



General Assembly

Substitute Bill No. 451

February Session, 2012

* SB00451ET 032812 *

**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;

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

10 (C) "Program requirements" means the requirements necessary to
11 participate in any program established pursuant to this subsection,
12 including that (i) the total projected direct cost savings to any eligible
13 residential retail end use customer resulting from a heating furnace or
14 boiler replacement, which shall be calculated on an annual basis
15 commencing from the month that the replacement furnace or boiler is
16 projected to be in service, shall be greater than the total cost of the
17 financing over the term of the program loan, (ii) each program loan

18 amount may not exceed eighty per cent of the total installed cost of the
19 replacement heating furnace or boiler, (iii) the term of the program
20 loan shall be the lesser of (I) the simple payback of the program loan
21 plus two years, or (II) ten years, and (iv) the efficiency rating of the
22 replacement furnace or boiler shall meet or exceed federal Energy Star
23 standards.

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

29 (3) Any eligible residential retail end use customer may apply to the
30 customer's electric distribution company to participate in the program.
31 Such company shall screen each applicant to ensure that such
32 applicant meets the program requirements. Such company shall only
33 accept into the program applicants that meet the program
34 requirements. Such company shall seek to maximize, to the extent
35 practicable, participation in the program.

36 (4) Each eligible residential retail end use customer participating in
37 the program shall repay the program loan through a monthly charge
38 on such customer's electric bill. Such program loan repayment shall
39 include the principal payment, the interest expense associated with
40 such loan and the expense for any loan default. Any program loan
41 repayment shall be credited to the systems benefits charge. Any cost
42 incurred by an electric distribution company administering the
43 program shall be recovered through the systems benefits charge.

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

48 (6) Any program loan shall attach to the program loan recipient's
49 residential electric service account for the premises on which the

50 replacement furnace or boiler is located and shall be transferable to
51 subsequent electric service account holders at such premises. Each
52 electric distribution company shall be entitled to take such action as
53 required to secure a program loan, including, but not limited to,
54 attaching liens and requiring filings to be made on applicable land
55 records or as otherwise necessary or required.

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

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

Statement of Legislative Commissioners:

In section 1(k)(1)(B), "Connecticut electric efficiency partners program" was changed to "Connecticut electric efficiency partner program" for statutory consistency; in section 1(k)(1)(C), "the heating furnace" was changed to "a heating furnace" for clarity; in section 1(k)(3), "apply to any" was changed to "apply to the customer's" for clarity; in section 1(k)(6), "the program loan" was changed to "a program loan" for clarity; and in section 1(k)(7), "provided (A) such customer meets any program requirement" was changed to "if (A) such customer meets the program requirements" for clarity and to achieve the intent of the committee.

ET *Joint Favorable Subst.*