



General Assembly

Amendment

January Session, 2013

LCO No. 7941

SB0113807941HDO

Offered by:

REP. LESSER, 100th Dist.
REP. WILLIS, 64th Dist.
REP. HADDAD, 54th Dist.
REP. MILLER, 36th Dist.
REP. ORANGE, 48th Dist.

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

To: Subst. Senate Bill No. 1138

File No. 120

Cal. No. 469

(As Amended by House Amendment Schedule "A")

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

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- 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 fifteen per cent or more of the
9 renewable portfolio standards, there shall be a presumption for the
10 calendar year the alternative compliance payments are made that there

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

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

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

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

79 component of electric rates for all customers of electric distribution
80 companies. Such costs may include reasonable costs incurred by
81 electric distribution companies pursuant to this section.

82 (e) Notwithstanding subsection (b) of section 16-245a of the general
83 statutes, as amended by this act, in the event that (1) for any calendar
84 year commencing on or after January 1, 2014, there is such a
85 presumption pursuant to subsection (a) of this section, (2) the authority
86 finds material shortage of Class I renewable energy sources pursuant
87 to subsection (b) of this section, (3) there is a determination of
88 inadequacy pursuant to subsection (c) of this section, and (4) any
89 contracts for Class I renewable energy sources approved by the Public
90 Utilities Regulatory Authority pursuant to subsection (d) of this
91 section yield an amount of Class I renewable energy sources that is
92 insufficient to rectify any projected shortage pursuant to subsection (c)
93 of this section, then commencing on or after January 1, 2016, the
94 commissioner may allow not more than one percentage point of the
95 Class I renewable portfolio standards established pursuant to section
96 16-245a of the general statutes, as amended by this act, effective for the
97 succeeding and subsequent calendar years to be satisfied by large-scale
98 hydropower procured pursuant to section 7 of this act. The
99 requirements applicable to electric suppliers and electric distribution
100 companies pursuant to section 16-245a of the general statutes, as
101 amended by this act, shall consequently be reduced by not more than
102 one percentage point in proportion to the commissioner's action,
103 provided (A) the commissioner shall not allow a total of more than five
104 percentage points of the Class I renewable portfolio standard to be met
105 by large-scale hydropower by December 31, 2020, (B) the renewable
106 portfolio standard shall be extended one calendar year beyond the
107 calendar year commencing on January 1, 2020, for each calendar year
108 that large-scale hydropower is used to meet a percentage of the
109 renewable portfolio standard, but not beyond the calendar year
110 commencing on January 1, 2025, (C) for each calendar year the
111 renewable portfolio standard is extended, pursuant to subparagraph
112 (B) of this subsection, the renewable portfolio standard for such

113 extended calendar year shall be an amount equal to (i) the renewable
114 portfolio standard for the calendar year commencing on January 1,
115 2020, plus (ii) the percentage points of large-scale hydropower used to
116 meet a percentage of the renewable portfolio standard for the calendar
117 year that caused the extension of the renewable portfolio standard, and
118 (D) no such large-scale hydropower shall be eligible to trade in the
119 New England Power Pool Generation Information System renewable
120 energy credit market."

This act shall take effect as follows and shall amend the following sections:		
Sec. 9	<i>from passage</i>	New section