



General Assembly

**Amendment**

January Session, 2013

LCO No. 7932

**\*SB0113807932HDO\***

Offered by:

REP. LESSER, 100<sup>th</sup> Dist.  
REP. WILLIS, 64<sup>th</sup> Dist.  
REP. HADDAD, 54<sup>th</sup> Dist.  
REP. MILLER, 36<sup>th</sup> Dist.  
REP. ORANGE, 48<sup>th</sup> Dist.

REP. JOHNSON, 49<sup>th</sup> Dist.  
REP. BOWLES, 42<sup>nd</sup> Dist.  
REP. FAWCETT, 133<sup>rd</sup> Dist.  
REP. HOLDER-WINFIELD, 94<sup>th</sup>  
Dist.

To: Subst. Senate Bill No. 1138

File No. 120

Cal. No. 469

(As Amended by Senate Amendment Schedules "A" and "C")

**"AN ACT CONCERNING CONNECTICUT'S CLEAN ENERGY GOALS."**

1 Strike section 9 in its entirety and substitute the following in lieu  
2 thereof:

3 "Sec. 9. (NEW) (*Effective from passage*) (a) During the calendar year  
4 commencing January 1, 2014, and continuing each calendar year  
5 thereafter, if alternative compliance payments pursuant to subsection  
6 (j) of section 16-244c of the general statutes, as amended by this act, or  
7 subsection (k) of section 16-245 of the general statutes, as amended by  
8 this act, are made for failure to meet the renewable portfolio standards,  
9 there shall be a presumption for the calendar year the alternative  
10 compliance payments are made that there is an insufficient supply of

11 Class I renewable energy sources, as defined in section 16-1 of the  
12 general statutes, as amended by this act, for electric suppliers or  
13 electric distribution companies to comply with the requirements of  
14 section 16-245a of the general statutes, as amended by this act.

15 (b) In the event there is a presumption of insufficient supply of  
16 Class I renewable energy sources pursuant to subsection (a) of this  
17 section for the calendar year the alternative compliance payments are  
18 made, the Commissioner of Energy and Environmental Protection may  
19 determine whether such payments resulted from a material shortage of  
20 Class I renewable energy sources. In making this determination, the  
21 commissioner shall consider whether such payments resulted from  
22 intentional or negligent action by an electric supplier or electric  
23 distribution company not to purchase renewable energy credits  
24 available in the New England Power Pool Generation Information  
25 System market.

26 (c) In the event there is such a presumption pursuant to subsection  
27 (a) of this section and the commissioner finds that the alternative  
28 compliance payments were due to a material shortage of Class I  
29 renewable energy sources pursuant to subsection (b) of this section, the  
30 commissioner shall determine the adequacy, or potential adequacy, of  
31 Class I renewable energy sources to meet the succeeding years'  
32 renewable portfolio standard. In making this determination, the  
33 commissioner may consider (1) future cost and availability of  
34 certificates issued by the New England Power Pool Generation  
35 Information System based on the status of projects under development  
36 in the region, (2) future requirements of certificates issued by the New  
37 England Power Pool Generation Information System in other states,  
38 and (3) the projected compliance costs of Class I renewable energy  
39 sources.

40 (d) In the event that there is such a presumption pursuant to  
41 subsection (a) of this section and the commissioner finds a material  
42 shortage of Class I renewable energy sources pursuant to subsection  
43 (b) of this section, and in addition to determining the adequacy

44 pursuant to subsection (c) of this section, the commissioner shall, in  
45 consultation with the procurement manager identified in subsection (l)  
46 of section 16-2 of the general statutes, the Office of Consumer Counsel  
47 and the Attorney General, solicit proposals from providers of Class I  
48 renewable energy sources, as defined in section 16-1 of the general  
49 statutes, as amended by this act, operational as of the date that such  
50 solicitation is issued. If the commissioner finds such proposals to be in  
51 the interest of ratepayers including, but not limited to, the delivered  
52 price of such sources, and consistent with the requirements to reduce  
53 greenhouse gas emissions in accordance with section 22a-200a of the  
54 general statutes, and in accordance with the policy goals outlined in  
55 the Comprehensive Energy Strategy, adopted pursuant to section 16a-  
56 3d of the general statutes, the commissioner, in consultation with the  
57 procurement manager identified in subsection (l) of section 16-2 of the  
58 general statutes, shall select proposals from such sources to meet up to  
59 the amount necessary to ensure an adequate incremental supply of  
60 Class I renewable energy sources to rectify any projected shortage of  
61 Class I renewable energy supply identified pursuant to subsection (c)  
62 of this section. The commissioner shall direct the electric distribution  
63 companies to enter into power purchase agreements for energy,  
64 capacity and environmental attributes, or any combination thereof,  
65 from such selected proposals for periods of not more than twenty  
66 years. Certificates issued by the New England Power Pool Generation  
67 Information System for any Class I renewable energy sources procured  
68 under this section shall be sold in the New England Power Pool  
69 Generation Information System renewable energy credit market to be  
70 used by any electric supplier or electric distribution company to meet  
71 the requirements of section 16-245a of the general statutes, as amended  
72 by this act. Any such agreement shall be subject to review and  
73 approval by the Public Utilities Regulatory Authority, which review  
74 shall commence upon the filing of the signed power purchase  
75 agreement with the authority. The authority shall issue a decision on  
76 such agreement not later than thirty days after such filing. In the event  
77 the authority does not issue a decision within thirty days after such  
78 agreement is filed with the authority, the agreement shall be deemed

79 approved. The net costs of any such agreement shall be recovered  
80 through a fully reconciling component of electric rates for all  
81 customers of electric distribution companies. Such costs may include  
82 reasonable costs incurred by electric distribution companies pursuant  
83 to this section.

84 (e) Notwithstanding subsection (b) of section 16-245a of the general  
85 statutes, as amended by this act, in the event that (1) for any calendar  
86 year commencing on or after January 1, 2014, there is such a  
87 presumption pursuant to subsection (a) of this section, (2) the  
88 commissioner finds material shortage of Class I renewable energy  
89 sources pursuant to subsection (b) of this section, (3) there is a  
90 determination of inadequacy pursuant to subsection (c) of this section,  
91 and (4) any contracts for Class I renewable energy sources approved  
92 by the Public Utilities Regulatory Authority pursuant to subsection (d)  
93 of this section yield an amount of Class I renewable energy sources  
94 that is insufficient to rectify any projected shortage pursuant to  
95 subsection (c) of this section, then commencing on or after January 1,  
96 2016, the commissioner may allow not more than one percentage point  
97 of the Class I renewable portfolio standards established pursuant to  
98 section 16-245a of the general statutes, as amended by this act, effective  
99 for the succeeding and subsequent calendar years to be satisfied by  
100 large-scale hydropower procured pursuant to section 7 of this act,  
101 except as provided in subsection (f) of this section. The requirements  
102 applicable to electric suppliers and electric distribution companies  
103 pursuant to section 16-245a of the general statutes, as amended by this  
104 act, shall consequently be reduced by not more than one percentage  
105 point in proportion to the commissioner's action, provided (A) the  
106 commissioner shall not allow a total of more than five percentage  
107 points of the Class I renewable portfolio standard to be met by large-  
108 scale hydropower by December 31, 2020, and (B) no such large-scale  
109 hydropower shall be eligible to trade in the New England Power Pool  
110 Generation Information System renewable energy credit market.

111 (f) In the event there is a surplus of renewable energy credits in a

112 calendar year, as determined by the Public Utilities Regulatory  
113 Authority in a contested case, in accordance with the provisions of  
114 chapter 54 of the general statutes, the authority shall, for such calendar  
115 year, reduce the percentage points of large-scale hydropower used to  
116 meet the previous year's renewable portfolio standard, pursuant to  
117 subsection (e) of this section, until (1) there is no longer a surplus of  
118 such credits, or (2) there are no percentage points of large-scale  
119 hydropower used to meet the renewable portfolio standard."