



General Assembly

February Session, 2012

Raised Bill No. 451

LCO No. 2519

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Referred to Committee on Energy and Technology

Introduced by:

(ET)

**AN ACT CONCERNING THE ESTABLISHMENT OF A HEATING
FURNACE AND BOILER REPLACEMENT PROGRAM.**

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

1 Section 1. Section 16-243v of the general statutes is amended by
2 adding subsection (k) as follows (*Effective from passage*):

3 (NEW) (k) (1) As used in this subsection:

4 (A) "Eligible residential retail end use customer" means any
5 residential customer of an electric distribution company whose
6 household income is not more than one hundred fifty per cent of the
7 state median income;

8 (B) "Program loan" means any loan approved by an electric
9 distribution company pursuant to this section that is funded by the
10 systems benefits charge as a program under the Connecticut electric
11 efficiency partners program established pursuant to this section; and

12 (C) "Program requirements" means the requirements necessary to
13 participate in any program established pursuant to this subsection,
14 including that (i) the total projected direct cost savings to any eligible

15 residential retail end use customer resulting from the heating furnace
16 or boiler replacement, which shall be calculated on an annual basis
17 commencing from the month that the replacement furnace or boiler is
18 projected to be in service, shall be greater than the total cost of the
19 financing over the term of the program loan, (ii) each program loan
20 amount may not exceed eighty per cent of the total installed cost of the
21 replacement heating furnace or boiler, (iii) the term of the program
22 loan shall be the lesser of (I) the simple payback of the program loan
23 plus two years, or (II) ten years, and (iv) the efficiency rating of the
24 replacement furnace or boiler shall meet or exceed federal Energy Star
25 standards.

26 (2) On or before June 1, 2012, each electric distribution company
27 shall establish and administer an income eligible residential customer
28 heating furnace and boiler replacement program to assist eligible
29 residential retail end use customers in financing heating furnace or
30 boiler replacements that meet each program requirement provided in
31 this subsection.

32 (3) Any eligible residential retail end use customer may apply to any
33 electric distribution company to participate in the program. Such
34 company shall screen each applicant to ensure that such applicant
35 meets the income eligibility requirements of this section as well as the
36 program requirements. Such company shall only accept into the
37 program applicants that meet the income eligibility requirement and
38 the program requirements.

39 (4) Each eligible residential retail end use customer participating in
40 the program shall repay the program loan on a principal-only basis
41 through a monthly charge on such customer's electric bill. Any
42 program loan repayment shall be credited to the systems benefits
43 charge. The interest expense associated with each program loan and
44 the expense for any loan default shall be recovered through the
45 systems benefits charge. Any cost incurred by an electric distribution
46 company administering the program shall be recovered through the

47 systems benefits charge.

48 (5) Each eligible residential retail end use customer participating in
49 the program who defaults on any program loan shall be subject to
50 termination of electric service by any electric distribution company
51 administering the program.

52 (6) Any program loan shall attach to the program loan recipient's
53 residential electric service account for the premises on which the
54 replacement furnace or boiler is located and shall be transferable to
55 subsequent electric service account holders at such premises. Each
56 electric distribution company shall be entitled to take such action as
57 required to secure the program loan, including, but not limited to,
58 attaching liens and requiring filings to be made on applicable land
59 records or as otherwise necessary or required.

60 (7) Any electric distribution company residential end use customer
61 who resides in an apartment is eligible to participate in the program
62 provided (A) such customer meets any income requirement or
63 program requirement established pursuant to subdivision (1) of this
64 subsection, and (B) the owner or landlord of the apartment in which
65 such customer resides pays a minimum of twenty per cent of the total
66 cost of the furnace or boiler replacement and any additional amount
67 required to meet the program requirements.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-243v

Statement of Purpose:

To establish a heating furnace and boiler replacement program.

[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.]