) The licensee shall
1631 comply with the National Labor Relations Act and regulations, if
1632 applicable; (2) the licensee shall comply with the Connecticut Unfair
1633 Trade Practices Act and applicable regulations; (3) each generating
1634 facility operated by or under long-term contract to the licensee shall

1635 comply with regulations adopted by the Commissioner of Energy and
1636 Environmental Protection, pursuant to section 22a-174j; (4) the licensee
1637 shall comply with the portfolio standards, pursuant to section 16-245a;
1638 (5) the licensee shall be a member of the New England Power Pool or
1639 its successor or have a contractual relationship with one or more
1640 entities who are members of the New England Power Pool or its
1641 successor and the licensee shall comply with the rules of the regional
1642 independent system operator and standards and any other reliability
1643 guidelines of the regional independent systems operator; (6) the
1644 licensee shall agree to cooperate with the authority and other electric
1645 suppliers in the event of an emergency condition that may jeopardize
1646 the safety and reliability of electric service; (7) the licensee shall comply
1647 with the code of conduct established pursuant to section 16-244h; (8)
1648 for a license to a participating municipal electric utility, the licensee
1649 shall provide open and nondiscriminatory access to its distribution
1650 facilities to other licensed electric suppliers; (9) the licensee or the
1651 entity or entities with whom the licensee has a contractual relationship
1652 to purchase power shall be in compliance with all applicable licensing
1653 requirements of the Federal Energy Regulatory Commission; (10) each
1654 generating facility operated by or under long-term contract to the
1655 licensee shall be in compliance with chapter 277a and state
1656 environmental laws and regulations; (11) the licensee shall comply
1657 with the renewable portfolio standards established in section 16-245a;
1658 (12) on or after July 1, 2012, the licensee shall offer a time-of-use price
1659 option to customers. Such option shall include a two-part price that is
1660 designed to achieve an overall minimization of customer bills by
1661 encouraging the reduction of consumption during the most energy
1662 intense hours of the day. The licensee shall file its time-of-use rates
1663 with the Public Utilities Regulatory Authority; and (13) the licensee
1664 shall acknowledge that it is subject to chapters 208, 212, 212a and 219,
1665 as applicable, and the licensee shall pay all taxes it is subject to in this
1666 state. Also as a condition of licensure, the authority shall prohibit each
1667 licensee from declining to provide service to customers for the reason
1668 that the customers are located in economically distressed areas. The

1669 authority may establish additional reasonable conditions to assure that
1670 all retail customers will continue to have access to electric generation
1671 services.

1672 Sec. 34. Subsection (a) of section 103 of public act 11-80 is repealed
1673 and the following is substituted in lieu thereof (*Effective from passage*):

1674 (a) The Connecticut Clean Energy [Finance and Investment]
1675 Authority shall on or before March 1, 2012, establish a three-year pilot
1676 program to promote the development of new combined heat and
1677 power projects in Connecticut that are below [two] five megawatts in
1678 capacity size. The program established pursuant to this section shall
1679 not exceed fifty megawatts. The authority shall set one or more
1680 standardized grant amounts, loan amounts and power purchase
1681 agreements for such projects to limit the administrative burden of
1682 project approvals for the authority and the project proponent,
1683 including, but not limited to, a per kilowatt cost of up to three hundred
1684 fifty dollars. Such standardized provisions shall seek to minimize costs
1685 for the general class of ratepayers, ensuring that the project developer
1686 has a significant share of the financial burden and risk, while ensuring
1687 the development of projects that benefit Connecticut's economy,
1688 ratepayers, and environment. The authority may in its discretion
1689 decline to support a proposed project if the benefits of such project to
1690 Connecticut's ratepayers, economy and environment, including
1691 emissions reductions, are too meager to justify ratepayer or taxpayer
1692 investment.

1693 Sec. 35. Section 16-245ff of the 2012 supplement to the general
1694 statutes is repealed and the following is substituted in lieu thereof
1695 (*Effective from passage*):

1696 (a) The Connecticut Clean Energy [Finance and Investment]
1697 Authority established pursuant to section 16-245n, as amended by this
1698 act, shall structure and implement a residential solar investment
1699 program established pursuant to this section, which shall result in a
1700 minimum of thirty megawatts of new residential solar photovoltaic

1701 installations located in this state on or before December 31, 2022, the
1702 annual procurement of which shall be determined by the authority and
1703 the cost of which shall not exceed one-third of the total surcharge
1704 collected annually pursuant to said section 16-245n.

1705 (b) The Connecticut Clean Energy [Finance and Investment]
1706 Authority shall offer direct financial incentives, in the form of
1707 performance-based incentives or expected performance-based
1708 buydowns, for the purchase or lease of qualifying residential solar
1709 photovoltaic systems. For the purposes of this section, "performance-
1710 based incentives" means incentives paid out on a per kilowatt-hour
1711 basis, and "expected performance-based buydowns" means incentives
1712 paid out as a one-time upfront incentive based on expected system
1713 performance. The authority shall consider willingness to pay studies
1714 and verified solar photovoltaic system characteristics, such as
1715 operational efficiency, size, location, shading and orientation, when
1716 determining the type and amount of incentive. Notwithstanding the
1717 provisions of subdivision (1) of subsection (j) of section 16-244c, the
1718 amount of renewable energy produced from Class I renewable energy
1719 sources [receiving tariff payments or] included in utility rates under
1720 this section shall be applied to reduce the electric distribution
1721 company's Class I renewable energy source portfolio standard.
1722 Customers who receive expected performance-based buydowns under
1723 this section shall not be eligible for a credit pursuant to section [16-
1724 243b] 16-243h.

1725 (c) Beginning with the comprehensive plan covering the period
1726 from July 1, 2011, to June 30, 2013, the Connecticut Clean Energy
1727 [Finance and Investment] Authority shall develop and publish in each
1728 such plan a proposed schedule for the offering of performance-based
1729 incentives or expected performance-based buydowns over the
1730 duration of any such solar incentive program. Such schedule shall: (1)
1731 Provide for a series of solar capacity blocks the combined total of
1732 which shall be a minimum of thirty megawatts and projected incentive
1733 levels for each such block; (2) provide incentives that are sufficient to

1734 meet reasonable payback expectations of the residential consumer,
1735 taking into consideration the estimated cost of residential solar
1736 installations, the value of the energy offset by the system and the
1737 availability and estimated value of other incentives, including, but not
1738 limited to, federal and state tax incentives and revenues from the sale
1739 of solar renewable energy credits; (3) provide incentives that decline
1740 over time and will foster the sustained, orderly development of a state-
1741 based solar industry; (4) automatically adjust to the next block once the
1742 board of directors of the Connecticut Clean Energy Authority has
1743 issued reservations for financial incentives, provided, pursuant to this
1744 section, [from] that the board has fully [committing] committed the
1745 target solar capacity and available incentives in that block; and (5)
1746 provide comparable economic incentives for the purchase or lease of
1747 qualifying residential solar photovoltaic systems. The authority may
1748 retain the services of a third-party entity with expertise in the area of
1749 solar energy program design to assist in the development of the
1750 incentive schedule or schedules. The [Department] Commissioner of
1751 Energy and Environmental Protection shall review and approve such
1752 schedule. Nothing in this subsection shall restrict the authority from
1753 modifying the approved incentive schedule before the issuance of its
1754 next comprehensive plan to account for changes in federal or state law
1755 or regulation or developments in the solar market when such changes
1756 would affect the expected return on investment for a typical residential
1757 solar photovoltaic system by twenty per cent or more.

1758 (d) The Connecticut Clean Energy [Finance and Investment]
1759 Authority shall establish and periodically update program guidelines,
1760 including, but not limited to, requirements for systems and program
1761 participants related to: (1) Eligibility criteria; (2) standards for
1762 deployment of energy efficient equipment or building practices as a
1763 condition for receiving incentive funding; (3) procedures to provide
1764 reasonable assurance that such reservations are made and incentives
1765 are paid out only to qualifying residential solar photovoltaic systems
1766 demonstrating a high likelihood of being installed and operated as
1767 indicated in application materials; and (4) reasonable protocols for the

1768 measurement and verification of energy production.

1769 (e) The Connecticut Clean Energy [Finance and Investment]
1770 Authority shall maintain on its web site the schedule of incentives,
1771 solar capacity remaining in the current block and available funding
1772 and incentive estimators.

1773 (f) Funding for the residential performance-based incentive
1774 program and expected performance-based buydowns shall be
1775 apportioned from the moneys collected under the surcharge specified
1776 in section 16-245n, as amended by this act, provided such
1777 apportionment shall not exceed one-third of the total surcharge
1778 collected annually, and supplemented by federal funding as may
1779 become available.

1780 (g) The Connecticut Clean Energy [Finance and Investment]
1781 Authority shall identify barriers to the development of a permanent
1782 Connecticut-based solar workforce and shall make provision for
1783 comprehensive training, accreditation and certification programs
1784 through institutions and individuals accredited and certified to
1785 national standards.

1786 (h) On or before January 1, 2014, and every two years thereafter for
1787 the duration of the program, the Connecticut Clean Energy [Finance
1788 and Investment] Authority shall report to the joint standing committee
1789 of the General Assembly having cognizance of matters relating to
1790 energy on progress toward the goals identified in subsection (a) of this
1791 section.

1792 Sec. 36. Subsection (b) of section 16-244r of the 2012 supplement to
1793 the general statutes is repealed and the following is substituted in lieu
1794 thereof (*Effective from passage*):

1795 (b) Solicitations conducted by the electric distribution company
1796 shall be for the purchase of renewable energy credits produced by
1797 eligible customer-sited generating projects over the duration of the

1798 long-term contract. For purposes of this section, a long-term contract is
1799 a contract for fifteen years. The electric distribution company shall be
1800 entitled to recover the reasonable costs and fees incurred in connection
1801 with soliciting and filing long-term contracts with the authority
1802 pursuant to this section through a reconciling component of electric
1803 rates as determined by the authority.

1804 Sec. 37. Section 16-32f of the 2012 supplement to the general statutes
1805 is repealed and the following is substituted in lieu thereof (*Effective*
1806 *from passage*):

1807 (a) On or before October first of each even-numbered year, a gas
1808 company, as defined in section 16-1, as amended by this act, shall
1809 furnish a report to the Public Utilities Regulatory Authority containing
1810 a five-year forecast of loads and resources. The report shall describe
1811 the facilities and supply sources that, in the judgment of such gas
1812 company, will be required to meet gas demands during the forecast
1813 period. The report shall be made available to the public and shall be
1814 furnished to the chief executive officer of each municipality in the
1815 service area of such gas company, the regional planning agency which
1816 encompasses each such municipality, the Attorney General, the
1817 president pro tempore of the Senate, the speaker of the House of
1818 Representatives, the joint standing committee of the General Assembly
1819 having cognizance of matters relating to public utilities, any other
1820 member of the General Assembly making a request to the authority for
1821 the report and such other state and municipal entities as the authority
1822 may designate by regulation. The report shall include: (1) A tabulation
1823 of estimated peak loads and resources for each year; (2) data on gas
1824 use and peak loads for the five preceding calendar years; (3) a list of
1825 present and projected gas supply sources; (4) specific measures to
1826 control load growth and promote conservation; and (5) such other
1827 information as the authority may require by regulation. A full
1828 description of the methodology used to arrive at the forecast of loads
1829 and resources shall also be furnished to the authority. The authority
1830 shall hold a public hearing on such reports upon the request of any

1831 person. On or before August first of each odd-numbered year, the
1832 authority may request a gas company to furnish to the authority an
1833 updated report. A gas company shall furnish any such updated report
1834 not later than sixty days following the request of the authority.

1835 (b) Not later than October 1, [2005] 2012, and [annually] every three
1836 years thereafter, a gas company, as defined in section 16-1, as amended
1837 by this act, in collaboration with electric distribution companies, as
1838 defined in section 16-1, as amended by this act, shall submit to the
1839 [Public Utilities Regulatory Authority] Commissioner of Energy and
1840 Environmental Protection a [gas conservation] plan, in accordance
1841 with the provisions of this section, to implement cost-effective energy
1842 conservation programs and market transformation initiatives. All
1843 supply and conservation and load management options shall be
1844 evaluated and selected within an integrated supply and demand
1845 planning framework. Services provided under the plan shall be
1846 available to all gas company customers. Each gas company shall apply
1847 to the Energy Conservation Management Board for reimbursement for
1848 expenditures pursuant to the plan. The [authority] commissioner shall,
1849 in an uncontested proceeding during which the [authority]
1850 commissioner may hold a public hearing, approve, modify or reject the
1851 plan.

1852 (c) (1) The Energy Conservation Management Board shall advise
1853 and assist each such gas company in the development and
1854 implementation of the plan submitted under subsection (b) of this
1855 section. Each program contained in the plan shall be reviewed by each
1856 such gas company and shall be either accepted, modified or rejected by
1857 the Energy Conservation Management Board before submission of the
1858 plan to the [authority] commissioner for approval. The Energy
1859 Conservation Management Board shall, as part of its review, examine
1860 opportunities to offer joint programs providing similar efficiency
1861 measures that save more than one fuel resource or to otherwise
1862 coordinate programs targeted at saving more than one fuel resource.
1863 Any costs for joint programs shall be allocated equitably among the

1864 conservation programs.

1865 (2) Programs included in the plan shall be screened through cost-
1866 effectiveness testing that compares the value and payback period of
1867 program benefits to program costs to ensure that the programs are
1868 designed to obtain gas savings whose value is greater than the costs of
1869 the program. [Program cost-effectiveness shall be reviewed annually
1870 by the authority, or otherwise as is practicable.] If the authority
1871 determines that a program fails the cost-effectiveness test as part of the
1872 review process, the program shall either be modified to meet the test
1873 or be terminated. On or before January 1, 2007, and annually
1874 thereafter, the board shall provide a report, in accordance with the
1875 provisions of section 11-4a, to the joint standing committees of the
1876 General Assembly having cognizance of matters relating to energy and
1877 the environment, that documents expenditures and funding for such
1878 programs and evaluates the cost-effectiveness of such programs
1879 conducted in the preceding year, including any increased cost-
1880 effectiveness owing to offering programs that save more than one fuel
1881 resource.

1882 (3) Programs included in the plan may include, but are not limited
1883 to: (A) Conservation and load management programs, including
1884 programs that benefit low-income individuals; (B) research,
1885 development and commercialization of products or processes that are
1886 more energy-efficient than those generally available; (C) development
1887 of markets for such products and processes; (D) support for energy use
1888 assessment, engineering studies and services related to new
1889 construction or major building renovations; (E) the design,
1890 manufacture, commercialization and purchase of energy-efficient
1891 appliances, air conditioning and heating devices; (F) program planning
1892 and evaluation; (G) joint fuel conservation initiatives and programs
1893 targeted at saving more than one fuel resource; and (H) public
1894 education regarding conservation. Such support may be by direct
1895 funding, manufacturers' rebates, sale price and loan subsidies, leases
1896 and promotional and educational activities. The plan shall also provide

1897 for expenditures by the Energy Conservation Management Board for
1898 the retention of expert consultants and reasonable administrative costs,
1899 provided such consultants shall not be employed by, or have any
1900 contractual relationship with, a gas company. Such costs shall not
1901 exceed five per cent of the total cost of the plan.

1902 Sec. 38. Section 16-244s of the 2012 supplement to the general
1903 statutes is repealed and the following is substituted in lieu thereof
1904 (*Effective from passage*):

1905 (a) To procure the long-term contracts described in section 16-244r,
1906 as amended by this act, each electric distribution company shall, not
1907 later than one hundred eighty days after July 1, 2011, propose a six-
1908 year solicitation plan that shall include (1) a timetable and
1909 methodology for soliciting proposals for the long-term purchase of
1910 renewable energy credits from in-state generators of Class I
1911 technologies that emit no pollutants and are not more than one
1912 megawatt in size, and (2) declining annual incentives during each of
1913 the six years of the program. The electric distribution company's
1914 solicitation plan shall be subject to the review and approval of the
1915 Public Utilities Regulatory Authority.

1916 (b) The electric distribution company's approved solicitation plan
1917 shall be designed to foster a diversity of project sizes and participation
1918 among all eligible customer classes subject to cost-effectiveness
1919 considerations. Separate procurement processes shall be conducted for
1920 (1) systems up to one hundred kilowatts; (2) systems greater than one
1921 hundred kilowatts but less than two hundred fifty kilowatts; and (3)
1922 systems between two hundred fifty and one thousand kilowatts. The
1923 Public Utilities Regulatory Authority shall give preference to
1924 competitive bidding for resources of more than one hundred kilowatts,
1925 with bids ranked in order on the basis of lowest net present value of
1926 required renewable energy credit price, unless the authority
1927 determines that an alternative methodology is in the best interests of
1928 the electric distribution company's customers and the development of

1929 a competitive and self-sustaining market. Systems up to one hundred
1930 kilowatts in size shall be eligible to receive, on an ongoing and
1931 continuous basis, a renewable energy credit offer price equivalent to
1932 the weighted average accepted bid price in the most recent solicitation
1933 for systems greater than one hundred kilowatts but less than two
1934 hundred fifty kilowatts, plus an additional incentive of ten per cent.
1935 The electric distribution company shall be entitled to recover the
1936 reasonable costs and fees incurred in connection with the preparation
1937 of a solicitation plan pursuant to this section through a reconciling
1938 component of electric rates as determined by the authority.

1939 (c) Each electric distribution company shall execute its approved
1940 six-year solicitation plan and submit to the Public Utilities Regulatory
1941 Authority for review and approval of its preferred procurement plan
1942 comprised of any proposed contract or contracts with independent
1943 developers. If an electric distribution company's solicitation does not
1944 result in proposed contracts totaling the annual expenditure pursuant
1945 to subsection (a) of section 16-244r and the Public Utilities Regulatory
1946 Authority has reduced the cap price by more than three per cent
1947 pursuant to subsection (c) of section 16-244r, the authority shall, within
1948 ninety days, issue a request for proposals for additional contracts. The
1949 authority shall approve contract proposals submitted in response to
1950 such request on a least-cost basis, provided an electric distribution
1951 company shall not be required to enter into a contract that provides for
1952 a payment in any year of the contract that exceeds the renewable
1953 energy price cap for the prior year by [~~less~~] more than three per cent.

1954 (d) The Public Utilities Regulatory Authority shall hold a hearing
1955 that shall be conducted as an uncontested case, in accordance with the
1956 provisions of chapter 54, to approve, reject or modify an [application
1957 for approval of the] electric distribution company's procurement plan.
1958 The authority shall only [approve such proposed plan] issue an
1959 approval for a plan or modification of a plan if the authority finds that
1960 (1) the solicitation and evaluation conducted by the electric
1961 distribution company was the result of a fair, open, competitive and

1962 transparent process; (2) approval of the procurement plan would result
1963 in the greatest expected ratepayer value from energy from Class I or
1964 renewable energy credits at the lowest reasonable cost; and (3) such
1965 procurement plan or any modification satisfies other criteria
1966 established in the approved solicitation plan. The authority shall not
1967 approve any proposal made under such plan unless it determines that
1968 the plan and proposals encompass all foreseeable sources of revenue
1969 or benefits and that such proposals, together with such revenue or
1970 benefits, would result in the greatest expected ratepayer value from
1971 energy technologies that emit no pollutants or renewable energy
1972 credits. The authority may, in its discretion, retain the services of an
1973 independent consultant with expertise in the area of energy
1974 procurement to assist in such determination. The independent
1975 consultant shall be unaffiliated with the electric distribution company
1976 or its affiliates and shall not, directly or indirectly, have benefited from
1977 employment or contracts with the electric distribution company or its
1978 affiliates in the preceding five years, except as an independent
1979 consultant. The electric distribution company shall provide the
1980 independent consultant immediate and continuing access to all
1981 documents and data reviewed, used or produced by the electric
1982 distribution company in its bid solicitation and evaluation process. The
1983 electric distribution company shall make all its personnel, agents and
1984 contractors used in the bid solicitation and evaluation available for
1985 interview by the consultant. The electric distribution company shall
1986 conduct any additional modeling requested by the independent
1987 consultant to test the assumptions and results of the bid evaluation
1988 process. The independent consultant shall not participate in or advise
1989 the electric distribution company with respect to any decisions in the
1990 bid solicitation or bid evaluation process. The authority's
1991 administrative costs in reviewing the electric distribution company's
1992 procurement plan and the costs of the consultant shall be recovered
1993 through a reconciling component of electric rates as determined by the
1994 authority.

1995 (e) The electric distribution company shall be entitled to recover its

1996 reasonable costs and fees prudently incurred of complying with its
1997 approved procurement plan through a reconciling component of
1998 electric rates as determined by the authority. Nothing in this section
1999 shall preclude the resale or other disposition of energy or associated
2000 renewable energy credits purchased by the electric distribution
2001 company, provided the distribution company shall net the cost of
2002 payments made to projects under the long-term contracts against the
2003 proceeds of the sale of energy or renewable energy credits and the
2004 difference shall be credited or charged to distribution customers
2005 through a reconciling component of electric rates as determined by the
2006 authority that is nonbypassable when switching electric suppliers.

2007 (f) Failure by the electric distribution company to execute its
2008 approved solicitation plan shall result in a noncompliance fee. Unless,
2009 upon petition by the electric distribution company, the authority
2010 grants the distribution company an extension not to exceed ninety
2011 days to correct this deficiency, the electric distribution company shall
2012 be assessed a noncompliance fee one hundred twenty-five per cent of
2013 the difference between the annual distribution company expenditures
2014 required pursuant to subsection (c) of section 16-244r and the
2015 contractually committed expenditure for renewable energy credits
2016 from eligible zero emissions customer-sited generating projects in that
2017 year. The noncompliance fees associated with the procurement
2018 shortfall shall be collected by the distribution company, maintained in
2019 a separate interest-bearing account and disbursed to the department
2020 on a quarterly basis. Funds collected by the authority pursuant to this
2021 section shall be used to support the deployment of Class I zero
2022 emissions generating systems installed in the state with priority given
2023 to otherwise underserved market segments, including, but not limited
2024 to, low-income housing, schools and other public buildings and
2025 nonprofits. The authority may waive a noncompliance fee assessed
2026 pursuant to this section if the authority determines that meeting the
2027 requirements of this subsection would be commercially infeasible.

2028 (g) Not later than sixty days after its approval of the distribution

2029 company procurement plans submitted on or before January 1, 2013,
2030 the Public Utilities Regulatory Authority shall submit a report to the
2031 joint standing committee of the General Assembly having cognizance
2032 of matters relating to energy. The report shall document for each
2033 distribution company procurement plan: (1) The total number of
2034 renewable energy credits bid relative to the number of renewable
2035 energy credits requested by the distribution company; (2) the total
2036 number of bidders in each market segment; (3) the number and value
2037 of contracts awarded; (4) the total weighted average price of the
2038 renewable energy credits or energy so purchased; and (5) the extent to
2039 which the costs of the technology has been reduced. The authority
2040 shall not report individual bid information or other proprietary
2041 information.

2042 Sec. 39. Subsection (a) of section 16-244t of the 2012 supplement to
2043 the general statutes is repealed and the following is substituted in lieu
2044 thereof (*Effective from passage*):

2045 (a) Commencing on January 1, 2012, and within one hundred eighty
2046 days, each electric distribution company shall solicit and file with the
2047 Public Utilities Regulatory Authority for its approval one or more
2048 fifteen-year power purchase contracts with owners or developers of
2049 generation projects that are less than two megawatts in size, located on
2050 the customer side of the revenue meter, serve the distribution system
2051 of the electric distribution company, and use Class I technologies that
2052 have no emissions. [of no more than 0.07 pounds per megawatt-hour
2053 of nitrogen oxides, 0.10 pounds per megawatt-hour of carbon
2054 monoxide, 0.02 pounds per megawatt-hour of volatile organic
2055 compounds, and one grain per one hundred standard cubic feet.] The
2056 authority may give a preference to contracts for technologies
2057 manufactured, researched or developed in the state.

2058 Sec. 40. Subsection (b) of section 16-244t of the 2012 supplement to
2059 the general statutes is repealed and the following is substituted in lieu
2060 thereof (*Effective from passage*):

2061 (b) Solicitations conducted by the electric distribution company
2062 shall be for the purchase of renewable energy credits produced by
2063 eligible customer-sited generating projects over the duration of the
2064 contract. The electric distribution company shall be entitled to recover
2065 the reasonable costs and fees incurred in connection with soliciting and
2066 filing power purchase contracts with the authority pursuant to this
2067 section through a reconciling component of electric rates as
2068 determined by the authority.

2069 Sec. 41. Section 16-245hh of the 2012 supplement to the general
2070 statutes is repealed and the following is substituted in lieu thereof
2071 (*Effective from passage*):

2072 The Connecticut Clean Energy [Finance and Investment] Authority
2073 created pursuant to section 16-245n, as amended by this act, in
2074 consultation with the [Department] Commissioner of Energy and
2075 Environmental Protection, shall establish a program to be known as
2076 the "condominium renewable energy grant program". Under such
2077 program, the board of directors of the authority shall provide grants to
2078 residential condominium associations and residential condominium
2079 owners, within available funds, for purchasing clean energy sources,
2080 including solar energy, geothermal energy and fuel cells or other
2081 energy-efficient hydrogen-fueled energy.

2082 Sec. 42. Section 16-24a of the 2012 supplement to the general statutes
2083 is repealed and the following is substituted in lieu thereof (*Effective*
2084 *from passage*):

2085 (a) On or before June 30, 2012, the [Department] Commissioner of
2086 Energy and Environmental Protection shall conduct a proceeding
2087 regarding development of low-income discounted rates for service
2088 provided by electric distribution and gas companies, as defined in
2089 section 16-1, as amended by this act, to low-income customers with an
2090 annual income that does not exceed sixty per cent of median income.
2091 Such proceeding shall include, but not be limited to, a review, for
2092 individuals who receive means-tested assistance administered by the

2093 state or federal governments, of the current and future availability of
2094 rate discounts through the department's electricity purchasing pool
2095 operated pursuant to section 16a-14e, energy assistance benefits
2096 available through any plan adopted pursuant to section 16a-41a, state
2097 funded or administered programs, conservation assistance available
2098 pursuant to section 16-245m, as amended by this act, assistance funded
2099 or administered by said department or the Department of Social
2100 Services, or matching payment program benefits available pursuant to
2101 subsection (b) of section 16-262c. The [department] commissioner shall
2102 (1) coordinate resources and programs, to the extent practicable; (2)
2103 develop rates that take into account the indigency of persons of
2104 poverty status and allow such persons' households to meet the costs of
2105 essential energy needs; (3) require the households to have a home
2106 energy audit paid from the Energy Efficiency Fund as a prerequisite to
2107 qualification; (4) prepare an analysis of the benefits and anticipated
2108 costs of such low-income discounted rates; and (5) review utility rate
2109 discount policies or programs in other states.

2110 (b) The [department] commissioner shall determine which, if any, of
2111 its programs shall be modified, terminated or have their funding
2112 reduced because such program beneficiaries would benefit more by
2113 the establishment of a low-income or discount rate. The [department]
2114 commissioner shall establish a rate reduction that is equal to the
2115 anticipated funds transferred from the programs modified, terminated
2116 or reduced by the department pursuant to this section and the reduced
2117 cost of providing service to those eligible for such discounted or low-
2118 income rates, any available energy assistance and other sources of
2119 coverage for such rates, including, but not limited to, generation
2120 available through the electricity purchasing pool operated by the
2121 department. The [department] commissioner may issue
2122 recommendations regarding programs administered by the
2123 Department of Social Services.

2124 (c) The [department] commissioner shall order (1) filing by each
2125 electric distribution company of proposed rates consistent with the

2126 [department's] commissioner's decision pursuant to subsection (a) of
2127 this section not later than sixty days after its issuance; and (2)
2128 appropriate modification of existing low-income programs.

2129 (d) The cost of low-income and discounted rates and related
2130 outreach activities pursuant to this section shall be paid (1) through the
2131 normal rate-making procedures of the [department] Public Utilities
2132 Regulatory Authority, (2) on a semiannual basis through the systems
2133 benefits charge for an electric distribution company, and (3) solely
2134 from the funds of the programs modified, terminated or reduced by
2135 the department pursuant to this section and the reduced cost of
2136 providing service to those eligible for such discounted or low-income
2137 rates, any available energy assistance and other sources of coverage for
2138 such rates, including, but not limited to, generation available through
2139 the electricity purchasing pool operated by the department.

2140 (e) On or before [February] October 1, 2012, the department shall
2141 report, in accordance with section 11-4a, to the joint standing
2142 committee of the General Assembly having cognizance of matters
2143 relating to energy regarding the benefits and costs of the low-income
2144 or discounted rates established pursuant to subsection (a) of this
2145 section, including, but not limited to, possible impacts on existing
2146 customers who qualify for state assistance, and any recommended
2147 modifications. If the low-income rate is not less than ninety per cent of
2148 the standard service rate, the [department] commissioner shall include
2149 in its report steps to achieve that goal. Any such report may be
2150 submitted electronically.

2151 Sec. 43. Section 16-245o of the 2012 supplement to the general
2152 statutes is repealed and the following is substituted in lieu thereof
2153 (*Effective from passage*):

2154 (a) To protect a customer's right to privacy from unwanted
2155 solicitation, each electric company or electric distribution company, as
2156 the case may be, shall distribute to each customer a form approved by
2157 the [Department of Energy and Environmental Protection] Public

2158 Utilities Regulatory Authority which the customer shall submit to the
2159 customer's electric or electric distribution company in a timely manner
2160 if the customer does not want the customer's name, address, telephone
2161 number and rate class to be released to electric suppliers. On and after
2162 July 1, 1999, each electric or electric distribution company, as the case
2163 may be, shall make available to all electric suppliers customer names,
2164 addresses, telephone numbers, if known, and rate class, unless the
2165 electric company or electric distribution company has received a form
2166 from a customer requesting that such information not be released.
2167 Additional information about a customer for marketing purposes shall
2168 not be released to any electric supplier unless a customer consents to a
2169 release by one of the following: (1) An independent third-party
2170 telephone verification; (2) receipt of a written confirmation received in
2171 the mail from the customer after the customer has received an
2172 information package confirming any telephone agreement; (3) the
2173 customer signs a document fully explaining the nature and effect of the
2174 release; or (4) the customer's consent is obtained through electronic
2175 means, including, but not limited to, a computer transaction.

2176 (b) All electric suppliers shall have equal access to customer
2177 information required to be disclosed under subsection (a) of this
2178 section. No electric supplier shall have preferential access to historical
2179 distribution company customer usage data.

2180 (c) No electric or electric distribution company shall include in any
2181 bill or bill insert anything that directly or indirectly promotes a
2182 generation entity or affiliate of the electric distribution company. No
2183 electric supplier shall include a bill insert in an electric bill of an
2184 electric distribution company.

2185 (d) All marketing information provided pursuant to the provisions
2186 of this section shall be formatted electronically by the electric company
2187 or electric distribution company, as the case may be, in a form that is
2188 readily usable by standard commercial software packages. Updated
2189 lists shall be made available within a reasonable time, as determined

2190 by the [department] authority, following a request by an electric
2191 supplier. Each electric supplier seeking the information shall pay a fee
2192 to the electric company or electric distribution company, as the case
2193 may be, which reflects the incremental costs of formatting, sorting and
2194 distributing this information, together with related software changes.
2195 Customers shall be entitled to any available individual information
2196 about their loads or usage at no cost.

2197 (e) Each electric supplier shall, prior to the initiation of electric
2198 generation services, provide the potential customer with a written
2199 notice describing the rates, information on air emissions and resource
2200 mix of generation facilities operated by and under long-term contract
2201 to the supplier, terms and conditions of the service, and a notice
2202 describing the customer's right to cancel the service, as provided in this
2203 section. No electric supplier shall provide electric generation services
2204 unless the customer has signed a service contract or consents to such
2205 services by one of the following: (1) An independent third-party
2206 telephone verification; (2) receipt of a written confirmation received in
2207 the mail from the customer after the customer has received an
2208 information package confirming any telephone agreement; (3) the
2209 customer signs a contract that conforms with the provisions of this
2210 section; or (4) the customer's consent is obtained through electronic
2211 means, including, but not limited to, a computer transaction. Each
2212 electric supplier shall provide each customer with a demand of less
2213 than one hundred kilowatts, a written contract that conforms with the
2214 provisions of this section and maintain records of such signed service
2215 contract or consent to service for a period of not less than two years
2216 from the date of expiration of such contract, which records shall be
2217 provided to the [department] authority or the customer upon request.
2218 Each contract for electric generation services shall contain all material
2219 terms of the agreement, a clear and conspicuous statement explaining
2220 the rates that such customer will be paying, including the
2221 circumstances under which the rates may change, a statement that
2222 provides specific directions to the customer as to how to compare the
2223 price term in the contract to the customer's existing electric generation

2224 service charge on the electric bill and how long those rates are
2225 guaranteed. Such contract shall also include a clear and conspicuous
2226 statement providing the customer's right to cancel such contract not
2227 later than three days after signature or receipt in accordance with the
2228 provisions of this subsection, describing under what circumstances, if
2229 any, the supplier may terminate the contract and describing any
2230 penalty for early termination of such contract. Each contract shall be
2231 signed by the customer, or otherwise agreed to in accordance with the
2232 provisions of this subsection. A customer who has a maximum
2233 demand of five hundred kilowatts or less shall, until midnight of the
2234 third business day after the latter of the day on which the customer
2235 enters into a service agreement or the day on which the customer
2236 receives the written contract from the electric supplier as provided in
2237 this section, have the right to cancel a contract for electric generation
2238 services entered into with an electric supplier.

2239 (f) (1) Any third-party agent who contracts with or is otherwise
2240 compensated by an electric supplier to sell electric generation services
2241 shall be a legal agent of the electric supplier. No third-party agent may
2242 sell electric generation services on behalf of an electric supplier unless
2243 (A) the third-party agent is an employee or independent contractor of
2244 such electric supplier, and (B) the third-party agent has received
2245 appropriate training directly from such electric supplier.

2246 (2) On or after July 1, 2011, all sales and solicitations of electric
2247 generation services by an electric supplier, aggregator or agent of an
2248 electric supplier or aggregator to a customer with a maximum demand
2249 of one hundred kilowatts or less conducted and consummated entirely
2250 by mail, door-to-door sale, telephone or other electronic means, during
2251 a scheduled appointment at the premises of a customer or at a fair,
2252 trade or business show, convention or exposition in addition to
2253 complying with the provisions of subsection (e) of this section shall:

2254 (A) For any sale or solicitation, including from any person
2255 representing such electric supplier, aggregator or agent of an electric

2256 supplier or aggregator (i) identify the person and the electric
2257 generation services company or companies the person represents; (ii)
2258 provide a statement that the person does not represent an electric
2259 distribution company; (iii) explain the purpose of the solicitation; and
2260 (iv) explain all rates, fees, variable charges and terms and conditions
2261 for the services provided; and

2262 (B) For door-to-door sales to customers with a maximum demand of
2263 one hundred kilowatts, which shall include the sale of electric
2264 generation services in which the electric supplier, aggregator or agent
2265 of an electric supplier or aggregator solicits the sale and receives the
2266 customer's agreement or offer to purchase at a place other than the
2267 seller's place of business, be conducted (i) in accordance with any
2268 municipal and local ordinances regarding door-to-door solicitations,
2269 (ii) between the hours of ten o'clock a.m. and six o'clock p.m. unless the
2270 customer schedules an earlier or later appointment, and (iii) with both
2271 English and Spanish written materials available. Any representative of
2272 an electric supplier, aggregator or agent of an electric supplier or
2273 aggregator shall prominently display or wear a photo identification
2274 badge stating the name of such person's employer or the electric
2275 supplier the person represents.

2276 (3) No electric supplier, aggregator or agent of an electric supplier
2277 or aggregator shall advertise or disclose the price of electricity to
2278 mislead a reasonable person into believing that the electric generation
2279 services portion of the bill will be the total bill amount for the delivery
2280 of electricity to the customer's location. When advertising or disclosing
2281 the price for electricity, the electric supplier, aggregator or agent of an
2282 electric supplier or aggregator shall also disclose the electric
2283 distribution company's current charges, including the competitive
2284 transition assessment and the systems benefits charge, for that
2285 customer class.

2286 (4) No entity, including an aggregator or agent of an electric
2287 supplier or aggregator, who sells or offers for sale any electric

2288 generation services for or on behalf of an electric supplier, shall engage
2289 in any deceptive acts or practices in the marketing, sale or solicitation
2290 of electric generation services.

2291 (5) Each electric supplier shall disclose to the Public Utilities
2292 Regulatory Authority in a standardized format (A) the amount of
2293 additional renewable energy credits such supplier will purchase
2294 beyond required credits, (B) where such additional credits are being
2295 sourced from, and (C) the types of renewable energy sources that will
2296 be purchased. Each electric supplier shall only advertise renewable
2297 energy credits purchased beyond those required pursuant to section
2298 16-245a and shall report to the authority the renewable energy sources
2299 of such credits and whenever the mix of such sources changes.

2300 (6) No contract for electric generation services by an electric supplier
2301 shall require a residential customer to pay any fee for termination or
2302 early cancellation of a contract in excess of (A) one hundred dollars; or
2303 (B) twice the estimated bill for energy services for an average month,
2304 whichever is less, provided when an electric supplier offers a contract,
2305 it provides the residential customer an estimate of such customer's
2306 average monthly bill.

2307 (7) An electric supplier shall not make a material change in the
2308 terms or duration of any contract for the provision of electric
2309 generation services by an electric supplier without the express consent
2310 of the customer. Nothing in this subdivision shall restrict an electric
2311 supplier from renewing a contract by clearly informing the customer,
2312 in writing, not less than thirty days or more than sixty days before the
2313 renewal date, of the renewal terms and of the option not to accept the
2314 renewal offer, provided no fee pursuant to subdivision (6) of this
2315 section shall be charged to a customer who terminates or cancels such
2316 renewal not later than seven business days after receiving the first
2317 billing statement for the renewed contract.

2318 (8) Each electric supplier shall file annually with the authority a list
2319 of any aggregator or agent working on behalf of such supplier.

2320 (g) Each electric supplier, aggregator or agent of an electric supplier
2321 or aggregator shall comply with the provisions of the telemarketing
2322 regulations adopted pursuant to 15 USC 6102.

2323 (h) Any violation of this section shall be deemed an unfair or
2324 deceptive trade practice under subsection (a) of section 42-110b. Any
2325 contract for electric generation services that the authority finds to be
2326 the product of unfair or deceptive marketing practices or in material
2327 violation of the provisions of this section shall be void and
2328 unenforceable. Any waiver of the provisions of this section by a
2329 customer of electric generation services shall be deemed void and
2330 unenforceable by the electric supplier.

2331 (i) Any violation or failure to comply with any provision of this
2332 section shall be subject to (1) civil penalties by the [department]
2333 authority in accordance with section 16-41, (2) the suspension or
2334 revocation of an electric supplier or aggregator's license, or (3) a
2335 prohibition on accepting new customers following a hearing that is
2336 conducted as a contested case in accordance with chapter 54.

2337 (j) The [department] authority may adopt regulations, in accordance
2338 with the provisions of chapter 54, to include, but not be limited to,
2339 abusive switching practices, solicitations and renewals by electric
2340 suppliers.

2341 Sec. 44. Subsection (a) of section 16-245d of the 2012 supplement to
2342 the general statutes is repealed and the following is substituted in lieu
2343 thereof (*Effective from passage*):

2344 (a) The [Department of Energy and Environmental Protection]
2345 Public Utilities Regulatory Authority shall, by regulations adopted
2346 pursuant to chapter 54, develop a standard billing format that enables
2347 customers to compare pricing policies and charges among electric
2348 suppliers. The [department] authority shall adopt regulations, in
2349 accordance with the provisions of chapter 54, to provide that an
2350 electric supplier, until July 1, 2012, may provide direct billing and

2351 collection services for electric generation services and related federally
2352 mandated congestion charges that such supplier provides to its
2353 customers with a maximum demand of not less than one hundred
2354 kilowatts that choose to receive a bill directly from such supplier and,
2355 on and after July 1, 2012, shall provide direct billing and collection
2356 services for electric generation services and related federally mandated
2357 congestion charges that such suppliers provide to their customers or
2358 may choose to obtain such billing and collection service through an
2359 electric distribution company and pay its pro rata share in accordance
2360 with the provisions of subsection (h) of section 16-244c. Any customer
2361 of an electric supplier, which is choosing to provide direct billing, who
2362 paid for the cost of billing and other services to an electric distribution
2363 company shall receive a credit on their monthly bill.

2364 (1) An electric supplier that chooses to provide billing and collection
2365 services shall, in accordance with the billing format developed by the
2366 [department] authority, include the following information in each
2367 customer's bill: (A) The total amount owed by the customer, which
2368 shall be itemized to show (i) the electric generation services component
2369 and any additional charges imposed by the electric supplier, and (ii)
2370 federally mandated congestion charges applicable to the generation
2371 services; (B) any unpaid amounts from previous bills, which shall be
2372 listed separately from current charges; (C) the rate and usage for the
2373 current month and each of the previous twelve months in bar graph
2374 form or other visual format; (D) the payment due date; (E) the interest
2375 rate applicable to any unpaid amount; (F) the toll-free telephone
2376 number of the Public Utilities Regulatory Authority for questions or
2377 complaints; and (G) the toll-free telephone number and address of the
2378 electric supplier. On or before February 1, 2012, the authority shall
2379 conduct a review of the costs and benefits of suppliers billing for all
2380 components of electric service, and report, in accordance with the
2381 provisions of section 11-4a, to the joint standing committee of the
2382 General Assembly having cognizance of matters relating to energy
2383 regarding the results of such review. Any such report may be
2384 submitted electronically.

2385 (2) An electric distribution company shall, in accordance with the
2386 billing format developed by the authority, include the following
2387 information in each customer's bill: (A) The total amount owed by the
2388 customer, which shall be itemized to show, (i) the electric generation
2389 services component if the customer obtains standard service or last
2390 resort service from the electric distribution company, (ii) the
2391 distribution charge, including all applicable taxes and the systems
2392 benefits charge, as provided in section 16-245l, (iii) the transmission
2393 rate as adjusted pursuant to subsection (d) of section 16-19b, (iv) the
2394 competitive transition assessment, as provided in section 16-245g, (v)
2395 federally mandated congestion charges, and (vi) the conservation and
2396 renewable energy charge, consisting of the conservation and load
2397 management program charge, as provided in section 16-245m, as
2398 amended by this act, and the renewable energy investment charge, as
2399 provided in section 16-245n, as amended by this act; (B) any unpaid
2400 amounts from previous bills which shall be listed separately from
2401 current charges; (C) except for customers subject to a demand charge,
2402 the rate and usage for the current month and each of the previous
2403 twelve months in the form of a bar graph or other visual form; (D) the
2404 payment due date; (E) the interest rate applicable to any unpaid
2405 amount; (F) the toll-free telephone number of the electric distribution
2406 company to report power losses; (G) the toll-free telephone number of
2407 the Public Utilities Regulatory Authority for questions or complaints;
2408 and (H) if a customer has a demand of five hundred kilowatts or less
2409 during the preceding twelve months, a statement about the availability
2410 of information concerning electric suppliers pursuant to section 16-
2411 245p.

2412 Sec. 45. Subsection (a) of section 16a-40l of the 2012 supplement to
2413 the general statutes is repealed and the following is substituted in lieu
2414 thereof (*Effective from passage*):

2415 (a) On or before October 1, 2011, the Department of Energy and
2416 Environmental Protection shall establish a residential heating
2417 equipment financing program. Such program shall allow residential

2418 customers to finance, through on-bill financing or other mechanism,
2419 the installation of energy efficient natural gas or heating oil burners,
2420 boilers and furnaces or ductless heat pumps to replace (1) burners,
2421 boilers and furnaces that are not less than seven years old with an
2422 efficiency rating of not more than seventy-five per cent, or (2) electric
2423 heating systems. Eligible fuel oil furnaces shall have an efficiency
2424 rating of not less than eighty-six per cent. An eligible fuel oil burner
2425 shall have an efficiency rating of not less than eighty-six per cent with
2426 temperature reset controls. An eligible natural gas boiler shall have an
2427 annual fuel utilization efficiency rating of not less than ninety per cent
2428 and an eligible natural gas furnace shall have an annual fuel utilization
2429 efficiency rating of not less than ninety-five per cent. To participate in
2430 the program established pursuant to this subsection, a customer shall
2431 first have a home energy audit, the cost of which may be financed
2432 pursuant to subsection (b) of this section.

2433 Sec. 46. Subsection (f) of section 16a-40l of the 2012 supplement to
2434 the general statutes is repealed and the following is substituted in lieu
2435 thereof (*Effective from passage*):

2436 (f) On or before October 1, 2011, the department shall begin
2437 accepting applications for financial incentives for combined heat and
2438 power systems of not more than [one megawatt] five megawatts of
2439 power. To qualify for such financial incentives, such combined heat
2440 and power system shall reduce energy costs at an amount equal to or
2441 greater than the amount of the installation cost of the system within
2442 ten years of the installation. The department shall review the current
2443 market conditions for such systems, including any existing federal or
2444 state financial incentives, and determine the appropriate financial
2445 incentives under this program necessary to encourage installation of
2446 such systems. Such financial incentives may include providing private
2447 financial institutions with loan loss protection or grants to lower
2448 borrowing costs. Financial incentives pursuant to this subdivision shall
2449 not exceed two hundred dollars per kilowatt. A project accepted for
2450 such incentives shall qualify for a waiver of (1) the backup power rate

2451 under section 16-243o, and (2) the requirement to provide baseload
2452 electricity under section 16-243i. Any purchase of natural gas for any
2453 combined heat and power system installed pursuant to this
2454 subdivision shall not include a distribution charge pursuant to section
2455 16-243l.

2456 Sec. 47. Section 16a-37u of the 2012 supplement to the general
2457 statutes is repealed and the following is substituted in lieu thereof
2458 (*Effective from passage*):

2459 (a) The Commissioner of Energy and Environmental Protection
2460 shall be responsible for planning and managing energy use in state-
2461 owned and leased buildings and shall establish a program to maximize
2462 the efficiency with which energy is utilized in such buildings. The
2463 commissioner shall exercise this authority by (1) preparing and
2464 implementing annual and long-range plans, with timetables,
2465 establishing goals for reducing state energy consumption and, based
2466 on energy audits, specific objectives for state agencies to meet the
2467 performance standards adopted under section 16a-38; (2) coordinating
2468 federal and state energy conservation resources and activities,
2469 including but not limited to, those required to be performed by other
2470 state agencies under this chapter; and (3) monitoring energy use and
2471 costs by budgeted state agencies on a monthly basis.

2472 (b) On or before July 1, 2012, the commissioner, in consultation with
2473 the Department of Administrative Services, shall develop a plan to
2474 reduce energy use in buildings owned or leased by the state by
2475 January 1, 2013, by at least ten per cent from its current consumption
2476 and by January 1, 2018, by an additional ten per cent. Such plan shall
2477 include, but not be limited to, (1) assessing current energy
2478 consumption for all fuels used in state-owned buildings, (2)
2479 identifying not less than one hundred such buildings with the highest
2480 aggregate energy costs in the fiscal year ending June 30, 2011, (3)
2481 establishing targets for conducting energy audits of such buildings,
2482 and (4) determining which energy efficiency measures are most cost-

2483 effective for such buildings. Such plan shall provide for the financing
2484 of such measures through the use of energy-savings performance
2485 contracting, pursuant to subsection (c) of this section, bonding or other
2486 means.

2487 (c) Any state agency or municipality may enter into an energy-
2488 savings performance contract, as defined in section 16a-37x, with a
2489 qualified energy service provider, as defined in said section 16a-37x, to
2490 produce utility cost savings, as defined in said section 16a-37x, or
2491 operation and maintenance cost savings, as defined in said section 16a-
2492 37x. Any energy-savings measure, as defined in said section 16a-37x,
2493 implemented under such contracts shall comply with state [or] and
2494 local building codes. Any state agency or municipality may implement
2495 other capital improvements in conjunction with an energy-savings
2496 performance contract as long as the measures that are being
2497 implemented to achieve utility and operation and maintenance cost
2498 savings and other capital improvements are in the aggregate cost
2499 effective over the term of the contract.

2500 (d) On or before January 1, 2013, and annually thereafter, the
2501 commissioner shall report, in accordance with the provisions of section
2502 11-4a, on the status of its implementation of the plan and provide
2503 recommendations regarding energy use in state buildings to the joint
2504 standing committee of the General Assembly having cognizance of
2505 matters relating to energy. Any such report may be submitted
2506 electronically.

2507 (e) Not later than January fifth, annually, the commissioner shall
2508 submit a report to the Governor and the joint standing committee of
2509 the General Assembly having cognizance of matters relating to energy
2510 planning and activities. The report shall (1) indicate the total number
2511 of energy audits and technical assistance audits of state-owned and
2512 leased buildings, (2) summarize the status of the energy conservation
2513 measures recommended by such audits, (3) summarize all energy
2514 conservation measures implemented during the preceding twelve

2515 months in state-owned and leased buildings which have not had such
2516 audits, (4) analyze the availability and allocation of funds to
2517 implement the measures recommended under subdivision (2) of this
2518 subsection, (5) list each budgeted agency, as defined in section 4-69,
2519 which occupies a state-owned or leased building and has not
2520 cooperated with the Commissioner of Administrative Services and the
2521 Commissioner of Energy and Environmental Protection in conducting
2522 energy and technical assistance audits of such building and
2523 implementing operational and maintenance improvements
2524 recommended by such audits and any other energy conservation
2525 measures required for such building by the [secretary] commissioner,
2526 (6) summarize all life-cycle cost analyses prepared under section 16a-
2527 38 during the preceding twelve months, and summarize agency
2528 compliance with the life-cycle cost analyses, and (7) identify any state
2529 laws, regulations or procedures that impede innovative energy
2530 conservation and load management projects in state buildings. Any
2531 such report may be submitted electronically.

2532 (f) The commissioner, in conjunction with the Department of
2533 Administrative Services, shall as soon as practicable and where cost-
2534 effective connect all state-owned buildings to a district heating and
2535 cooling system, where such heating and cooling system currently
2536 exists or where one is proposed. The commissioner, in conjunction
2537 with the Department of Administrative Services, shall prepare an
2538 annual report with the results of the progress in connecting state-
2539 owned buildings to such a heating and cooling system, the cost of such
2540 connection and any projected energy savings achieved through any
2541 such connection. The commissioner shall submit the report to the joint
2542 standing committee of the General Assembly having cognizance of
2543 matters relating to energy on or before January 1, 1993, and January
2544 first annually thereafter.

2545 (g) The commissioner shall require each state agency to maximize
2546 its use of public service companies' energy conservation and load
2547 management programs and to provide sites in its facilities for

2548 demonstration projects of highly energy efficient equipment, provided
2549 no such demonstration project impairs the functioning of the facility.

2550 (h) The commissioner, in consultation with the Department of
2551 Administrative Services, shall establish energy efficiency standards for
2552 building space leased by the state on or after January 1, 2013.

2553 Sec. 48. Section 16-244u of the 2012 supplement to the general
2554 statutes is repealed and the following is substituted in lieu thereof
2555 (*Effective from passage*):

2556 (a) As used in this section:

2557 (1) "Beneficial account" means an in-state retail end user of an
2558 electric distribution company designated by a customer host in such
2559 electric distribution company's service area to receive virtual net
2560 metering credits from a virtual net metering facility;

2561 (2) "Customer host" means an in-state retail end user of an electric
2562 distribution company that owns a virtual net metering facility and
2563 participates in virtual net metering;

2564 (3) "Unassigned virtual net metering credit" means in any given
2565 electric distribution company monthly billing period, a virtual net
2566 metering credit that remains after both the customer host and its
2567 beneficial accounts have been billed for zero kilowatt hours related
2568 solely to the generation service charges on such billings through
2569 virtual net metering;

2570 (4) "Virtual net metering" means the process of combining the
2571 electric meter readings and billings, including any virtual net metering
2572 credits, for a customer host and a beneficial account through an electric
2573 distribution company billing process related solely to the generation
2574 service charges on such billings;

2575 (5) "Virtual net metering credit" means a credit equal to the retail
2576 cost per kilowatt hour the customer host may have otherwise been

2577 charged for each kilowatt hour produced by a virtual net metering
2578 facility that exceeds the total amount of kilowatt hours used during an
2579 electric distribution company monthly billing period; [and]

2580 (6) "Virtual net metering facility" means a Class I renewable energy
2581 source that: (A) Is served by an electric distribution company, owned
2582 or leased by a customer host and serves the electricity needs of the
2583 customer host and its beneficial accounts; (B) is within the same
2584 electric distribution company service territory as the customer host
2585 and its beneficial accounts; and (C) has a nameplate capacity rating of
2586 two megawatts or less; [.] and

2587 (7) "Governmental customer" or "governmental customer host"
2588 means the state or any political subdivision thereof or any
2589 municipality.

2590 (b) Each electric distribution company shall provide virtual net
2591 metering to its [municipal] governmental customers and shall make
2592 any necessary interconnections for a virtual net metering facility. Upon
2593 request by a [municipal] governmental customer host to implement
2594 the provisions of this section, an electric distribution company shall
2595 install metering equipment, if necessary. For each [municipal]
2596 governmental customer host, such metering equipment shall (1)
2597 measure electricity consumed from the electric distribution company's
2598 facilities; (2) deduct the amount of electricity produced but not
2599 consumed; and (3) register, for each monthly billing period, the net
2600 amount of electricity produced and, if applicable, consumed. If, in a
2601 given monthly billing period, a [municipal] governmental customer
2602 host supplies more electricity to the electric distribution system than
2603 the electric distribution company delivers to the [municipal]
2604 governmental customer host, the electric distribution company shall
2605 bill the [municipal] governmental customer host for zero kilowatt
2606 hours of generation and assign a virtual net metering credit to the
2607 [municipal] governmental customer host's beneficial accounts for the
2608 next monthly billing period. Such credit shall be applied against the

2609 generation service component of the beneficial account. Such credit
2610 shall be allocated among such accounts in proportion to their
2611 consumption for the previous twelve billing periods.

2612 (c) An electric distribution company shall carry forward any
2613 unassigned virtual net metering generation credits earned by the
2614 [municipal] governmental customer host from one monthly billing
2615 period to the next until the end of the calendar year. At the end of each
2616 calendar year, the electric distribution company shall compensate the
2617 [municipal] governmental customer host for any unassigned virtual
2618 net metering generation credits at the rate the electric distribution
2619 company pays for power procured to supply standard service
2620 customers pursuant to section 16-244c, as amended by this act.

2621 (d) At least sixty days before a [municipal] governmental customer
2622 host's virtual net metering facility becomes operational, the
2623 [municipal] governmental customer host shall provide written notice
2624 to the electric distribution company of its beneficial accounts. The
2625 [municipal] governmental customer host may change its list of
2626 beneficial accounts not more than once annually by providing another
2627 sixty days' written notice. The [municipal] governmental customer
2628 host shall not designate more than five beneficial accounts.

2629 (e) On or before February 1, 2012, the [Department of Energy and
2630 Environmental Protection] Public Utilities Regulatory Authority shall
2631 conduct a proceeding to develop the administrative processes and
2632 program specifications, including, but not limited to, a cap of one
2633 million dollars per year apportioned to each electric distribution
2634 company based on consumer load for credits provided to beneficial
2635 accounts pursuant to subsection (c) of this section and payments made
2636 pursuant to subsection (d) of this section.

2637 (f) On or before January 1, 2013, and annually thereafter, each
2638 electric distribution company shall report to the [department]
2639 authority on the cost of its virtual net metering program pursuant to
2640 this section and the [department] authority shall combine such

2641 information and report it annually, in accordance with the provisions
2642 of section 11-4a, to the joint standing committee of the General
2643 Assembly having cognizance of matters relating to energy.

2644 Sec. 49. Subdivision (3) of subsection (f) of section 16a-40f of the
2645 2012 supplement to the general statutes is repealed and the following
2646 is substituted in lieu thereof (*Effective from passage*):

2647 (3) The amount of a fee paid for an energy audit provided pursuant
2648 to this program may be added to the amount of a loan to finance the
2649 cost of an eligible project conducted in response to such energy audit.
2650 In such cases, the amount of the fee may be reimbursed from the
2651 [fund] Green Connecticut Loan Guaranty Fund to the borrower.

2652 Sec. 50. Subsection (a) of section 16-244v of the 2012 supplement to
2653 the general statutes is repealed and the following is substituted in lieu
2654 thereof (*Effective from passage*):

2655 (a) Notwithstanding subsection (a) of section 16-244e, an electric
2656 distribution company, or owner or developer of generation projects,
2657 [that emit no pollutants,] may submit a proposal to the Department of
2658 Energy and Environmental Protection to build, own or operate one or
2659 more generation facilities up to an aggregate of thirty megawatts using
2660 Class I renewable energy sources as defined in section 16-1, as
2661 amended by this act, from July 1, 2011, to July 1, 2013. Each facility
2662 shall be greater than one megawatt but not more than five megawatts.
2663 Each electric distribution company may enter into joint ownership
2664 agreements, partnerships or other agreements with private developers
2665 to carry out the provisions of this section. The aggregate ownership for
2666 an electric distribution company pursuant to this section shall not
2667 exceed ten megawatts. The department shall evaluate such proposals
2668 pursuant to sections 16-19 and 16-19e, as amended by this act, and may
2669 approve one or more of such proposals if it finds that the proposal
2670 serves the long-term interest of ratepayers. The department (1) shall
2671 not approve any proposal supported in any form of cross subsidization
2672 by entities affiliated with the electric distribution company, and (2)

2673 shall give preference to proposals that make efficient use of existing
2674 sites and supply infrastructure. No such company may, under any
2675 circumstances, recover more than the full costs identified in a proposal,
2676 as approved by the department. Nothing in this section shall preclude
2677 the resale or other disposition of energy or associated renewable
2678 energy credits purchased by the electric distribution company,
2679 provided the distribution company shall net the cost of payments
2680 made to projects under the long-term contracts against the proceeds of
2681 the sale of energy or renewable energy credits and the difference shall
2682 be credited or charged to distribution customers through a reconciling
2683 component of electric rates as determined by the authority that is
2684 nonbypassable when switching electric suppliers.

2685 Sec. 51. Section 16a-46h of the 2012 supplement to the general
2686 statutes is repealed and the following is substituted in lieu thereof
2687 (*Effective from passage*):

2688 Each electric, gas or heating fuel customer, regardless of heating
2689 source, shall be assessed the same fees, charges, co-pays or other
2690 similar terms to access any audits administered by the Home Energy
2691 Solutions program for the period of time funding is available for such
2692 audits pursuant to the comprehensive plan approved by the
2693 Commissioner of Energy and Environmental Protection in accordance
2694 with section 16-245m, as amended by this act, provided the costs of
2695 subsidizing such audits to ratepayers whose primary source of heat is
2696 not electricity or natural gas shall not exceed five hundred thousand
2697 dollars per year.

2698 Sec. 52. Section 133 of public act 11-80 is repealed and the following
2699 is substituted in lieu thereof (*Effective from passage*):

2700 The [Public Utilities Regulatory Authority] Commissioner of Energy
2701 and Environmental Protection shall [conduct a proceeding to] analyze
2702 the costs and benefits of allowing an electric distribution company to
2703 earn a rate of return, subject to section 16-19e of the general statutes, as
2704 amended by this act, on its long-term investments in energy efficiency.

2705 Any affected stakeholder may submit to the commissioner any
2706 information relevant to the commissioner's analysis, pursuant to this
2707 section. On or before [February] October 1, 2012, the [authority]
2708 commissioner shall report the results of such [proceeding] analysis in
2709 accordance with the provisions of section 11-4a of the general statutes
2710 to the joint standing committee of the General Assembly having
2711 cognizance of matters relating to energy. Any such report may be
2712 submitted electronically.

2713 Sec. 53. Section 16a-46i of the 2012 supplement to the general
2714 statutes is repealed and the following is substituted in lieu thereof
2715 (*Effective from passage*):

2716 On or before October 1, 2011, the Department of Energy and
2717 Environmental Protection shall establish a natural gas and heating oil
2718 conversion program to allow a gas or heating oil company to finance
2719 the conversion to gas heat or home heating oil by potential residential
2720 customers who heat their homes with electricity. The [department]
2721 Commissioner of Energy and Environmental Protection shall adopt
2722 regulations in accordance with the provisions of chapter 54 to establish
2723 procedures and terms for such program and shall, on or before January
2724 1, 2012, and annually thereafter, report in accordance with the
2725 provisions of section 11-4a, to the joint standing committees of the
2726 General Assembly having cognizance of matters relating to energy and
2727 the environment regarding the progress of such program. Any such
2728 report may be submitted electronically.

2729 Sec. 54. Section 12-217mm of the 2012 supplement to the general
2730 statutes is repealed and the following is substituted in lieu thereof
2731 (*Effective from passage*):

2732 (a) As used in this section:

2733 (1) "Allowable costs" means the amounts chargeable to a capital
2734 account, including, but not limited to: (A) Construction or
2735 rehabilitation costs; (B) commissioning costs; (C) architectural and

2736 engineering fees allocable to construction or rehabilitation, including
2737 energy modeling; (D) site costs, such as temporary electric wiring,
2738 scaffolding, demolition costs and fencing and security facilities; and (E)
2739 costs of carpeting, partitions, walls and wall coverings, ceilings,
2740 lighting, plumbing, electrical wiring, mechanical, heating, cooling and
2741 ventilation but "allowable costs" does not include the purchase of land,
2742 any remediation costs or the cost of telephone systems or computers;

2743 (2) "Brownfield" has the same meaning as in subsection (g) of
2744 section 32-9cc;

2745 (3) "Eligible project" means a real estate development project that is
2746 designed to meet or exceed the applicable LEED Green Building
2747 Rating System gold certification or other certification determined by
2748 the Commissioner of Energy and Environmental Protection to be
2749 equivalent, but if a single project has more than one building, "eligible
2750 project" means only the building or buildings within such project that
2751 is designed to meet or exceed the applicable LEED Green Building
2752 Rating System gold certification or other certification determined by
2753 the Commissioner of Energy and Environmental Protection to be
2754 equivalent;

2755 (4) "Energy Star" means the voluntary labeling program
2756 administered by the United States Environmental Protection Agency
2757 designed to identify and promote energy-efficient products,
2758 equipment and buildings;

2759 (5) "Enterprise zone" means an area in a municipality designated by
2760 the Commissioner of Economic and Community Development as an
2761 enterprise zone in accordance with the provisions of section 32-70;

2762 (6) "LEED Accredited Professional Program" means the professional
2763 accreditation program for architects, engineers and other building
2764 professionals as administered by the United States Green Building
2765 Council;

2766 (7) "LEED Green Building Rating System" means the Leadership in
2767 Energy and Environmental Design green building rating system
2768 developed by the United States Green Building Council as of the date
2769 that the project is registered with the United States Green Building
2770 Council;

2771 (8) "Mixed-use development" means a development consisting of
2772 one or more buildings that includes residential use and in which no
2773 more than seventy-five per cent of the interior square footage has at
2774 least one of the following uses: (A) Commercial use; (B) office use; (C)
2775 retail use; or (D) any other nonresidential use that the [Secretary of the
2776 Office of Policy and Management] Commissioner of Energy and
2777 Environmental Protection determines does not pose a public health
2778 threat or nuisance to nearby residential areas;

2779 (9) "Secretary" means the Secretary of the Office of Policy and
2780 Management; [and]

2781 (10) "Site improvements" means any construction work on, or
2782 improvement to, streets, roads, parking facilities, sidewalks, drainage
2783 structures and utilities; [.] and

2784 (11) "Commissioner" means the Commissioner of Energy and
2785 Environmental Protection.

2786 (b) For income years commencing on and after January 1, 2012,
2787 there may be allowed a credit for all taxpayers against any tax due
2788 under the provisions of this chapter for the construction or renovation
2789 of an eligible project that meets the requirements of subsection (c) of
2790 this section, and, in the case of a newly constructed building, for which
2791 a certificate of occupancy has been issued not earlier than January 1,
2792 2010.

2793 (c) (1) To be eligible for a tax credit under this section a project shall:
2794 (A) Not have energy use that exceeds (i) seventy per cent of the energy
2795 use permitted by the state building code for new construction, or (ii)

2796 eighty per cent of the energy use permitted by the state energy code
2797 for renovation or rehabilitation of a building; and (B) use equipment
2798 and appliances that meet Energy Star standards, if applicable,
2799 including, but not limited to, refrigerators, dishwashers and washing
2800 machines.

2801 (2) The credit shall be equivalent to a base credit as follows: (A) For
2802 new construction or major renovation of a building but not other site
2803 improvements certified by the LEED Green Building Rating System or
2804 other system determined by the Commissioner of Energy and
2805 Environmental Protection to be equivalent, (i) eight per cent of
2806 allowable costs for a gold rating or other rating determined by the
2807 Commissioner of Energy and Environmental Protection to be
2808 equivalent, and (ii) ten and one-half per cent of allowable costs for a
2809 platinum rating or other rating determined by the Commissioner of
2810 Energy and Environmental Protection to be equivalent; and (B) for core
2811 and shell or commercial interior projects, (i) five per cent of allowable
2812 costs for a gold rating or other rating determined by the Commissioner
2813 of Energy and Environmental Protection to be equivalent, and (ii)
2814 seven per cent of allowable costs for a platinum rating or other rating
2815 determined by the Commissioner of Energy and Environmental
2816 Protection to be equivalent. There shall be added to the base credit
2817 one-half of one per cent of allowable costs for a development project
2818 that is (I) a mixed-use development, (II) located in a brownfield or
2819 enterprise zone, (III) does not require a sewer extension of more than
2820 one-eighth of a mile, or (IV) located within one-quarter of a mile
2821 walking distance of publicly available bus transit service or within
2822 one-half of a mile walking distance of adequate rail, light rail, streetcar
2823 or ferry transit service, provided, if a single project has more than one
2824 building, at least one building shall be located within either such
2825 distance. Allowable costs shall not exceed two hundred fifty dollars
2826 per square foot for new construction or one hundred fifty dollars per
2827 square foot for renovation or rehabilitation of a building.

2828 (d) (1) The [Secretary of the Office of Policy and Management may]

2829 commissioner shall issue an initial credit voucher upon determination
2830 that the applicant is likely, within a reasonable time, to place in service
2831 property qualifying for a credit under this section. Such voucher shall
2832 state: (A) The first income year for which the credit may be claimed,
2833 (B) the maximum amount of credit allowable, and (C) the expiration
2834 date by which such property shall be placed in service. The expiration
2835 date may be extended at the discretion of the [secretary] commissioner.
2836 Such voucher shall reserve the credit allowable for the applicant
2837 named in the application until the expiration date. If the expiration
2838 date is extended, the reservation of the tax credit may also be extended
2839 at the discretion of the [secretary] commissioner.

2840 (2) The aggregate amount of all tax credits in initial credit vouchers
2841 issued by the [secretary] commissioner shall not exceed twenty-five
2842 million dollars. The aggregate amount of tax credits that may be issued
2843 for one project shall not exceed eight million dollars.

2844 (3) For each income year for which a taxpayer claims a credit under
2845 this section, the taxpayer shall obtain an eligibility certificate from an
2846 architect or professional engineer licensed to practice in this state and
2847 accredited through the LEED Accredited Professional Program or
2848 other program determined by the Commissioner of Energy and
2849 Environmental Protection to be equivalent. Such certificate shall
2850 consist of a certification, under the seal of such architect or engineer,
2851 that the building, base building or tenant space with respect to which
2852 the credit is claimed, meets or exceeds the applicable LEED Green
2853 Building Rating System gold certification, or other certification
2854 determined by the Commissioner of Energy and Environmental
2855 Protection to be equivalent in effect at the time such certification is
2856 made. Such certification shall set forth the specific findings upon
2857 which the certification is based and shall state that the architect or
2858 engineer is accredited through the LEED Accredited Professional
2859 Program or other program determined by the Commissioner of Energy
2860 and Environmental Protection to be equivalent.

2861 (4) To obtain the credit, the taxpayer shall file the initial credit
2862 voucher described in subdivision (1) of this subsection, the eligibility
2863 certificate described in subdivision (3) of this subsection and an
2864 application to claim the credit with the Commissioner of Revenue
2865 Services. The commissioner shall approve the claim upon
2866 determination that the taxpayer has submitted the voucher and
2867 certification required under this subdivision. The applicant shall send
2868 a copy of all such documents to the [secretary] commissioner.

2869 (e) (1) A taxpayer may claim not more than a total of twenty-five per
2870 cent of allowable costs in any income year, and any percentage of tax
2871 credit that the taxpayer would otherwise be entitled to in accordance
2872 with subsection (c) of this section may be carried forward for a period
2873 of not more than five years.

2874 (2) Tax credits are fully assignable and transferable. A project
2875 owner, including, but not limited to, a nonprofit or institutional project
2876 organization, may transfer a tax credit to a pass-through partner in
2877 return for a lump sum cash payment.

2878 (f) Notwithstanding any provision of the general statutes, any
2879 subsequent successor in interest to the property that is eligible for a
2880 credit in accordance with subsection (c) of this section may claim such
2881 credit if the deed transferring the property assigns the subsequent
2882 successor such right, unless the deed specifies that the seller shall
2883 retain the right to claim such credit. Any subsequent tenant of a
2884 building for which a credit was granted to a taxpayer pursuant to this
2885 section may claim the credit for the period after the termination of the
2886 previous tenancy that such credit would have been allowable to the
2887 previous tenant.

2888 (g) The [Secretary of the Office of Policy and Management]
2889 commissioner shall establish a uniform application fee, in an amount
2890 not to exceed ten thousand dollars, which shall cover all direct costs of
2891 administering the tax credit program established pursuant to this
2892 section. Said [secretary] commissioner may hire a private consultant or

2893 outside firm to administer and review applications for said program.

2894 (h) On or before July 1, 2013, the [secretary] commissioner, in
2895 consultation with the Commissioner of Revenue Services, shall prepare
2896 and submit to the Governor and the joint standing committees of the
2897 General Assembly having cognizance of matters relating to planning
2898 and development and finance, revenue and bonding, a written report
2899 containing (1) the number of taxpayers applying for the credits
2900 provided in this section; (2) the amount of such credits granted; (3) the
2901 geographical distribution of such credits granted; and (4) any other
2902 information the [secretary] commissioner deems appropriate. A
2903 preliminary draft of the report shall be submitted on or before July 1,
2904 2012, to the Governor and the joint standing committees of the General
2905 Assembly having cognizance of matters relating to planning and
2906 development and finance, revenue and bonding. Such reports shall be
2907 submitted in accordance with the provisions of section 11-4a.

2908 [(i) Not later than January 1, 2011, the secretary, in consultation with
2909 the Commissioner of Revenue Services, shall adopt regulations, in
2910 accordance with the provisions of chapter 54, as necessary to
2911 implement the provisions of this section.]

2912 Sec. 55. (NEW) (*Effective from passage*) To the extent that any
2913 provision of title 16 or 16a of the general statutes authorizes the
2914 Department of Energy and Environmental Protection to adopt
2915 regulations, the authority to adopt such regulations shall be exercised
2916 by the Commissioner of Energy and Environmental Protection or the
2917 commissioner's designee.

2918 Sec. 56. (NEW) (*Effective from passage*) (a) As used in this section:

2919 (1) "Energy improvements" means any renovation or retrofitting of
2920 qualifying commercial real property to reduce energy consumption or
2921 installation of a renewable energy system to service qualifying
2922 commercial real property, provided such renovation, retrofit or
2923 installation is permanently fixed to such qualifying commercial real

2924 property;

2925 (2) "Qualifying commercial real property" means any commercial or
2926 industrial property, regardless of ownership, that a municipality has
2927 determined can benefit from energy improvements;

2928 (3) "Commercial or industrial property" means any real property
2929 other than a residential dwelling containing less than five dwelling
2930 units;

2931 (4) "Property owner" means an owner of qualifying commercial real
2932 property who desires to install energy improvements and provides
2933 free and willing consent to the benefit assessment against the
2934 qualifying commercial real property; and

2935 (5) "Commercial sustainable energy program" means a municipal
2936 program that authorizes a municipality to levy benefit assessments on
2937 qualifying commercial real property with property owners to finance
2938 the purchase and installation of energy improvements to qualifying
2939 commercial real property within its municipal boundaries.

2940 (b) Any municipality, that determines it is in the public interest,
2941 may establish a commercial sustainable energy program to facilitate
2942 energy improvements within such municipality. A municipality shall
2943 make such a determination after issuing public notice and providing
2944 an opportunity for public comment at a public hearing regarding the
2945 establishment of a commercial sustainable energy program. Any such
2946 municipality may establish a joint commercial sustainable energy
2947 program with any other such municipalities provided that all such
2948 municipalities meet the notice and comment requirements established
2949 in this subsection. Any commercial sustainable energy program
2950 adopted pursuant to this section may include provisions to facilitate
2951 statewide energy improvements.

2952 (c) Notwithstanding the provisions of section 7-374 of the general
2953 statutes or any other public or special act that limits or imposes

2954 conditions on municipal bond issues, any municipality that establishes
2955 a commercial sustainable energy program under this section may issue
2956 bonds, notes or other obligations, as necessary, for the purpose of
2957 financing (1) energy improvements; (2) related energy audits; (3)
2958 renewable energy system feasibility studies; and (4) verification
2959 reports of the installation and effectiveness of such improvements.
2960 Such bonds, notes or other obligations shall be issued in accordance
2961 with chapter 109 of the general statutes and may be secured by benefit
2962 assessments on the qualifying commercial real property.

2963 (d) (1) Any municipality that establishes a commercial sustainable
2964 energy program pursuant to this section may enter into an interlocal
2965 agreement with another municipality, state agency or the Clean
2966 Energy Finance and Investment Authority to (A) maximize the
2967 opportunities for accessing public and private funds and capital
2968 markets for financing, or (B) secure state or federal funds available for
2969 this purpose.

2970 (2) Any municipality that establishes a commercial sustainable
2971 energy program and issues bonds pursuant to this section may
2972 supplement the security of such bonds with any other legally available
2973 funds solely at the municipality's discretion.

2974 (3) Any municipality that establishes a commercial sustainable
2975 energy program pursuant to this section may use the services of one or
2976 more private, public or quasi-public third-party administrators to
2977 administer, provide support or obtain financing for the program.

2978 (e) Before establishing a commercial sustainable energy program
2979 under this section, the municipality shall provide notice to the electric
2980 distribution company, as defined in section 16-1 of the general statutes,
2981 as amended by this act, that services the municipality.

2982 (f) If the property owner requests financing from the municipality
2983 for energy improvements under this section, the municipality
2984 implementing the commercial sustainable energy program shall:

2985 (1) Require performance of an energy audit or renewable energy
2986 system feasibility analysis on the qualifying commercial real property
2987 that assesses the expected energy cost savings of the energy
2988 improvements over the useful life of such improvements before
2989 approving such financing;

2990 (2) Adopt standards that ensure that the energy cost savings of the
2991 energy improvements over the useful life of such improvements
2992 exceed the costs of such improvements;

2993 (3) Levy a benefit assessment on the qualifying commercial real
2994 property with the property owner in a principal amount sufficient to
2995 pay the costs of energy improvements and any associated costs the
2996 municipality determines will benefit the qualifying commercial real
2997 property provided the total amount of any benefit assessment may not
2998 exceed twenty per cent of the fair market value of the qualified real
2999 property;

3000 (4) Impose requirements and criteria to ensure that the proposed
3001 energy improvements are consistent with the purpose of the
3002 commercial sustainable energy program;

3003 (5) Impose requirements and conditions on the financing to ensure
3004 timely repayment, including, but not limited to, procedures for placing
3005 a lien on a property as security for the repayment of the benefit
3006 assessment; and

3007 (6) With respect to commercial or industrial property, require that
3008 the property owner provide written notice, not less than thirty days
3009 prior to the recording of any lien securing a benefit assessment for
3010 energy improvements for such property, to any existing mortgage
3011 holder of such property, of the property owner's intent to finance such
3012 energy improvements pursuant to this section.

3013 (g) (1) Any municipality that establishes a commercial sustainable
3014 energy program pursuant to this section may only enter into a

3015 financing agreement with the property owner of qualifying
3016 commercial real property. After such agreement is entered into, such
3017 municipality shall place a caveat on the land records indicating that a
3018 benefit assessment and lien is anticipated upon completion of energy
3019 improvements for such property.

3020 (2) The municipality shall disclose to the property owner the costs
3021 and risks associated with participating in the commercial sustainable
3022 energy program established by this section, including risks related to
3023 the failure of the property owner to pay the benefit assessment. The
3024 municipality shall disclose to the property owner the effective interest
3025 rate of the benefit assessment, including fees charged by the
3026 municipality to administer the program, and the risks associated with
3027 variable interest rate financing. The municipality shall notify the
3028 property owner that such owner may rescind any financing agreement
3029 entered into pursuant to this section not later than three business days
3030 after such agreement.

3031 (h) Any assessment levied pursuant to this section shall have no
3032 prepayment penalty. The municipality shall set a fixed or variable rate
3033 of interest for the repayment of the benefit assessment amount at the
3034 time the assessment is made. Such interest rate, as may be
3035 supplemented with state or federal funding as may become available,
3036 shall be sufficient to pay the financing costs of the commercial
3037 sustainable energy program, including delinquencies.

3038 (i) Assessments levied pursuant to this section and the interest and
3039 any penalties thereon shall constitute a lien against the qualifying
3040 commercial real property on which they are made until they are paid.
3041 Such lien shall be levied and collected in the same manner as the
3042 property taxes of the municipality on real property, including, in the
3043 event of default or delinquency, with respect to any penalties and
3044 remedies and lien priorities.

3045 (j) The area encompassing the commercial sustainable energy
3046 program in a municipality may be the entire municipal jurisdiction of

3047 the municipality or a subset of such.

3048 Sec. 57. Subdivision (2) of subsection (a) of section 7-121n of the 2012
3049 supplement to the general statutes is repealed and the following is
3050 substituted in lieu thereof (*Effective from passage*):

3051 (2) "Qualifying real property" means a single-family or multifamily
3052 residential dwelling [or a nonresidential building] containing less than
3053 five dwelling units, regardless of ownership, that a municipality has
3054 determined can benefit from energy improvements;

3055 Sec. 58. (NEW) (*Effective from passage*) (a) The Public Utilities
3056 Regulatory Authority shall authorize rates for each water company, as
3057 defined in section 16-1 of the general statutes, that promote water
3058 conservation. Such rates may include, but not be limited to: (1) Rate
3059 designs that promote conservation including, but not limited to,
3060 inclining block rates, seasonal rates, peak period rates or drought rates,
3061 (2) implementation of measures to provide more timely price signals to
3062 consumers, (3) multiyear rate plans, (4) measures to reduce system
3063 water losses, and (5) funds for consumer programs to promote
3064 conservation through education and incentives or rebates for retrofits
3065 with water efficient fixtures and appliances.

3066 (b) The authority shall initiate a docket to identify water and energy
3067 conservation programs implemented by any water company that
3068 would be eligible for recovery in a general rate case, provided such
3069 company demonstrates that the expenses for such programs were
3070 reasonable and prudent. On or before July 1, 2012, the Water Planning
3071 Council shall report to the authority and the Energy Conservation and
3072 Management Board identifying and recommending conservation
3073 programs for consideration by the authority in such docket or for
3074 incorporation into the comprehensive plan developed pursuant to
3075 section 16-245m of the general statutes, as amended by this act. The
3076 programs to be recommended by the Water Planning Council may
3077 include, but not be limited to, the use of renewable energy supplies,
3078 meter equipment and technology to promote more timely price signals

3079 and programs for consumers including monthly billing, water audits,
3080 leak detection programs and rebates for customers that retrofit with
3081 efficient water fixtures and appliances.

3082 Sec. 59. (NEW) (*Effective from passage*) (a) The Public Utilities
3083 Regulatory Authority shall authorize a water conservation and
3084 sustainability adjustment for any water company in accordance with
3085 subsections (b) and (c) of this section provided such water company
3086 demonstrates that during the twelve-month period subject to such
3087 adjustment such company did not (1) recover the allowed revenues
3088 approved by the authority pursuant to sections 16-19 of the general
3089 statutes and 16-262w of the general statutes, as amended by this act, or
3090 (2) exceed such company's allowed rate of return pursuant to
3091 subsection (g) of said section 16-19.

3092 (b) Any water company seeking a water conservation and
3093 sustainability adjustment shall indicate in such company's rate
3094 application filed pursuant to section 16-19 of the general statutes that
3095 such company seeks such adjustment. Any water conservation and
3096 sustainability adjustment authorized pursuant to this section shall be
3097 (1) calculated as a percentage based on the difference between the
3098 actual revenues the company collected during the period subject to the
3099 adjustment and revenues allowed in the last general rate case of such
3100 company, (2) applied as a charge or credit to the bills of such
3101 company's customers for a twelve-month period following
3102 authorization by the authority pursuant to this section, (3) applied to
3103 all customer classes except public fire accounts, (4) applied on bills
3104 issued to customers on and after February first of the calendar year in
3105 which such adjustment is authorized, and (5) in effect at the rate
3106 authorized each year until new base rates are approved by the
3107 authority in such company's next general rate case. The amount of any
3108 adjustment authorized pursuant to this section shall be reset to zero as
3109 of the effective date of any new base rate approved for such company
3110 pursuant to said section 16-19. For the purposes of this section, the
3111 authorized revenues for any such water company shall not be adjusted

3112 for customer growth except that such revenues shall be adjusted for
3113 any customers acquired by such company through an acquisition
3114 approved by the authority pursuant to section 16-262n of the general
3115 statutes.

3116 (c) No proposed water conservation and sustainability adjustment
3117 charge or credit shall become effective prior to approval of such charge
3118 or credit by the Public Utilities Regulatory Authority after an
3119 administrative proceeding. The authority may receive and consider
3120 comments from interested persons and members of the public at such
3121 proceeding, which shall not be considered a contested case. Such
3122 proceeding shall be completed not later than thirty days after a water
3123 company indicated in such company's rate application that it sought a
3124 conservation and sustainability adjustment. If the authority fails to
3125 render a decision in such proceeding before the expiration of such
3126 thirty-day period, such proposed charge or credit shall become
3127 effective at such company's option until the authority renders a
3128 decision, provided such company shall refund to its customers any
3129 amounts collected from such customers in excess of any charge
3130 authorized by the authority. Any approval or denial by the authority
3131 pursuant to this subsection shall not be deemed an order,
3132 authorization or decision of the authority for purposes of section 16-35
3133 of the general statutes, as amended by this act.

3134 Sec. 60. Subsection (a) of section 7-239 of the general statutes is
3135 repealed and the following is substituted in lieu thereof (*Effective from*
3136 *passage*):

3137 (a) The legislative body shall establish just and equitable rates or
3138 charges for the use of the waterworks system authorized herein, to be
3139 paid by the owner of each lot or building which is connected with and
3140 uses such system, and may change such rates or charges from time to
3141 time. Such rates or charges shall be sufficient in each year for the
3142 payment of the expense of operation, repair, replacements and
3143 maintenance of such system and for the payment of the sums herein

3144 required to be paid into the sinking fund. In establishing such rates or
3145 charges, the legislative body shall consider measures that promote
3146 water conservation and reduce the demand on the state's water and
3147 energy resources. Such rates or charges may include: (1) Rate designs
3148 that promote conservation including, but not limited to, inclining block
3149 rates, seasonal rates, peak period rates or drought rates, (2)
3150 implementation of measures to provide more timely price signals to
3151 consumers, (3) multiyear rate plans, (4) measures to reduce system
3152 water losses, and (5) funds for consumer programs to promote
3153 conservation through education and incentives or rebates for retrofits
3154 with water efficient fixtures and appliances. No such rate or charge
3155 shall be established until after a public hearing at which all the users of
3156 the waterworks system and the owners of property served or to be
3157 served and others interested shall have an opportunity to be heard
3158 concerning such proposed rate or charge. Notice of such hearing shall
3159 be given, at least ten days before the date set therefor, in a newspaper
3160 having a circulation in such municipality. Such notice shall set forth a
3161 schedule of rates or charges, and a copy of the schedule of rates or
3162 charges established shall be kept on file in the office of the legislative
3163 body and in the office of the clerk of the municipality, and shall be
3164 open to inspection by the public. The rates or charges so established for
3165 any class of users or property served shall be extended to cover any
3166 additional premises thereafter served which are within the same class,
3167 without the necessity of a hearing thereon. Any change in such rates or
3168 charges may be made in the same manner in which they were
3169 established, provided, if any change is made substantially pro rata as
3170 to all classes of service, no hearing shall be required. The provisions of
3171 this section shall not apply to the sale of bottled water.

3172 Sec. 61. Subdivision (1) of subsection (a) of section 16-262v of the
3173 general statutes is repealed and the following is substituted in lieu
3174 thereof (*Effective from passage*):

3175 (1) "Eligible projects" means those water company plant projects not
3176 previously included in the water company's rate base in its most recent

3177 general rate case and that are intended to improve or protect the
3178 quality and reliability of service to customers, including (A) renewal or
3179 replacement of existing infrastructure, including mains, valves,
3180 services, meters and hydrants that have either reached the end of their
3181 useful life, are worn out, are in deteriorated condition, are or will be
3182 contributing to unacceptable levels of unaccounted for water, or are
3183 negatively impacting water quality or reliability of service if not
3184 replaced; (B) main cleaning and relining projects; (C) relocation of
3185 facilities as a result of government actions, the capital costs of which
3186 are not otherwise eligible for reimbursement; [and] (D) purchase of
3187 leak detection equipment or installation of production meters, and
3188 pressure reducing valves; (E) purchase of energy efficient equipment
3189 or investment in renewable energy supplies; and (F) capital
3190 improvements necessary to comply with flow regulations adopted
3191 pursuant to section 26-141b.

3192 Sec. 62. Subsection (i) of section 16-262w of the general statutes is
3193 repealed and the following is substituted in lieu thereof (*Effective from*
3194 *passage*):

3195 (i) The amount of the WICA applied between general rate case
3196 filings shall not exceed [seven and one-half] ten per cent of the water
3197 company's annual retail water revenues approved in its most recent
3198 rate filing, and shall not exceed five per cent of such revenues for any
3199 twelve-month period. The amount of the adjustment shall be reset to
3200 zero as of the effective date of new base rates approved pursuant to
3201 section 16-19 and shall be reset to zero if the company exceeds the
3202 allowable rate of return by more than one hundred basis points for any
3203 calendar year.

3204 Sec. 63. Subsection (h) of section 16-19b of the general statutes is
3205 repealed and the following is substituted in lieu thereof (*Effective July*
3206 *1, 2012*):

3207 (h) The Public Utilities Regulatory Authority shall continually
3208 monitor and oversee the application of the purchased gas adjustment

3209 clause, the energy adjustment clause, and the transmission rate
3210 adjustment clause. The authority shall hold a public hearing thereon
3211 whenever the authority deems it necessary or upon application of the
3212 Consumer Counsel, but no less frequently than once every [six] twelve
3213 months, and undertake such other proceeding thereon to determine
3214 whether charges or credits made under such clauses reflect the actual
3215 prices paid for purchased gas or energy and the actual transmission
3216 costs and are computed in accordance with the applicable clause. If the
3217 authority finds that such charges or credits do not reflect the actual
3218 prices paid for purchased gas or energy, and the actual transmission
3219 costs or are not computed in accordance with the applicable clause, it
3220 shall recompute such charges or credits and shall direct the company
3221 to take such action as may be required to insure that such charges or
3222 credits properly reflect the actual prices paid for purchased gas or
3223 energy and the actual transmission costs and are computed in
3224 accordance with the applicable clause for the applicable period.

3225 Sec. 64. Section 16-18a of the 2012 supplement to the general statutes
3226 is amended by adding subsection (c) as follows (*Effective July 1, 2012*):

3227 (NEW) (c) For any proceeding before the Federal Energy Regulatory
3228 Commission, the United States Department of Energy, the United
3229 States Nuclear Regulatory Commission, the United States Securities
3230 and Exchange Commission, the Federal Trade Commission, the United
3231 States Department of Justice or the Federal Communications
3232 Commission, the authority may retain consultants to assist its staff in
3233 such proceeding by providing expertise in areas in which staff
3234 expertise does not currently exist or to supplement staff expertise. All
3235 reasonable and proper expenses of such expert consultants shall be
3236 borne by the public service companies, certified telecommunications
3237 providers, electric suppliers or gas registrants affected by the decisions
3238 of such proceeding and shall be paid at such times and in such manner
3239 as the authority directs, provided such expenses (1) shall be
3240 apportioned in proportion to the revenues of each affected entity as
3241 reported to the authority pursuant to section 16-49 for the most recent

3242 period, and (2) shall not exceed two hundred fifty thousand dollars per
3243 proceeding, including any appeals thereof, in any calendar year unless
3244 the authority finds good cause for exceeding the limit. The authority
3245 shall recognize all such expenses as proper business expenses of the
3246 affected entities for ratemaking purposes pursuant to section 16-19e, if
3247 applicable.

3248 Sec. 65. Section 16-35 of the general statutes is amended by adding
3249 subsection (c) as follows (*Effective July 1, 2012*):

3250 (NEW) (c) Notwithstanding any provision of titles 16 and 16a,
3251 proceedings in which the Public Utilities Regulatory Authority
3252 conducts a request for proposals or any other procurement process for
3253 the purpose of acquiring electricity products or services for the benefit
3254 of ratepayers shall be uncontested.

3255 Sec. 66. Subsection (c) of section 16-262j of the general statutes is
3256 repealed and the following is substituted in lieu thereof (*Effective July*
3257 *1, 2012*):

3258 (c) Each public service company, certified telecommunications
3259 provider and electric supplier shall pay interest on any security
3260 deposit it receives from a customer at the average rate paid, as of
3261 December 30, 1992, on savings deposits by insured commercial banks
3262 as published in the Federal Reserve Board bulletin and rounded to the
3263 nearest one-tenth of one percentage point, except in no event shall the
3264 rate be less than one and one-half per cent. On and after January 1,
3265 1994, the rate for each calendar year shall be not less than the deposit
3266 index, as defined and determined by the Banking Commissioner in
3267 subsection (d) of this section, for that year and rounded to the nearest
3268 one-tenth of one percentage point, except in no event shall the rate be
3269 less than one and one-half per cent.

3270 Sec. 67. Subdivision (1) of subsection (c) of section 16-8a of the 2012
3271 supplement to the general statutes is repealed and the following is
3272 substituted in lieu thereof (*Effective July 1, 2012*):

3273 (c) (1) Not more than [thirty] ninety business days after receipt of a
3274 written complaint, in a form prescribed by the authority, by an
3275 employee alleging the employee's employer has retaliated against an
3276 employee in violation of subsection (a) of this section, the authority
3277 shall make a preliminary finding in accordance with this subsection.

3278 Sec. 68. Subsection (b) of section 16-19kk of the general statutes is
3279 repealed and the following is substituted in lieu thereof (*Effective July*
3280 *1, 2012*):

3281 (b) The authority shall complete, on or before December 31, 1991, an
3282 investigation into the relationship between a company's volume of
3283 sales and its earnings. The authority shall, on or before July 1, 1993,
3284 implement rate-making and other procedures and practices in order to
3285 encourage the implementation of conservation and load management
3286 programs and other programs authorized by the authority promoting
3287 the state's economic development, energy and other policy. Such
3288 procedures to implement a modification or elimination of any direct
3289 relationship between the volume of sales and the earnings of electric,
3290 gas, telephone and water companies may include the adoption of a
3291 sales adjustment clause pursuant to subsection [(i)] (j) of section 16-
3292 19b, or other adjustment clause similar thereto. The authority's
3293 investigation shall include a review of its regulations and policies to
3294 identify any existing disincentives to the development and
3295 implementation of cost effective conservation and load management
3296 programs and other programs promoting the state's economic
3297 development, energy and other policy.

3298 Sec. 69. Subdivision (4) of subsection (a) of section 16-1 of the 2012
3299 supplement to the general statutes is repealed and the following is
3300 substituted in lieu thereof (*Effective July 1, 2012*):

3301 (4) "Public service company" includes electric, electric distribution,
3302 gas, telephone, telegraph, pipeline, sewage, water and community
3303 antenna television companies and holders of a certificate of cable
3304 franchise authority, owning, leasing, maintaining, operating,

3305 managing or controlling plants or parts of plants or equipment, and all
3306 express companies having special privileges on railroads within this
3307 state, but shall not include telegraph company functions concerning
3308 intrastate money order service, towns, cities, boroughs, any municipal
3309 corporation or department thereof, whether separately incorporated or
3310 not, a private power producer, as defined in section 16-243b, or an
3311 exempt wholesale generator, as defined in [15 USC 79z-5a] the United
3312 States Code or the Code of Federal Regulations;

3313 Sec. 70. Subdivision (8) of subsection (a) of section 16-1 of the 2012
3314 supplement to the general statutes is repealed and the following is
3315 substituted in lieu thereof (*Effective July 1, 2012*):

3316 (8) "Electric company" includes, until an electric company has been
3317 unbundled in accordance with the provisions of section 16-244e, every
3318 person owning, leasing, maintaining, operating, managing or
3319 controlling poles, wires, conduits or other fixtures, along public
3320 highways or streets, for the transmission or distribution of electric
3321 current for sale for light, heat or power within this state, or engaged in
3322 generating electricity to be so transmitted or distributed for such
3323 purpose, but shall not include (A) a private power producer, as
3324 defined in section 16-243b, (B) an exempt wholesale generator, as
3325 defined in [15 USC 79z-5a] the United States Code or the Code of
3326 Federal Regulations, (C) a municipal electric utility established under
3327 chapter 101, (D) a municipal electric energy cooperative established
3328 under chapter 101a, (E) an electric cooperative established under
3329 chapter 597, or (F) any other electric utility owned, leased, maintained,
3330 operated, managed or controlled by any unit of local government
3331 under any general statute or any public or special act;

3332 Sec. 71. (NEW) (*Effective July 1, 2012*) (a) The Connecticut Clean
3333 Energy Authority is authorized from time to time to issue its
3334 negotiable bonds for any corporate purpose. In anticipation of the sale
3335 of such bonds, the authority may issue negotiable bond anticipation
3336 notes and may renew the same from time to time. Such notes shall be

3337 paid from any revenues of the authority or other moneys available for
3338 such purposes and not otherwise pledged, or from the proceeds of sale
3339 of the bonds of the authority in anticipation of which they were issued.
3340 The notes shall be issued in the same manner as the bonds. Such notes
3341 and the resolution or resolutions authorizing the same may contain
3342 any provisions, conditions or limitations which a bond resolution of
3343 the authority may contain.

3344 (b) Every issue of the bonds, notes or other obligations issued by the
3345 authority shall be special obligations of the authority payable from any
3346 revenues or moneys of the authority available for such purposes and
3347 not otherwise pledged, subject to any agreements with the holders of
3348 particular bonds, notes or other obligations pledging any particular
3349 revenues or moneys, and subject to any agreements with any
3350 individual, partnership, corporation or association or other body,
3351 public or private. Notwithstanding that such bonds, notes or other
3352 obligations may be payable from a special fund, they shall be deemed
3353 to be for all purposes negotiable instruments, subject only to the
3354 provisions of such bonds, notes or other obligations for registration.

3355 (c) The bonds may be issued as serial bonds or as term bonds, or the
3356 authority, in its discretion, may issue bonds of both types. The bonds
3357 shall be authorized by resolution of the members of the board of
3358 directors of the authority and shall bear such date or dates, mature at
3359 such time or times, not exceeding thirty years from their respective
3360 dates, bear interest at such rate or rates, be payable at such time or
3361 times, be in such denominations, be in such form, either coupon or
3362 registered, carry such registration privileges, be executed in such
3363 manner, be payable in lawful money of the United States of America at
3364 such place or places, and be subject to such terms of redemption, as
3365 such resolution or resolutions may provide. The bonds or notes may be
3366 sold at public or private sale for such price or prices as the authority
3367 shall determine. The power to fix the date of sale of bonds, to receive
3368 bids or proposals, to award and sell bonds, and to take all other
3369 necessary action to sell and deliver bonds may be delegated to the

3370 chairperson or vice-chairperson of the board, a subcommittee of the
3371 board or other officers of the authority by resolution of the board. The
3372 exercise of such delegated powers may be made subject to the
3373 approval of a majority of the members of the board which approval
3374 may be given in the manner provided in the bylaws of the authority.
3375 Pending preparation of the definitive bonds, the authority may issue
3376 interim receipts or certificates which shall be exchanged for such
3377 definitive bonds.

3378 (d) Any resolution or resolutions authorizing any bonds or any
3379 issue of bonds may contain provisions, which shall be a part of the
3380 contract with the holders of the bonds to be authorized, as to: (1)
3381 Pledging the full faith and credit of the authority, the full faith and
3382 credit of any individual, partnership, corporation or association or
3383 other body, public or private, all or any part of the revenues of a
3384 project or any revenue-producing contract or contracts made by the
3385 authority with any individual, partnership, corporation or association
3386 or other body, public or private, any federally guaranteed security and
3387 moneys received therefrom purchased with bond proceeds or any
3388 other property, revenues, funds or legally available moneys to secure
3389 the payment of the bonds or of any particular issue of bonds, subject to
3390 such agreements with bondholders as may then exist; (2) the rentals,
3391 fees and other charges to be charged, and the amounts to be raised in
3392 each year thereby, and the use and disposition of the revenues; (3) the
3393 setting aside of reserves or sinking funds, and the regulation and
3394 disposition thereof; (4) limitations on the right of the authority or its
3395 agent to restrict and regulate the use of the project; (5) the purpose and
3396 limitations to which the proceeds of sale of any issue of bonds then or
3397 thereafter to be issued may be applied, including as authorized
3398 purposes all costs and expenses necessary or incidental to the issuance
3399 of bonds, to the acquisition of or commitment to acquire any federally
3400 guaranteed security and to the issuance and obtaining of any federally
3401 insured mortgage note, and pledging such proceeds to secure the
3402 payment of the bonds or any issue of the bonds; (6) limitations on the
3403 issuance of additional bonds, the terms upon which additional bonds

3404 may be issued and secured and the refunding of outstanding bonds;
3405 (7) the procedure, if any, by which the terms of any contract with
3406 bondholders may be amended or abrogated, the amount of bonds the
3407 holders of which must consent thereto, and the manner in which such
3408 consent may be given; (8) limitations on the amount of moneys derived
3409 from the project to be expended for operating, administrative or other
3410 expenses of the authority; (9) defining the acts or omissions to act
3411 which shall constitute a default in the duties of the authority to holders
3412 of its obligations and providing the rights and remedies of such
3413 holders in the event of a default; and (10) the mortgaging of a project
3414 and the site thereof for the purpose of securing the bondholders.

3415 (e) Neither the members of the board of directors of the authority
3416 nor any person executing the bonds, notes or other obligations shall be
3417 liable personally on the bonds, notes or other obligations or be subject
3418 to any personal liability or accountability by reason of the issuance
3419 thereof.

3420 (f) The authority shall have power out of any funds available for
3421 such purposes to purchase its bonds, notes or other obligations. The
3422 authority may hold, pledge, cancel or resell such bonds, notes or other
3423 obligations, subject to and in accordance with agreements with
3424 bondholders. The authority may sell, transfer or assign any of its loan
3425 assets to a trustee or other third party for the purposes of providing
3426 security for its bonds, notes or other obligations, or for bonds, notes or
3427 other obligations issued by the trustee or other third party on its
3428 behalf.

3429 (g) The authority is further authorized and empowered to issue
3430 bonds, notes or other obligations under this section, the interest on
3431 which may be includable in the gross income of the holder or holders
3432 thereof under the Internal Revenue Code of 1986, or any subsequent
3433 corresponding internal revenue code of the United States, as from time
3434 to time amended, to the same extent and in the same manner that
3435 interest on bills, notes, bonds or other obligations of the United States

3436 is includable in the gross income of the holder or holders thereof under
3437 any such internal revenue code. Any such bonds, notes or other
3438 obligations may be issued only upon a finding by the authority that
3439 such issuance is necessary, is in the public interest, and is in
3440 furtherance of the purposes and powers of the authority. The state
3441 hereby consents to such inclusion only for the bonds, notes or other
3442 obligations of the authority so issued.

3443 (h) In the discretion of the authority, any bonds issued under the
3444 provisions of this section may be secured by a trust agreement by and
3445 between the authority and a corporate trustee or trustees, which may
3446 be any trust company or bank having the powers of a trust company
3447 within or without the state. Such trust agreement or the resolution
3448 providing for the issuance of such bonds or other instrument of the
3449 authority may secure such bonds by a pledge or assignment of any
3450 revenues to be received, any contract or proceeds of any contract, or
3451 any other property, revenues, moneys or funds available to the
3452 authority for such purpose. Any pledge made by the authority
3453 pursuant to this subsection shall be valid and binding from the time
3454 when the pledge is made. The lien of any such pledge shall be valid
3455 and binding as against all parties having claims of any kind in tort,
3456 contract or otherwise against the authority, irrespective of whether the
3457 parties have notice of the claims. Notwithstanding any provision of the
3458 Uniform Commercial Code, no instrument by which such pledge is
3459 created need be recorded or filed. Any revenues or other receipts,
3460 funds, moneys, income, contracts or property so pledged and
3461 thereafter received by the authority shall be subject immediately to the
3462 lien of the pledge without any physical delivery thereof or further act,
3463 and such lien shall have priority over all other liens. Such trust
3464 agreement or resolution may mortgage, assign or convey any real
3465 property to secure such bonds. Such trust agreement or resolution
3466 providing for the issuance of such bonds may contain such provisions
3467 for protecting and enforcing the rights and remedies of the
3468 bondholders as may be reasonable and proper and not in violation of
3469 law, including particularly such provisions as have been specifically

3470 authorized by this section to be included in any resolution or
3471 resolutions of the authority authorizing bonds thereof. Any bank or
3472 trust company incorporated under the laws of this state, which may
3473 act as depositary of the proceeds of bonds or of revenues or other
3474 moneys, may furnish such indemnifying bonds or pledge such
3475 securities as may be required by the authority. Any such trust
3476 agreement or resolution may set forth the rights and remedies of the
3477 bondholders and of the trustee or trustees, and may restrict the
3478 individual right of action by bondholders. In addition to the foregoing,
3479 any such trust agreement or resolution may contain such other
3480 provisions as the authority may deem reasonable and proper for the
3481 security of the bondholders. All expenses incurred in carrying out the
3482 provisions of such trust agreement or resolution may be treated as a
3483 part of the cost of the operation of a project.

3484 (i) Bonds issued under the provisions of this section shall not be
3485 deemed to constitute a debt or liability of the state or of any political
3486 subdivision thereof other than the authority, or a pledge of the full
3487 faith and credit of the state or of any such political subdivision other
3488 than the authority, but shall be payable solely from the funds provided
3489 for such purposes by this section. All such bonds shall contain on the
3490 face thereof a statement to the effect that neither the state of
3491 Connecticut nor any political subdivision thereof, other than the
3492 authority, shall be obligated to pay the same or the interest thereon
3493 except from revenues of the project or the portion thereof for which
3494 such bonds are issued, and that neither the full faith and credit nor the
3495 taxing power of the state of Connecticut or of any political subdivision
3496 thereof, other than the authority, is pledged to the payment of the
3497 principal of or the interest on such bonds. The issuance of bonds under
3498 the provisions of this section shall not directly or indirectly or
3499 contingently obligate the state or any political subdivision thereof to
3500 levy or to pledge any form of taxation or to make any appropriation
3501 for their payment. Nothing contained in this section shall prevent or be
3502 construed to prevent the authority from pledging its full faith and
3503 credit or the full faith and credit of any individual, partnership,

3504 corporation or association or other body, public or private, to the
3505 payment of bonds or issue of bonds authorized pursuant to this
3506 section.

3507 (j) The state of Connecticut does hereby pledge to and agree with
3508 the holders of any bonds and notes issued under this section and with
3509 those parties who may enter into contracts with the authority or its
3510 successor agency pursuant to the provisions of this section that the
3511 state shall not limit or alter the rights hereby vested in the authority
3512 until such obligations, together with the interest thereon, are fully met
3513 and discharged and such contracts are fully performed on the part of
3514 the authority, provided nothing contained in this subsection shall
3515 preclude such limitation or alteration if and when adequate provision
3516 shall be made by law for the protection of the holders of such bonds
3517 and notes of the authority or those entering into such contracts with
3518 the authority. The authority is authorized to include this pledge and
3519 undertaking for the state in such bonds and notes or contracts.

3520 (k) (1) The authority is authorized to fix, revise, charge and collect
3521 rates, rents, fees and charges for the use of and for the services
3522 furnished or to be furnished by each project, and to contract with any
3523 person, partnership, association or corporation, or other body, public
3524 or private, in respect thereof. Such rates, rents, fees and charges shall
3525 be fixed and adjusted in respect of the aggregate of rates, rents, fees
3526 and charges from such project so as to provide funds sufficient with
3527 other revenues or moneys available for such purposes, if any, (A) to
3528 pay the cost of maintaining, repairing and operating the project and
3529 each and every portion thereof, to the extent that the payment of such
3530 cost has not otherwise been adequately provided for, (B) to pay the
3531 principal of and the interest on outstanding bonds of the authority
3532 issued in respect of such project as the same shall become due and
3533 payable, and (C) to create and maintain reserves required or provided
3534 for in any resolution authorizing, or trust agreement securing, such
3535 bonds of the authority. Such rates, rents, fees and charges shall not be
3536 subject to supervision or regulation by any department, commission,

3537 board, body, bureau or agency of this state other than the authority.

3538 (2) A sufficient amount of the revenues derived in respect of a
3539 project, except such part of such revenues as may be necessary to pay
3540 the cost of maintenance, repair and operation and to provide reserves
3541 and for renewals, replacements, extensions, enlargements and
3542 improvements as may be provided for in the resolution authorizing
3543 the issuance of any bonds of the authority or in the trust agreement
3544 securing the same, shall be set aside at such regular intervals as may be
3545 provided in such resolution or trust agreement in a sinking or other
3546 similar fund which is hereby pledged to, and charged with, the
3547 payment of the principal of and the interest on such bonds as the same
3548 shall become due, and the redemption price or the purchase price of
3549 bonds retired by call or purchase as therein provided. Such pledge
3550 shall be valid and binding from the time when the pledge is made. The
3551 rates, rents, fees and charges and other revenues or other moneys so
3552 pledged and thereafter received by the authority shall immediately be
3553 subject to the lien of such pledge without any physical delivery thereof
3554 or further act, and the lien of any such pledge shall be valid and
3555 binding as against all parties having claims of any kind in tort, contract
3556 or otherwise against the authority, irrespective of whether such parties
3557 have notice thereof. Notwithstanding any provision of the Connecticut
3558 Uniform Commercial Code, neither the resolution nor any trust
3559 agreement nor any other agreement nor any lease by which a pledge is
3560 created need be filed or recorded except in the records of the authority.
3561 The use and disposition of moneys to the credit of such sinking or
3562 other similar fund shall be subject to the provisions of the resolution
3563 authorizing the issuance of such bonds or of such trust agreement.
3564 Except as may otherwise be provided in such resolution or such trust
3565 agreement, such sinking or other similar fund may be a fund for all
3566 such bonds issued to finance projects for any person, partnership,
3567 association or corporation, or other body, public or private, without
3568 distinction or priority of one over another; provided the authority in
3569 any such resolution or trust agreement may provide that such sinking
3570 or other similar fund shall be the fund for a particular project for any

3571 person, partnership, association or corporation, or other body, public
3572 or private, and for the bonds issued to finance a particular project and
3573 may, additionally, permit and provide for the issuance of bonds
3574 having a subordinate lien in respect of the security authorized by this
3575 subsection to other bonds of the authority, and, in such case, the
3576 authority may create separate sinking or other similar funds in respect
3577 of such subordinate lien bonds.

3578 (l) All moneys received pursuant to the authority of this section,
3579 whether as proceeds from the sale of bonds or as revenues, shall be
3580 deemed to be trust funds to be held and applied solely as provided in
3581 this section. Any officer with whom, or any bank or trust company
3582 with which, such moneys may be deposited shall act as trustee of such
3583 moneys and shall hold and apply the same for the purposes of this
3584 section, subject to the resolution authorizing the bonds of any issue or
3585 the trust agreement securing such bonds may provide.

3586 (m) Any holder of bonds, bond anticipation notes, other notes or
3587 other obligations issued under the provisions of this section, or any of
3588 the coupons appertaining thereto, and the trustee or trustees under
3589 any trust agreement, except to the extent the rights given by this
3590 section may be restricted by any resolution authorizing the issuance of,
3591 or any such trust agreement securing, such bonds, may, either at law
3592 or in equity, by suit, action, mandamus or other proceedings, protect
3593 and enforce any and all rights under the laws of the state or granted by
3594 this section or under such resolution or trust agreement, and may
3595 enforce and compel the performance of all duties required by this
3596 section or by such resolution or trust agreement to be performed by the
3597 authority or by any officer, employee or agent thereof, including the
3598 fixing, charging and collecting of the rates, rents, fees and charges
3599 authorized by this section and required by the provisions of such
3600 resolution or trust agreement to be fixed, established and collected.

3601 (n) The authority shall have power to contract with the holders of
3602 any of its bonds or notes as to the custody, collection, securing,

3603 investment and payment of any reserve funds of the authority, or of
3604 any moneys held in trust or otherwise for the payment of bonds or
3605 notes, and to carry out such contracts. Any officer with whom, or any
3606 bank or trust company with which, such moneys shall be deposited as
3607 trustee thereof shall hold, invest, reinvest and apply such moneys for
3608 the purposes thereof, subject to such provisions as this section and the
3609 resolution authorizing the issue of the bonds or notes or the trust
3610 agreement securing such bonds or notes may provide.

3611 (o) The exercise of the powers granted by this section shall be in all
3612 respects for the benefit of the people of this state, for the increase of
3613 their commerce, welfare and prosperity, and for the improvement of
3614 their health and living conditions, and, as the exercise of such powers
3615 shall constitute the performance of an essential public function, neither
3616 the authority, any affiliate of the authority or any collection or other
3617 agent of the authority or any such affiliate shall be required to pay any
3618 taxes or assessments upon or in respect of any revenues or property
3619 received, acquired, transferred or used by the authority, any affiliate of
3620 the authority or any collection or other agent of the authority or any
3621 such affiliate or upon or in respect of the income from such revenues
3622 or property, and any bonds or notes issued under the provisions of this
3623 section, their transfer and the income therefrom, including any profit
3624 made on the sale of such bonds or notes, shall at all times be free from
3625 taxation of every kind by the state and by the municipalities and other
3626 political subdivisions in the state, except for estate and succession
3627 taxes. The interest on such bonds or notes shall be included in the
3628 computation of any excise or franchise tax.

3629 (p) (1) The authority is hereby authorized to provide for the
3630 issuance of bonds of the authority for the purpose of refunding any
3631 bonds of the authority then outstanding, including the payment of any
3632 redemption premium thereon and any interest accrued or to accrue to
3633 the earliest or subsequent date of redemption, purchase or maturity of
3634 such bonds, and, if deemed advisable by the authority, for the
3635 additional purpose of paying all or any part of the cost of constructing

3636 and acquiring additions, improvements, extensions or enlargements of
3637 a project or any portion thereof.

3638 (2) The proceeds of any such bonds issued for the purpose of
3639 refunding outstanding bonds may, in the discretion of the authority,
3640 be applied to the purchase or retirement at maturity or redemption of
3641 such outstanding bonds either on their earliest or any subsequent
3642 redemption date or upon the purchase or at the maturity thereof and
3643 may, pending such application, be placed in escrow to be applied to
3644 such purchase or retirement at maturity or redemption on such date as
3645 may be determined by the authority.

3646 (3) Any such escrowed proceeds, pending such use, may be
3647 invested and reinvested in direct obligations of, or obligations
3648 unconditionally guaranteed by, the United States of America and
3649 certificates of deposit or time deposits secured by direct obligations of,
3650 or obligations unconditionally guaranteed by, the United States of
3651 America, or obligations of a state, a territory, or a possession of the
3652 United States of America, or any political subdivision of any of the
3653 foregoing, within the meaning of Section 103(a) of the Internal
3654 Revenue Code of 1986, or any subsequent corresponding internal
3655 revenue code of the United States, as from time to time amended, the
3656 full and timely payment of the principal of and interest on which are
3657 secured by an irrevocable deposit of direct obligations of the United
3658 States of America which, if the outstanding bonds are then rated by a
3659 nationally recognized rating agency, are rated in the highest rating
3660 category by such rating agency, maturing at such time or times as shall
3661 be appropriate to assure the prompt payment, as to principal, interest
3662 and redemption premium, if any, of the outstanding bonds to be so
3663 refunded. The interest, income and profits, if any, earned or realized
3664 on any such investment may also be applied to the payment of the
3665 outstanding bonds to be so refunded. After the terms of the escrow
3666 have been fully satisfied and carried out, any balance of such proceeds
3667 and interest, income and profits, if any, earned or realized on the
3668 investments thereof may be returned to the authority for use by it in

3669 any lawful manner.

3670 (4) The portion of the proceeds of any such bonds issued for the
3671 additional purpose of paying all or any part of the cost of constructing
3672 and acquiring additions, improvements, extensions or enlargements of
3673 a project may be invested and reinvested as the provisions of this
3674 section and the resolution authorizing the issuance of such bonds or
3675 the trust agreement securing such bonds may provide. The interest,
3676 income and profits, if any, earned or realized on such investment may
3677 be applied to the payment of all or any part of such cost or may be
3678 used by the authority in any lawful manner.

3679 (5) All such bonds shall be subject to the provisions of this section in
3680 the same manner and to the same extent as other bonds issued
3681 pursuant to this section.

3682 (q) Bonds issued by the authority under the provisions of this
3683 section are hereby made securities in which all public officers and
3684 public bodies of the state and its political subdivisions, all insurance
3685 companies, state banks and trust companies, national banking
3686 associations, savings banks, savings and loan associations, investment
3687 companies, executors, administrators, trustees and other fiduciaries
3688 may properly and legally invest funds, including capital in their
3689 control or belonging to them. Such bonds are hereby made securities
3690 which may properly and legally be deposited with and received by
3691 any state or municipal officer or any agency or political subdivision of
3692 the state for any purpose for which the deposit of bonds or obligations
3693 of the state is now or may hereafter be authorized by law.

3694 (r) In conjunction with the issuance of the bonds, notes or other
3695 obligations: (1) The authority may make representations and
3696 agreements for the benefit of the holders of the bonds, notes or other
3697 obligations to make secondary market disclosures; (2) the authority
3698 may enter into interest rate swap agreements and other agreements for
3699 the purpose of moderating interest rate risk on the bonds, notes or
3700 other obligations; (3) the authority may enter into such other

3701 agreements and instruments to secure the bonds, notes or other
3702 obligations; and (4) the authority may take such other actions as
3703 necessary or appropriate for the issuance and distribution of the
3704 bonds, notes or other obligations and may make representations and
3705 agreements for the benefit of the holders of the bonds, notes or other
3706 obligations which are necessary or appropriate to ensure exclusion of
3707 the interest payable on the bonds from gross income under the Internal
3708 Revenue Code of 1986, or any subsequent corresponding internal
3709 revenue code of the United States, as from time to time amended.

3710 Sec. 72. (NEW) (*Effective July 1, 2012*) (a) The Connecticut Clean
3711 Energy Authority may issue clean energy bonds secured in whole or in
3712 part by the assets of, and assessment of charges and other receipts
3713 deposited into, the Clean Energy Fund established pursuant to section
3714 16-245n of the general statutes, as amended by this act. The clean
3715 energy bonds shall be nonrecourse to the credit or any assets of the
3716 state or the authority.

3717 (b) Except as otherwise provided in this subsection, the state of
3718 Connecticut does hereby pledge and agree with the owners of the
3719 clean energy bonds that the state shall neither limit nor alter the
3720 assessment of charges pursuant to section (b) of section 16-245n of the
3721 general statutes, as amended by this act, and all rights thereunder,
3722 until the clean energy bonds, together with the interest thereon, are
3723 fully met and discharged, provided nothing contained in this
3724 subsection shall preclude such limitation or alteration if and when
3725 adequate provision is made by law for the protection of the owners
3726 and holders of such bonds. The authority as agent for the state is
3727 authorized to include this pledge and undertaking for the state in the
3728 clean energy bonds.

3729 (c) The clean energy bonds shall not be deemed to constitute a debt
3730 or liability of the state or of any political subdivision thereof, other
3731 than the authority, shall not constitute a pledge of the full faith and
3732 credit of the state or any of its political subdivisions, other than the

3733 authority, but shall be payable solely from the funds provided under
3734 section 16-245n of the general statutes, as amended by this act, and
3735 shall not constitute an indebtedness of the state within the meaning of
3736 any constitutional or statutory debt limitation or restriction and,
3737 accordingly, shall not be subject to any statutory limitation on the
3738 indebtedness of the state and shall not be included in computing the
3739 aggregate indebtedness of the state in respect to and to the extent of
3740 any such limitation. This subsection shall in no way preclude bond
3741 guarantees or enhancements as provided in subsection (d) of section
3742 16-245n of the general statutes, as amended by this act. All clean
3743 energy bonds shall contain on the face thereof a statement to the
3744 following effect: "Neither the full faith and credit nor the taxing power
3745 of the State of Connecticut is pledged to the payment of the principal
3746 of, or interest on, this bond."

3747 (d) The exercise of the powers granted by this section and section
3748 16-245n of the general statutes, as amended by this act, shall be in all
3749 respects for the benefit of the people of this state, for the increase of
3750 their commerce, welfare and prosperity, and as the exercise of such
3751 powers shall constitute the performance of an essential public function,
3752 neither the authority, any affiliate of the authority, nor any collection
3753 or other agent of any of the foregoing shall be required to pay any
3754 taxes or assessments upon or in respect of any revenues or property
3755 received, acquired, transferred or used by the authority, any affiliate of
3756 the authority or any collection or other agent of any of the foregoing,
3757 or upon or in respect of the income from such revenues or property,
3758 and any bonds or notes issued under the provisions of this section,
3759 their transfer and the income therefrom, including any profit made on
3760 the sale of such bonds or notes, shall at all times be free from taxation
3761 of every kind by the state and by the municipalities and other political
3762 subdivisions in the state except for estate and succession taxes. The
3763 interest on such bonds and notes shall be included in the computation
3764 of any excise or franchise tax.

3765 (e) The proceeds of any clean energy bonds shall be used for the

3766 purposes of the authority in accordance with section 16-245n of the
3767 general statutes, as amended by this act.

3768 Sec. 73. (NEW) (*Effective July 1, 2012*) (a) For purposes of this section,
3769 "required minimum capital reserve" means the maximum amount
3770 permitted to be deposited in a special capital reserve fund by the
3771 Internal Revenue Code of 1986, or any subsequent corresponding
3772 internal revenue code of the United States, as amended from time to
3773 time, to permit the interest on such bonds to be excluded from gross
3774 income for federal tax purposes and secured by such special capital
3775 reserve fund.

3776 (b) In connection with the issuance of bonds or to refund bonds
3777 previously issued by the Connecticut Clean Energy Authority, or in
3778 connection with the issuance of bonds to effect a refinancing or other
3779 restructuring with respect to one or more projects, the authority may
3780 create and establish one or more reserve funds to be known as special
3781 capital reserve funds, and may pay into such special capital reserve
3782 funds (1) any moneys appropriated and made available by the state for
3783 the purposes of such special capital reserve funds, (2) any proceeds of
3784 the sale of notes or bonds, to the extent provided in the resolution of
3785 the authority authorizing the issuance thereof, and (3) any other
3786 moneys which may be made available to the authority for the purpose
3787 of such special capital reserve funds from any other source or sources.

3788 (c) The moneys held in or credited to any special capital reserve
3789 fund established under this section, except as hereinafter provided,
3790 shall be used for (1) the payment of the principal of and interest, when
3791 due, whether at maturity or by mandatory sinking fund installments,
3792 on bonds of the authority secured by such special capital reserve fund
3793 as such payments become due, or (2) the purchase of such bonds of the
3794 authority and the payment of any redemption premium required to be
3795 paid when such bonds are redeemed prior to maturity, including in
3796 any such case by way of reimbursement of a provider of bond
3797 insurance or of a credit or liquidity facility that has paid such

3798 redemption premiums. Notwithstanding the provisions of
3799 subdivisions (1) and (2) of this subsection, the authority shall have
3800 power to provide that moneys in any such special capital reserve fund
3801 shall not be withdrawn therefrom at any time in such amount as
3802 would reduce the amount of such moneys to less than the maximum
3803 amount of principal and interest becoming due by reasons of maturity
3804 or a required sinking fund installment in the then current or any
3805 succeeding calendar year on the bonds of the authority then
3806 outstanding, or less than the required minimum capital reserve, except
3807 for the purpose of paying such principal of, redemption premium and
3808 interest on such bonds of the authority secured by such special capital
3809 reserve becoming due and for the payment of which other moneys of
3810 the authority are not available. The authority may provide that it shall
3811 not issue bonds secured by a special capital reserve fund at any time if
3812 the required minimum capital reserve on the bonds outstanding and
3813 the bonds then to be issued and secured by the same special capital
3814 reserve fund at the time of issuance exceeds the moneys in the special
3815 capital reserve fund, unless the authority, at the time of the issuance of
3816 such bonds, deposits in such special capital reserve fund from the
3817 proceeds of the bonds so to be issued, or from other sources, an
3818 amount which, together with the amount then in such special capital
3819 reserve fund, will be not less than the required minimum capital
3820 reserve.

3821 (d) On or before December first, annually, there is deemed to be
3822 appropriated from the General Fund such sums, if any, as shall be
3823 certified by the chairperson or vice-chairperson of the authority to the
3824 Secretary of the Office of Policy and Management and the State
3825 Treasurer, as necessary to restore each such special capital reserve
3826 fund to the amount equal to the required minimum capital reserve of
3827 such fund, and such amounts shall be allotted and paid to the
3828 authority. For the purpose of evaluation of any such special capital
3829 reserve fund, obligations acquired as an investment for any such
3830 special capital reserve fund shall be valued at market. Nothing
3831 contained in this section shall preclude the authority from establishing

3832 and creating other debt service reserve funds in connection with the
3833 issuance of bonds or notes of the authority which are not special
3834 capital reserve funds. Subject to any agreement or agreements with
3835 holders of outstanding notes and bonds of the authority, any amount
3836 or amounts allotted and paid to the authority pursuant to this
3837 subsection shall be repaid to the state from moneys of the authority at
3838 such time as such moneys are not required for any other of the
3839 authority's corporate purposes, and in any event shall be repaid to the
3840 state on the date one year after all bonds and notes of the authority
3841 theretofore issued on the date or dates such amount or amounts are
3842 allotted and paid to the authority or thereafter issued, together with
3843 interest on such bonds and notes, with interest on any unpaid
3844 installments of interest and all costs and expenses in connection with
3845 any action or proceeding by or on behalf of the holders thereof, are
3846 fully met and discharged.

3847 (e) No bonds secured by a special capital reserve fund shall be
3848 issued to pay project costs unless the authority is of the opinion and
3849 determines that the revenues from the project shall be sufficient to (1)
3850 pay the principal of and interest on the bonds issued to finance the
3851 project, (2) establish, increase and maintain any reserves deemed by
3852 the authority to be advisable to secure the payment of the principal of
3853 and interest on such bonds, (3) pay the cost of maintaining the project
3854 in good repair and keeping it properly insured, and (4) pay such other
3855 costs of the project as may be required.

3856 (f) Notwithstanding the provisions of this section, no bonds secured
3857 by a special capital reserve fund shall be issued by the authority until
3858 and unless such issuance has been approved by the Secretary of the
3859 Office of Policy and Management or his or her deputy. Any such
3860 approval by the secretary pursuant to this subsection shall be in
3861 addition to (1) the otherwise required opinion of sufficiency by the
3862 authority set forth in subsection (c) of this section, and (2) the approval
3863 of the State Treasurer and the documentation by the authority
3864 otherwise required under subsection (a) of section 1-124 of the general

3865 statutes, as amended by this act. Such approval may provide for the
3866 waiver or modification of such other requirements of this section as the
3867 authority, the State Treasurer and the secretary determine to be
3868 necessary or appropriate in order to effectuate such issuance, subject to
3869 all applicable tax covenants of the authority and the state.

3870 (g) Notwithstanding any other provision contained in this section,
3871 the aggregate amount of bonds secured by such special capital reserve
3872 fund authorized to be created and established by this section shall not
3873 exceed one hundred million dollars.

3874 Sec. 74. Subdivision (2) of subsection (a) of section 32-141 of the
3875 general statutes is repealed and the following is substituted in lieu
3876 thereof (*Effective July 1, 2012*):

3877 (2) The total amount of private activity bonds which may be issued
3878 by state issuers in the calendar year commencing January 1, 2007, and
3879 each calendar year thereafter, under the state ceiling in effect for each
3880 such year, shall be allocated as follows: (A) Sixty per cent to the
3881 Connecticut Housing Finance Authority; (B) twelve and one-half per
3882 cent to the Connecticut Development Authority; and (C) twenty-seven
3883 and one-half per cent to municipalities and political subdivisions,
3884 departments, agencies, authorities and other bodies of municipalities,
3885 [and] the Connecticut Higher Education Supplemental Loan Authority
3886 and the Connecticut Clean Energy Authority, then to the Connecticut
3887 Student Loan Foundation and then for contingencies. At least ten per
3888 cent of bonds allocated under subparagraph (A) of this subdivision
3889 shall be used for multifamily residential housing in the calendar year
3890 commencing January 1, 2008. In each calendar year commencing
3891 January 1, 2009, fifteen per cent of such bonds shall be used for
3892 multifamily residential housing.

3893 Sec. 75. Subsection (l) of section 1-79 of the general statutes is
3894 repealed and the following is substituted in lieu thereof (*Effective from*
3895 *passage*):

3896 (l) "Quasi-public agency" means the Connecticut Development
3897 Authority, Connecticut Innovations, Incorporated, Connecticut Health
3898 and Education Facilities Authority, Connecticut Higher Education
3899 Supplemental Loan Authority, Connecticut Housing Finance
3900 Authority, Connecticut Housing Authority, Connecticut Resources
3901 Recovery Authority, Lower Fairfield County Convention Center
3902 Authority, Capital City Economic Development Authority,
3903 Connecticut Lottery Corporation, Connecticut Airport Authority,
3904 Health Information Technology Exchange of Connecticut, [and]
3905 Connecticut Health Insurance Exchange and Connecticut Clean Energy
3906 Authority.

3907 Sec. 76. Subdivision (1) of section 1-120 of the general statutes is
3908 repealed and the following is substituted in lieu thereof (*Effective from*
3909 *passage*):

3910 (1) "Quasi-public agency" means the Connecticut Development
3911 Authority, Connecticut Innovations, Incorporated, Connecticut Health
3912 and Educational Facilities Authority, Connecticut Higher Education
3913 Supplemental Loan Authority, Connecticut Housing Finance
3914 Authority, Connecticut Housing Authority, Connecticut Resources
3915 Recovery Authority, Capital City Economic Development Authority,
3916 Connecticut Lottery Corporation, Connecticut Airport Authority,
3917 Health Information Technology Exchange of Connecticut, [and]
3918 Connecticut Health Insurance Exchange and Connecticut Clean Energy
3919 Authority.

3920 Sec. 77. Section 1-124 of the general statutes is repealed and the
3921 following is substituted in lieu thereof (*Effective from passage*):

3922 (a) The Connecticut Development Authority, the Connecticut
3923 Health and Educational Facilities Authority, the Connecticut Higher
3924 Education Supplemental Loan Authority, the Connecticut Housing
3925 Finance Authority, the Connecticut Housing Authority, the
3926 Connecticut Resources Recovery Authority, the Health Information
3927 Technology Exchange of Connecticut, the Connecticut Airport

3928 Authority, the Capital City Economic Development Authority, [and]
3929 the Connecticut Health Insurance Exchange and the Connecticut Clean
3930 Energy Authority shall not borrow any money or issue any bonds or
3931 notes which are guaranteed by the state of Connecticut or for which
3932 there is a capital reserve fund of any kind which is in any way
3933 contributed to or guaranteed by the state of Connecticut until and
3934 unless such borrowing or issuance is approved by the State Treasurer
3935 or the Deputy State Treasurer appointed pursuant to section 3-12. The
3936 approval of the State Treasurer or said deputy shall be based on
3937 documentation provided by the authority that it has sufficient
3938 revenues to (1) pay the principal of and interest on the bonds and notes
3939 issued, (2) establish, increase and maintain any reserves deemed by the
3940 authority to be advisable to secure the payment of the principal of and
3941 interest on such bonds and notes, (3) pay the cost of maintaining,
3942 servicing and properly insuring the purpose for which the proceeds of
3943 the bonds and notes have been issued, if applicable, and (4) pay such
3944 other costs as may be required.

3945 (b) To the extent the Connecticut Development Authority,
3946 Connecticut Innovations, Incorporated, Connecticut Higher Education
3947 Supplemental Loan Authority, Connecticut Housing Finance
3948 Authority, Connecticut Housing Authority, Connecticut Resources
3949 Recovery Authority, Connecticut Health and Educational Facilities
3950 Authority, the Health Information Technology Exchange of
3951 Connecticut, the Connecticut Airport Authority, the Capital City
3952 Economic Development Authority, [or] the Connecticut Health
3953 Insurance Exchange or the Connecticut Clean Energy Authority is
3954 permitted by statute and determines to exercise any power to
3955 moderate interest rate fluctuations or enter into any investment or
3956 program of investment or contract respecting interest rates, currency,
3957 cash flow or other similar agreement, including, but not limited to,
3958 interest rate or currency swap agreements, the effect of which is to
3959 subject a capital reserve fund which is in any way contributed to or
3960 guaranteed by the state of Connecticut, to potential liability, such
3961 determination shall not be effective until and unless the State

3962 Treasurer or his or her deputy appointed pursuant to section 3-12 has
3963 approved such agreement or agreements. The approval of the State
3964 Treasurer or his or her deputy shall be based on documentation
3965 provided by the authority that it has sufficient revenues to meet the
3966 financial obligations associated with the agreement or agreements.

3967 Sec. 78. Section 1-125 of the general statutes is repealed and the
3968 following is substituted in lieu thereof (*Effective from passage*):

3969 The directors, officers and employees of the Connecticut
3970 Development Authority, Connecticut Innovations, Incorporated,
3971 Connecticut Higher Education Supplemental Loan Authority,
3972 Connecticut Housing Finance Authority, Connecticut Housing
3973 Authority, Connecticut Resources Recovery Authority, including ad
3974 hoc members of the Connecticut Resources Recovery Authority,
3975 Connecticut Health and Educational Facilities Authority, Capital City
3976 Economic Development Authority, the Health Information Technology
3977 Exchange of Connecticut, Connecticut Airport Authority, Connecticut
3978 Lottery Corporation, [and] Connecticut Health Insurance Exchange
3979 and the Connecticut Clean Energy Authority and any person executing
3980 the bonds or notes of the agency shall not be liable personally on such
3981 bonds or notes or be subject to any personal liability or accountability
3982 by reason of the issuance thereof, nor shall any director or employee of
3983 the agency, including ad hoc members of the Connecticut Resources
3984 Recovery Authority, be personally liable for damage or injury, not
3985 wanton, reckless, wilful or malicious, caused in the performance of his
3986 or her duties and within the scope of his or her employment or
3987 appointment as such director, officer or employee, including ad hoc
3988 members of the Connecticut Resources Recovery Authority. The
3989 agency shall protect, save harmless and indemnify its directors,
3990 officers or employees, including ad hoc members of the Connecticut
3991 Resources Recovery Authority, from financial loss and expense,
3992 including legal fees and costs, if any, arising out of any claim, demand,
3993 suit or judgment by reason of alleged negligence or alleged
3994 deprivation of any person's civil rights or any other act or omission

3995 resulting in damage or injury, if the director, officer or employee,
3996 including ad hoc members of the Connecticut Resources Recovery
3997 Authority, is found to have been acting in the discharge of his or her
3998 duties or within the scope of his or her employment and such act or
3999 omission is found not to have been wanton, reckless, wilful or
4000 malicious.

4001 Sec. 79. Subsection (b) of section 16a-40d of the 2012 supplement to
4002 the general statutes is repealed and the following is substituted in lieu
4003 thereof (*Effective from passage*):

4004 (b) As of July 1, 2010, proceeds of the sale of said bonds which have
4005 been authorized as provided in subsection (a) of this section, but have
4006 not been allocated by the State Bond Commission, and the additional
4007 amount of five million dollars authorized by this section on July 1,
4008 2010, shall be deposited in the Green Connecticut Loan Guaranty Fund
4009 established pursuant to section 16a-40e, and shall be used by the
4010 Connecticut Clean Energy [Finance and Investment] Authority for
4011 purposes of the Green Connecticut Loan Guaranty Fund program
4012 established pursuant to section 16a-40f, provided not more than
4013 eighteen million dollars shall be deposited in the Green Connecticut
4014 Loan Guaranty Fund. Such additional amounts may be deposited in
4015 the Green Connecticut Loan Guaranty Fund as the State Bond
4016 Commission may, from time to time, authorize.

4017 Sec. 80. Section 16a-40e of the 2012 supplement to the general
4018 statutes is repealed and the following is substituted in lieu thereof
4019 (*Effective from passage*):

4020 The Connecticut Clean Energy [Finance and Investment] Authority
4021 shall establish a "Green Connecticut Loan Guaranty Fund". Such fund
4022 shall be used for the purposes of guaranteeing loans authorized under
4023 section 16a-40f, and may be used for expenses incurred by said
4024 authority in the implementation of the program under said section.

4025 Sec. 81. Subsection (c) of section 16a-40l of the 2012 supplement to

4026 the general statutes is repealed and the following is substituted in lieu
4027 thereof (*Effective from passage*):

4028 (c) "Eligible entity" means (1) any residential, commercial,
4029 institutional or industrial customer of an electric distribution company
4030 or natural gas company, as defined in section 16-1, as amended by this
4031 act, who employs or installs an eligible in-state energy savings
4032 technology, (2) an energy service company certified as a Connecticut
4033 electric efficiency partner by the Department of Energy and
4034 Environmental Protection, or (3) an installer certified by the
4035 Connecticut Clean Energy [Finance and Investment] Authority.

4036 Sec. 82. Subdivision (5) of subsection (a) of section 16a-40f of the
4037 2012 supplement to the general statutes is repealed and the following
4038 is substituted in lieu thereof (*Effective from passage*):

4039 (5) "Authority" means the Connecticut Clean Energy [Finance and
4040 Investment] Authority.

4041 Sec. 83. Subsection (d) of section 16a-40f of the 2012 supplement to
4042 the general statutes is repealed and the following is substituted in lieu
4043 thereof (*Effective from passage*):

4044 (d) In consultation with the Energy Conservation Management
4045 Board and the Connecticut Health and Educational Facilities
4046 Authority, the Connecticut Clean Energy [Finance and Investment]
4047 Authority shall identify types of projects that qualify as eligible energy
4048 conservation projects, including, but not limited to, the purchase and
4049 installation of insulation, alternative energy devices, energy
4050 conservation materials, replacement furnaces and boilers, and
4051 technologically advanced energy-conserving equipment. The
4052 authority, in consultation with said entities, shall establish priorities
4053 for financing eligible energy conservation projects based on need and
4054 quality determinants. The authority shall adopt procedures, in
4055 accordance with the provisions of section 1-121, to implement the
4056 provisions of this section.

4057 Sec. 84. Sections 16-2c and 16a-41i of the 2012 supplement to the
 4058 general statutes are repealed. (*Effective July 1, 2012*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-1(a)(52)
Sec. 2	<i>from passage</i>	16-2
Sec. 3	<i>from passage</i>	16-3
Sec. 4	<i>from passage</i>	16-6b
Sec. 5	<i>from passage</i>	16-7
Sec. 6	<i>from passage</i>	16-8
Sec. 7	<i>from passage</i>	16-19e(b)
Sec. 8	<i>from passage</i>	16-19e(d)
Sec. 9	<i>from passage</i>	16-49(a)
Sec. 10	<i>from passage</i>	16-245m(b)
Sec. 11	<i>from passage</i>	16-245m(d)
Sec. 12	<i>from passage</i>	16-245m(f)
Sec. 13	<i>from passage</i>	16-245y(a)
Sec. 14	<i>from passage</i>	16-245y(c)
Sec. 15	<i>from passage</i>	16a-3(b)
Sec. 16	<i>from passage</i>	16a-3b
Sec. 17	<i>from passage</i>	16a-3c(a)
Sec. 18	<i>from passage</i>	16a-7b(b)
Sec. 19	<i>from passage</i>	16a-3d
Sec. 20	<i>from passage</i>	16a-3a
Sec. 21	<i>from passage</i>	16-244c(c)(5)
Sec. 22	<i>from passage</i>	16-244c(j)(2)
Sec. 23	<i>from passage</i>	16-244m(a)
Sec. 24	<i>from passage</i>	16-244m(d)
Sec. 25	<i>from passage</i>	16-244n
Sec. 26	<i>from passage</i>	16-245n
Sec. 27	<i>from passage</i>	7-233z
Sec. 28	<i>from passage</i>	16-245ee
Sec. 29	<i>from passage</i>	16a-48(d)
Sec. 30	<i>from passage</i>	16a-48(e)
Sec. 31	<i>from passage</i>	16a-48(f)
Sec. 32	<i>from passage</i>	16a-48(g)
Sec. 33	<i>from passage</i>	16-245(g)
Sec. 34	<i>from passage</i>	PA 11-80, Sec. 103(a)

Sec. 35	<i>from passage</i>	16-245ff
Sec. 36	<i>from passage</i>	16-244r(b)
Sec. 37	<i>from passage</i>	16-32f
Sec. 38	<i>from passage</i>	16-244s
Sec. 39	<i>from passage</i>	16-244t(a)
Sec. 40	<i>from passage</i>	16-244t(b)
Sec. 41	<i>from passage</i>	16-245hh
Sec. 42	<i>from passage</i>	16-24a
Sec. 43	<i>from passage</i>	16-245o
Sec. 44	<i>from passage</i>	16-245d(a)
Sec. 45	<i>from passage</i>	16a-40l(a)
Sec. 46	<i>from passage</i>	16a-40l(f)
Sec. 47	<i>from passage</i>	16a-37u
Sec. 48	<i>from passage</i>	16-244u
Sec. 49	<i>from passage</i>	16a-40f(f)(3)
Sec. 50	<i>from passage</i>	16-244v(a)
Sec. 51	<i>from passage</i>	16a-46h
Sec. 52	<i>from passage</i>	PA 11-80, Sec. 133
Sec. 53	<i>from passage</i>	16a-46i
Sec. 54	<i>from passage</i>	12-217mm
Sec. 55	<i>from passage</i>	New section
Sec. 56	<i>from passage</i>	New section
Sec. 57	<i>from passage</i>	7-121n(a)(2)
Sec. 58	<i>from passage</i>	New section
Sec. 59	<i>from passage</i>	New section
Sec. 60	<i>from passage</i>	7-239(a)
Sec. 61	<i>from passage</i>	16-262v(a)(1)
Sec. 62	<i>from passage</i>	16-262w(i)
Sec. 63	<i>July 1, 2012</i>	16-19b(h)
Sec. 64	<i>July 1, 2012</i>	16-18a
Sec. 65	<i>July 1, 2012</i>	16-35
Sec. 66	<i>July 1, 2012</i>	16-262j(c)
Sec. 67	<i>July 1, 2012</i>	16-8a(c)(1)
Sec. 68	<i>July 1, 2012</i>	16-19kk(b)
Sec. 69	<i>July 1, 2012</i>	16-1(a)(4)
Sec. 70	<i>July 1, 2012</i>	16-1(a)(8)
Sec. 71	<i>July 1, 2012</i>	New section
Sec. 72	<i>July 1, 2012</i>	New section
Sec. 73	<i>July 1, 2012</i>	New section
Sec. 74	<i>July 1, 2012</i>	32-141(a)(2)

Sec. 75	<i>from passage</i>	1-79(l)
Sec. 76	<i>from passage</i>	1-120(1)
Sec. 77	<i>from passage</i>	1-124
Sec. 78	<i>from passage</i>	1-125
Sec. 79	<i>from passage</i>	16a-40d(b)
Sec. 80	<i>from passage</i>	16a-40e
Sec. 81	<i>from passage</i>	16a-40l(c)
Sec. 82	<i>from passage</i>	16a-40f(a)(5)
Sec. 83	<i>from passage</i>	16a-40f(d)
Sec. 84	<i>July 1, 2012</i>	Repealer section

Statement of Purpose:

To implement the Department of Energy and Environmental Protection's recommended revisions to Connecticut's energy statutes, to establish a commercial property assessed clean energy program, to promote water conservation, to clarify the quasi-public status of the Clean Energy Finance and Investment Authority and to change the name of said authority to the Connecticut Clean Energy Authority, to authorize the Connecticut Clean Energy Authority to issue its own bonds and establish capital reserve funds, and to implement the Public Utilities Regulatory Authority's recommended revisions to the utility statutes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]