



General Assembly

Amendment

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LCO No. 8450

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Offered by:

REP. REED, 102nd Dist.
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To: House Bill No. 6360

File No. 427

Cal. No. 280

**"AN ACT CONCERNING IMPLEMENTATION OF CONNECTICUT'S
COMPREHENSIVE ENERGY STRATEGY."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

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4 general statutes is repealed and the following is substituted in lieu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

6 (2) ["Director"] "Utility commissioner" means a member of [said
7 authority] the Public Utilities Regulatory Authority;

8 Sec. 2. Subdivision (52) of subsection (a) of section 16-1 of the
9 general statutes is repealed and the following is substituted in lieu
10 thereof (*Effective from passage*):

11 (52) "Commissioner of Energy and Environmental Protection"

12 means the Commissioner of Energy and Environmental Protection
13 appointed pursuant to title 4, or the commissioner's designee.

14 Sec. 3. Section 16-2 of the general statutes is repealed and the
15 following is substituted in lieu thereof (*Effective from passage*):

16 (a) There shall continue to be a Public Utilities Regulatory Authority
17 within the Department of Energy and Environmental Protection,
18 which shall consist of three electors of this state, appointed by the
19 Governor with the advice and consent of both houses of the General
20 Assembly. Not more than two members of said authority in office at
21 any one time shall be members of any one political party. On or before
22 July 1, 2011, the Governor shall appoint three members to the
23 authority. The first [director] utility commissioner appointed by the
24 Governor on or before July 1, 2011, who is of the same political party
25 as that of the Governor shall serve a term of five years. The second
26 [director] utility commissioner appointed by the Governor on or before
27 July 1, 2011, who is of the same political party as that of the Governor
28 shall serve a term of four years. The first [director] utility
29 commissioner appointed by the Governor on or before July 1, 2011,
30 who is of a different political party as that of the Governor shall serve a
31 term of three years. Any [director] utility commissioner appointed on
32 or after January 1, 2014, shall serve a term of four years. The procedure
33 prescribed by section 4-7 shall apply to such appointments, except that
34 the Governor shall submit each nomination on or before May first, and
35 both houses shall confirm or reject it before adjournment sine die. The
36 [directors] utility commissioners shall be sworn to the faithful
37 performance of their duties. The term of any [commissioner] utility
38 commissioner serving on June 30, 2011, shall be terminated.

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

43 (c) Any matter coming before the authority may be assigned by the

44 chairperson to a panel of one or more [directors] utility commissioners.
45 Except as otherwise provided by statute or regulation, the panel shall
46 determine whether a public hearing shall be held on the matter, and
47 may designate one or two of its members to conduct such hearing or
48 [request the appointment of] may assign a hearing officer to ascertain
49 the facts and report thereon to the panel. The decision of the panel, if
50 unanimous, shall be the decision of the authority. If the decision of the
51 panel is not unanimous, the matter shall be approved by a majority
52 vote of the [panel] utility commissioners.

53 (d) The [directors] utility commissioners of the [authority] Public
54 Utilities Regulatory Authority shall serve full time and shall make full
55 public disclosure of their assets, liabilities and income at the time of
56 their appointment, and thereafter each member of the authority shall
57 make such disclosure on or before July thirtieth of each year of such
58 member's term, and shall file such disclosure with the office of the
59 Secretary of the State. Each [director] utility commissioner shall receive
60 annually a salary equal to that established for management pay plan
61 salary group seventy-five by the Commissioner of Administrative
62 Services, except that the chairperson shall receive annually a salary
63 equal to that established for management pay plan salary group
64 seventy-seven.

65 (e) To insure the highest standard of public utility regulation, on
66 and after October 1, 2007, any newly appointed [director] utility
67 commissioner of the authority shall have education or training and
68 three or more years of experience in one or more of the following
69 fields: Economics, engineering, law, accounting, finance, utility
70 regulation, public or government administration, consumer advocacy,
71 business management, and environmental management. On and after
72 July 1, 1997, at least three of these fields shall be represented on the
73 authority by individual [directors] utility commissioners at all times.
74 Any time a [director] utility commissioner is newly appointed, at least
75 one of the [directors] utility commissioners shall have experience in
76 utility customer advocacy.

77 (f) (1) The chairperson of the authority, with the approval of the
78 Commissioner of Energy and Environmental Protection, shall
79 prescribe the duties of the staff assigned to the authority in order to
80 ~~[(1)] (A)~~ conduct comprehensive planning with respect to the functions
81 of the authority; ~~[(2) coordinate the activities of the authority; (3)] (B)~~
82 cause the administrative organization of the authority to be examined
83 with a view to promoting economy and efficiency; ~~[(4)] and (C)~~
84 organize the authority into such divisions, bureaus or other units as
85 necessary for the efficient conduct of the business of the authority and
86 may from time to time make recommendations to the [commissioner]
87 Commissioner of Energy and Environmental Protection regarding staff
88 and resources. ~~[(5)]~~

89 (2) The chairperson of the Public Utilities Regulatory Authority, in
90 order to implement the comprehensive planning and organizational
91 structure established pursuant to subdivision (1) of this subsection,
92 shall (A) coordinate the activities of the authority and prescribe the
93 duties of the staff assigned to the authority; (B) for any proceeding on a
94 proposed rate amendment in which staff of the authority are to be
95 made a party pursuant to section 16-19j, determine which staff shall
96 appear and participate in the proceedings and which shall serve the
97 members of the authority; [(6)] (C) enter into such contractual
98 agreements, in accordance with established procedures, as may be
99 necessary for the discharge of the authority's duties; [(7)] (D) subject to
100 the provisions of section 4-32, and unless otherwise provided by law,
101 receive any money, revenue or services from the federal government,
102 corporations, associations or individuals, including payments from the
103 sale of printed matter or any other material or services; and [(8)] (E)
104 require the staff of the authority to have expertise in public utility
105 engineering and accounting, finance, economics, computers and rate
106 design.

107 (g) No [director] utility commissioner of the [authority] Public
108 Utilities Regulatory Authority or employee of the Department of
109 Energy and Environmental Protection assigned to work with the

110 authority shall [, while serving as such or during such assignment,]
111 have any interest, financial or otherwise, direct or indirect, or engage
112 in any business, employment, transaction or professional activity, or
113 incur any obligation of any nature, which is in substantial conflict with
114 the proper discharge of his or her duties or employment in the public
115 interest and of his or her responsibilities as prescribed in the laws of
116 this state, as defined in section 1-85, concerning any matter within the
117 jurisdiction of the authority; provided, no such substantial conflict
118 shall be deemed to exist solely by virtue of the fact that a [director]
119 utility commissioner of the authority or employee of the department
120 assigned to work with the authority, or any business in which such a
121 person has an interest, receives utility service from one or more
122 Connecticut utilities under the normal rates and conditions of service.

123 (h) No [member] utility commissioner of the [authority] Public
124 Utilities Regulatory Authority or employee of the [department]
125 Department of Energy and Environmental Protection assigned to work
126 with the authority, during such assignment, shall accept other
127 employment which will either impair his or her independence of
128 judgment as to his or her official duties or employment or require him
129 or her, or induce him or her, to disclose confidential information
130 acquired by him or her in the course of and by reason of his or her
131 official duties.

132 (i) No [director] utility commissioner of the [authority] Public
133 Utilities Regulatory Authority or employee of the [department]
134 Department of Energy and Environmental Protection assigned to work
135 with the authority, during such assignment, shall wilfully and
136 knowingly disclose, for pecuniary gain, to any other person,
137 confidential information acquired by him or her in the course of and
138 by reason of his or her official duties or employment or use any such
139 information for the purpose of pecuniary gain.

140 (j) No [director] utility commissioner of the [authority] Public
141 Utilities Regulatory Authority or employee of the [department]
142 Department of Energy and Environmental Protection assigned to work

143 with the authority, during such assignment, shall agree to accept, or be
144 in partnership or association with any person, or a member of a
145 professional corporation or in membership with any union or
146 professional association which partnership, association, professional
147 corporation, union or professional association agrees to accept any
148 employment, fee or other thing of value, or portion thereof, in
149 consideration of his or her appearing, agreeing to appear, or taking
150 any other action on behalf of another person before the authority, the
151 Connecticut Siting Council, the Office of Policy and Management or
152 the Commissioner of Energy and Environmental Protection.

153 (k) No [director] utility commissioner of the [authority] Public
154 Utilities Regulatory Authority shall, for a period of one year following
155 the termination of his or her service as a [director] utility
156 commissioner, accept employment: (1) By a public service company or
157 by any person, firm or corporation engaged in lobbying activities with
158 regard to governmental regulation of public service companies; (2) by
159 a certified telecommunications provider or by any person, firm or
160 corporation engaged in lobbying activities with regard to
161 governmental regulation of persons, firms or corporations so certified;
162 or (3) by an electric supplier or by any person, firm or corporation
163 engaged in lobbying activities with regard to governmental regulation
164 of electric suppliers. No such [director] utility commissioner who is
165 also an attorney shall in any capacity, appear or participate in any
166 matter, or accept any compensation regarding a matter, before the
167 authority, for a period of one year following the termination of his or
168 her service as a [director] utility commissioner.

169 (l) The Public Utilities Regulatory Authority shall include a
170 procurement manager whose duties shall include, but not be limited
171 to, overseeing the procurement of electricity for standard service and
172 who shall have experience in energy markets and procuring energy on
173 a commercial scale.

174 (m) Notwithstanding any provision of the general statutes, the
175 decisions of the Public Utilities Regulatory Authority, including, but

176 not limited to, decisions relating to rate amendments arising from the
177 Comprehensive Energy Strategy, the Integrated Resources Plan, the
178 Conservation and Load Management Plan and policies established by
179 the Department of Energy and Environmental Protection, shall be
180 guided by said strategy and plans and such policies.

181 Sec. 4. Section 16-2c of the general statutes is repealed and the
182 following is substituted in lieu thereof (*Effective from passage*):

183 There is established a Division of Adjudication within the
184 [Department of Energy and Environmental Protection] Public Utilities
185 Regulatory Authority. The staff of the division shall include, but not be
186 limited to, hearing officers appointed pursuant to subsection (c) of
187 section 16-2, as amended by this act. The responsibilities of the division
188 shall include, but not be limited to, hearing matters assigned under
189 said subsection and advising the [commissioner and the] Public
190 Utilities Regulatory Authority concerning legal issues. [The
191 commissioner shall appoint such hearing officers] A panel of one or
192 more utility commissioners may assign a hearing officer pursuant to
193 section 16-2, as amended by this act, and the chairperson of the Public
194 Utilities Regulatory Authority may assign such other staff as are
195 necessary to advise [the] said chairperson. [of the authority.]

196 Sec. 5. Section 16-3 of the general statutes is repealed and the
197 following is substituted in lieu thereof (*Effective from passage*):

198 If any vacancy of a utility commissioner occurs in [said] the Public
199 Utilities Regulatory Authority at any time when the General Assembly
200 is not in session, the Governor shall appoint a [director] utility
201 commissioner to fill such vacancy until such vacancy is filled at the
202 next session of the General Assembly. [Any other vacancy shall be
203 filled, for the unexpired portion of the term, in the manner provided in
204 section 16-2.]

205 Sec. 6. Section 16-6b of the general statutes is repealed and the
206 following is substituted in lieu thereof (*Effective from passage*):

207 The Public Utilities Regulatory Authority [, in consultation with the
208 Department of Energy and Environmental Protection,] may, in
209 accordance with chapter 54, adopt such regulations with respect to:
210 [rates] (1) Rates and charges, services, accounting practices, safety and
211 the conduct of operations generally of public service companies subject
212 to its jurisdiction as it deems reasonable and necessary; [. The
213 department in consultation with the authority may, in accordance with
214 chapter 54, adopt such regulations with respect to] (2) services,
215 accounting practices, safety and the conduct of operations generally of
216 electric suppliers subject to its jurisdiction as it deems reasonable and
217 necessary; [. After consultation with the Secretary of the Office of
218 Policy and Management, the department may also adopt regulations,
219 in accordance with chapter 54, establishing] and (3) standards for
220 systems utilizing cogeneration technology and renewable fuel
221 resources, in accordance with the Department of Energy and
222 Environmental Protection's policies.

223 Sec. 7. Section 16-7 of the general statutes is repealed and the
224 following is substituted in lieu thereof (*Effective from passage*):

225 The [directors and any employees of the department assigned to]
226 utility commissioners of the Public Utilities Regulatory Authority, or
227 their designees, while engaged in the performance of their duties may,
228 at all reasonable times, enter any premises, buildings, cars or other
229 places belonging to or controlled by any public service company or
230 electric supplier, and any person obstructing or in any way causing to
231 be obstructed or hindered any [member] utility commissioner of the
232 Public Utilities Regulatory Authority or employee of the [department]
233 Public Utilities Regulatory Authority in the performance of his or her
234 duties shall be fined not more than two hundred dollars or imprisoned
235 not more than six months, or both.

236 Sec. 8. Section 16-18a of the general statutes is amended by adding
237 subsection (c) as follows (*Effective July 1, 2013*):

238 (NEW) (c) The Department of Energy and Environmental

239 Protection, in consultation with the Public Utilities Regulatory
240 Authority and the Office of Consumer Counsel, may retain consultants
241 to assist its staff by providing expertise in areas in which staff expertise
242 does not currently exist or to supplement staff expertise for any
243 proceeding before or in any negotiation with the Federal Energy
244 Regulatory Commission, the United States Department of Energy, the
245 United States Nuclear Regulatory Commission the United States
246 Securities and Exchange Commission, the Federal Trade Commission
247 or the United States Department of Justice. The Public Utilities
248 Regulatory Authority, in consultation with the Office of Consumer
249 Counsel, may retain consultants to assist its staff by providing
250 expertise in areas in which staff expertise does not currently exist or to
251 supplement staff expertise for any proceeding before or in any
252 negotiation with the Federal Communications Commission. All
253 reasonable and proper expenses of any such consultants shall be borne
254 by the public service companies, certified telecommunications
255 providers, holders of a certificate of video franchise authority, electric
256 suppliers or gas registrants affected by the decisions of such
257 proceeding and shall be paid at such times and in such manner as the
258 authority directs, provided such expenses (1) shall be apportioned in
259 proportion to the revenues of each affected entity as reported to the
260 authority pursuant to section 16-49 for the most recent fiscal year, and
261 (2) shall not exceed two and one-half million dollars per calendar year,
262 including any appeals thereof, unless the authority finds good cause
263 for exceeding the limit. The authority shall recognize all such expenses
264 as proper business expenses of the affected entities for ratemaking
265 purposes pursuant to section 16-19e, as amended by this act, if
266 applicable.

267 Sec. 9. (NEW) (*Effective from passage*) The Commissioner of Energy
268 and Environmental Protection may be a party to each proceeding
269 before the Public Utilities Regulatory Authority.

270 Sec. 10. Section 16-19e of the general statutes is repealed and the
271 following is substituted in lieu thereof (*Effective from passage*):

272 (a) In the exercise of its powers under the provisions of this title, the
273 Public Utilities Regulatory Authority shall examine and regulate the
274 transfer of existing assets and franchises, the expansion of the plant
275 and equipment of existing public service companies, the operations
276 and internal workings of public service companies and the
277 establishment of the level and structure of rates in accordance with the
278 following principles: (1) That there is a clear public need for the service
279 being proposed or provided; (2) that the public service company shall
280 be fully competent to provide efficient and adequate service to the
281 public in that such company is technically, financially and
282 managerially expert and efficient; (3) that the authority and all public
283 service companies shall perform all of their respective public
284 responsibilities with economy, efficiency and care for public safety and
285 energy security, and so as to promote economic development within
286 the state with consideration for energy and water conservation, energy
287 efficiency and the development and utilization of renewable sources of
288 energy and for the prudent management of the natural environment;
289 (4) that the level and structure of rates be sufficient, but no more than
290 sufficient, to allow public service companies to cover their operating
291 costs including, but not limited to, appropriate staffing levels, and
292 capital costs, to attract needed capital and to maintain their financial
293 integrity, and yet provide appropriate protection to the relevant public
294 interests, both existing and foreseeable which shall include, but not be
295 limited to, reasonable costs of security of assets, facilities and
296 equipment that are incurred solely for the purpose of responding to
297 security needs associated with the terrorist attacks of September 11,
298 2001, and the continuing war on terrorism; (5) that the level and
299 structure of rates charged customers shall reflect prudent and efficient
300 management of the franchise operation; and (6) that the rates, charges,
301 conditions of service and categories of service of the companies not
302 discriminate against customers which utilize renewable energy sources
303 or cogeneration technology to meet a portion of their energy
304 requirements.

305 (b) The Public Utilities Regulatory Authority shall promptly

306 undertake a separate, general investigation of, and shall hold at least
307 one public hearing on new pricing principles and rate structures for
308 electric companies and for gas companies to consider, without
309 limitation, long run incremental cost of marginal cost pricing, peak
310 load or time of day pricing and proposals for optimizing the utilization
311 of energy and restraining its wasteful use and encouraging energy
312 conservation, and any other matter with respect to pricing principles
313 and rate structures as the authority shall deem appropriate. The
314 authority shall determine whether existing or future rate structures
315 place an undue burden upon those persons of poverty status and shall
316 make such adjustment in the rate structure as is necessary or desirable
317 to take account of their indigency. The authority shall require the
318 utilization of such new principles and structures to the extent that the
319 authority determines that their implementation is in the public
320 interest, as identified by the Department of Energy and Environmental
321 Protection in the Integrated Resources Plan and the Comprehensive
322 Energy Strategy, and necessary or desirable to accomplish the
323 purposes of this provision without being unfair or discriminatory or
324 unduly burdensome or disruptive to any group or class of customers,
325 and determines that such principles and structures are capable of
326 yielding required revenues. In reviewing the rates and rate structures
327 of electric and gas companies, the authority shall [take into
328 consideration appropriate energy policies, including those of the state
329 as expressed in subsection (c) of this section] be guided by the goals of
330 the Department of Energy and Environmental Protection, as described
331 in section 22a-2d, the Comprehensive Energy Strategy, the Integrated
332 Resources Plan and the Conservation and Load Management Plan. The
333 authority shall issue its initial findings on such investigation by
334 December 1, 1976, and its final findings and order by June 1, 1977;
335 provided that after such final findings and order are issued, the
336 authority shall at least once every two years undertake such further
337 investigations as it deems appropriate with respect to new
338 developments or desirable modifications in pricing principles and rate
339 structures and, after holding at least one public hearing thereon, shall
340 issue its findings and order thereon.

341 (c) The Department of Energy and Environmental Protection shall
342 coordinate and integrate its actions, decisions and policies pertaining
343 to gas and electric companies, so far as possible, with the actions,
344 decisions and policies of other agencies and instrumentalities in order
345 to further the development and optimum use of the state's energy
346 resources and conform to the greatest practicable extent with the state
347 energy policy as stated in section 16a-35k, the Comprehensive Energy
348 Strategy and the Integrated Resources Plan taking into account
349 prudent management of the natural environment and continued
350 promotion of economic development within the state. The department
351 shall defer, as appropriate, to any actions taken by other agencies and
352 instrumentalities on matters within their respective jurisdictions.

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

360 (e) The Public Utilities Regulatory Authority, in a proceeding on a
361 rate amendment proposed by an electric distribution company based
362 upon an alleged need for increased revenues to finance an expansion
363 of the capacity of its electric distribution system, shall determine
364 whether demand-side management would be more cost-effective in
365 meeting any demand for electricity for which the increase in capacity is
366 proposed.

367 (f) The provisions of this section shall not apply to the regulation of
368 a telecommunications service which is a competitive service, as
369 defined in section 16-247a, or to a telecommunications service to which
370 an approved plan for an alternative form of regulation applies,
371 pursuant to section 16-247k.

372 (g) The authority may, upon application of any gas or electric public

373 service company, which has, as part of its existing rate plan, an
374 earnings sharing mechanism, modify such rate plan to allow the gas or
375 electric public service company, after a hearing that is conducted as a
376 contested case, in accordance with chapter 54, to include in its rates the
377 reasonable costs of security of assets, facilities, and equipment, both
378 existing and foreseeable, that are incurred solely for the purpose of
379 responding to security needs associated with the terrorist attacks of
380 September 11, 2001, and the continuing war on terrorism.

381 Sec. 11. Section 16-19tt of the general statutes is repealed and the
382 following is substituted in lieu thereof (*Effective from passage*):

383 (a) In any rate case initiated on [and] or after June 4, 2007, and for
384 which a final decision has not been issued prior to the effective date of
385 this section, the Public Utilities Regulatory Authority shall order the
386 state's gas and electric distribution companies to decouple distribution
387 revenues from the volume of natural gas or electricity sales through
388 any of the following strategies, singly or in combination: (1) A
389 mechanism that adjusts actual distribution revenues to allowed
390 distribution revenues, (2) rate design changes that increase the amount
391 of revenue recovered through fixed distribution charges, or (3) a sales
392 adjustment clause, rate design changes that increase the amount of
393 revenue recovered through fixed distribution charges, or both. In
394 making its determination on this matter, the authority shall consider
395 the impact of decoupling on the gas or electric distribution company's
396 return on equity and make necessary adjustments thereto.

397 (b) In any rate case initiated on or after the effective date of this
398 section or in a pending rate case for which a final decision has not been
399 issued prior to the effective date of this section, the Public Utilities
400 Regulatory Authority shall order the state's gas and electric
401 distribution companies to decouple distribution revenues from the
402 volume of natural gas and electricity sales. For electric distribution
403 companies, the decoupling mechanism shall be the adjustment of
404 actual distribution revenues to allowed distribution revenues. For gas
405 distribution companies, the decoupling mechanism shall be a

406 mechanism that does not remove the incentive to support the
407 expansion of natural gas use pursuant to the 2013 Comprehensive
408 Energy Strategy, such as a mechanism that decouples distribution
409 revenue based on a use-per-customer basis. In making its
410 determination on this matter, the authority shall consider the impact of
411 decoupling on the gas or electric distribution company's return on
412 equity and make any necessary adjustments thereto.

413 Sec. 12. Section 16-35 of the general statutes is amended by adding
414 subsection (c) as follows (*Effective from passage*):

415 (NEW) (c) Notwithstanding any provision of this title and title 16a,
416 proceedings in which the Public Utilities Regulatory Authority
417 conducts a request for proposals or any other procurement process for
418 the purpose of acquiring electricity products or services for the benefit
419 of ratepayers shall be uncontested.

420 Sec. 13. Subdivision (5) of subsection (c) of section 16-244c of the
421 general statutes is repealed and the following is substituted in lieu
422 thereof (*Effective from passage*):

423 (5) For standard service contracts procured prior to [department]
424 the authority's approval of the [plan developed pursuant to section 16-
425 244m] Procurement Plan, each bidder for a standard service contract
426 shall submit its bid to the electric distribution company and the third-
427 party entity who shall jointly review the bids and submit an overview
428 of all bids together with a joint recommendation to the [department]
429 authority as to the preferred bidders. The [department] authority may,
430 within ten business days of submission of the overview, reject the
431 recommendation regarding preferred bidders. In the event that the
432 [department] authority rejects the preferred bids, the electric
433 distribution company and the third-party entity shall rebid the service
434 pursuant to this subdivision. The [department] authority shall review
435 each bid in an uncontested proceeding that shall include a public
436 hearing and in which any interested person, including, but not limited
437 to, the Consumer Counsel, [and] the Commissioner of Energy and

438 Environmental Protection or the Attorney General, may participate.

439 Sec. 14. Section 16-244m of the general statutes is repealed and the
440 following is substituted in lieu thereof (*Effective from passage*):

441 (a) (1) On or before January 1, 2012, and annually thereafter, the
442 procurement manager of the [Department of Energy and
443 Environmental Protection] Public Utilities Regulatory Authority, in
444 consultation with each electric distribution company, and [with] others
445 at the procurement manager's discretion, including, but not limited to,
446 the Commissioner of Energy and Environmental Protection, a
447 municipal energy cooperative established pursuant to chapter 101a,
448 other than entities, individuals and companies or their affiliates
449 potentially involved in bidding on standard service, shall develop a
450 plan for the procurement of electric generation services and related
451 wholesale electricity market products that will enable each electric
452 distribution company to manage a portfolio of contracts to reduce the
453 average cost of standard service while maintaining standard service
454 cost volatility within reasonable levels. Each [procurement plan]
455 Procurement Plan shall provide for the competitive solicitation for
456 load-following electric service and may include a provision for the use
457 of other contracts, including, but not limited to, contracts for
458 generation or other electricity market products and financial contracts,
459 and may provide for the use of varying lengths of contracts. If such
460 plan includes the purchase of full requirements contracts, it shall
461 include an explanation of why such purchases are in the best interests
462 of standard service customers.

463 (2) All reasonable costs associated with the development of the
464 Procurement Plan by the authority shall be recoverable through the
465 assessment in section 16-49. All electric distribution companies'
466 reasonable costs associated with the development of the Procurement
467 Plan shall be recoverable through a reconciling nonbypassable
468 component of the electric rates as determined by the authority.

469 (b) The procurement manager shall, not less than quarterly, [meet

470 with the Commissioner of Energy and Environmental Protection and]
471 prepare a written report on the implementation of the [plan]
472 Procurement Plan. If the procurement manager finds that an interim
473 amendment to the annual [procurement] plan might substantially
474 further the goals of reducing the cost or cost volatility of standard
475 service, the procurement manager may petition the Public Utilities
476 Regulatory Authority for such an interim amendment. The Public
477 Utilities Regulatory Authority shall provide notice of the proposed
478 amendment to the Office of Consumer Counsel and the electric
479 distribution companies. The Office of Consumer Counsel and the
480 electric distribution companies shall have two business days from the
481 date of such notice to request an uncontested proceeding and a
482 technical meeting of the Public Utilities Regulatory Authority
483 regarding the proposed amendment, which proceeding and meeting
484 shall occur if requested. The Public Utilities Regulatory Authority may
485 approve, modify or deny the proposed amendment, with such
486 approval, modification or denial following the technical meeting if one
487 is requested. The Public Utilities Regulatory Authority's ruling shall
488 occur within three business days after the technical meeting, if one is
489 requested, or within three business days of the expiration of the time
490 for requesting a technical meeting if no technical meeting is requested.
491 The Public Utilities Regulatory Authority may maintain the
492 confidentiality of the technical meeting to the full extent allowed by
493 law.

494 (c) The costs of procurement for standard service shall be borne
495 solely by the standard service customers.

496 (d) (1) The [Department of Energy and Environmental Protection]
497 Public Utilities Regulatory Authority shall conduct an uncontested
498 proceeding to approve, with any amendments it determines necessary,
499 [a procurement plan] the Procurement Plan submitted pursuant to
500 subsection (a) of this section.

501 (2) The [Department of Energy and Environmental Protection]
502 Public Utilities Regulatory Authority shall report annually in

503 accordance with the provisions of section 11-4a to the joint standing
504 committee of the General Assembly having cognizance of matters
505 relating to energy regarding the [procurement plan] Procurement Plan
506 and its implementation. Any such report may be submitted
507 electronically.

508 Sec. 15. Section 16-32f of the general statutes is repealed and the
509 following is substituted in lieu thereof (*Effective from passage*):

510 [(a)] On or before October first of each even-numbered year, a gas
511 company, as defined in section 16-1, shall furnish a report to the Public
512 Utilities Regulatory Authority containing a five-year forecast of loads
513 and resources. The report shall describe the facilities and supply
514 sources that, in the judgment of such gas company, will be required to
515 meet gas demands during the forecast period. The report shall be
516 made available to the public and shall be furnished to the chief
517 executive officer of each municipality in the service area of such gas
518 company, the regional planning agency which encompasses each such
519 municipality, the Attorney General, the president pro tempore of the
520 Senate, the speaker of the House of Representatives, the joint standing
521 committee of the General Assembly having cognizance of matters
522 relating to public utilities, any other member of the General Assembly
523 making a request to the authority for the report and such other state
524 and municipal entities as the authority may designate by regulation.
525 The report shall include: (1) A tabulation of estimated peak loads and
526 resources for each year; (2) data on gas use and peak loads for the five
527 preceding calendar years; (3) a list of present and projected gas supply
528 sources; (4) specific measures to control load growth and promote
529 conservation; and (5) such other information as the authority may
530 require by regulation. A full description of the methodology used to
531 arrive at the forecast of loads and resources shall also be furnished to
532 the authority. The authority shall hold a public hearing on such reports
533 upon the request of any person. On or before August first of each odd-
534 numbered year, the authority may request a gas company to furnish to
535 the authority an updated report. A gas company shall furnish any such

536 updated report not later than sixty days following the request of the
537 authority.

538 [(b) Not later than October 1, 2005, and annually thereafter, a gas
539 company, as defined in section 16-1, shall submit to the Public Utilities
540 Regulatory Authority a gas conservation plan, in accordance with the
541 provisions of this section, to implement cost-effective energy
542 conservation programs and market transformation initiatives. All
543 supply and conservation and load management options shall be
544 evaluated and selected within an integrated supply and demand
545 planning framework. Services provided under the plan shall be
546 available to all gas company customers. Each gas company shall apply
547 to the Energy Conservation Management Board for reimbursement for
548 expenditures pursuant to the plan. The authority shall, in an
549 uncontested proceeding during which the authority may hold a public
550 hearing, approve, modify or reject the plan.

551 (c) (1) The Energy Conservation Management Board shall advise
552 and assist each such gas company in the development and
553 implementation of the plan submitted under subsection (b) of this
554 section. Each program contained in the plan shall be reviewed by each
555 such gas company and shall be either accepted, modified or rejected by
556 the Energy Conservation Management Board before submission of the
557 plan to the authority for approval. The Energy Conservation
558 Management Board shall, as part of its review, examine opportunities
559 to offer joint programs providing similar efficiency measures that save
560 more than one fuel resource or to otherwise coordinate programs
561 targeted at saving more than one fuel resource. Any costs for joint
562 programs shall be allocated equitably among the conservation
563 programs.

564 (2) Programs included in the plan shall be screened through cost-
565 effectiveness testing that compares the value and payback period of
566 program benefits to program costs to ensure that the programs are
567 designed to obtain gas savings whose value is greater than the costs of
568 the program. Program cost-effectiveness shall be reviewed annually by

569 the authority, or otherwise as is practicable. If the authority determines
570 that a program fails the cost-effectiveness test as part of the review
571 process, the program shall either be modified to meet the test or be
572 terminated. On or before January 1, 2007, and annually thereafter, the
573 board shall provide a report, in accordance with the provisions of
574 section 11-4a, to the joint standing committees of the General
575 Assembly having cognizance of matters relating to energy and the
576 environment, that documents expenditures and funding for such
577 programs and evaluates the cost-effectiveness of such programs
578 conducted in the preceding year, including any increased cost-
579 effectiveness owing to offering programs that save more than one fuel
580 resource.

581 (3) Programs included in the plan may include, but are not limited
582 to: (A) Conservation and load management programs, including
583 programs that benefit low-income individuals; (B) research,
584 development and commercialization of products or processes that are
585 more energy-efficient than those generally available; (C) development
586 of markets for such products and processes; (D) support for energy use
587 assessment, engineering studies and services related to new
588 construction or major building renovations; (E) the design,
589 manufacture, commercialization and purchase of energy-efficient
590 appliances, air conditioning and heating devices; (F) program planning
591 and evaluation; (G) joint fuel conservation initiatives and programs
592 targeted at saving more than one fuel resource; and (H) public
593 education regarding conservation. Such support may be by direct
594 funding, manufacturers' rebates, sale price and loan subsidies, leases
595 and promotional and educational activities. The plan shall also provide
596 for expenditures by the Energy Conservation Management Board for
597 the retention of expert consultants and reasonable administrative costs,
598 provided such consultants shall not be employed by, or have any
599 contractual relationship with, a gas company. Such costs shall not
600 exceed five per cent of the total cost of the plan.]

601 Sec. 16. Section 16-245m of the general statutes is repealed and the

602 following is substituted in lieu thereof (*Effective from passage*):

603 (a) (1) On and after January 1, 2000, the Public Utilities Regulatory
604 Authority shall assess or cause to be assessed a charge of three mills
605 per kilowatt hour of electricity sold to each end use customer of an
606 electric distribution company to be used to implement the program as
607 provided in this section for conservation and load management
608 programs but not for the amortization of costs incurred prior to July 1,
609 1997, for such conservation and load management programs.

610 (2) Notwithstanding the provisions of this section, receipts from
611 such charge shall be disbursed to the resources of the General Fund
612 during the period from July 1, 2003, to June 30, 2005, unless the
613 authority shall, on or before October 30, 2003, issue a financing order
614 for each affected electric distribution company in accordance with
615 sections 16-245e to 16-245k, inclusive, to sustain funding of
616 conservation and load management programs by substituting an
617 equivalent amount, as determined by the authority in such financing
618 order, of proceeds of rate reduction bonds for disbursement to the
619 resources of the General Fund during the period from July 1, 2003, to
620 June 30, 2005. The authority may authorize in such financing order the
621 issuance of rate reduction bonds that substitute for disbursement to the
622 General Fund for receipts of both the charge under this subsection and
623 under subsection (b) of section 16-245n and also may, in its discretion,
624 authorize the issuance of rate reduction bonds under this subsection
625 and subsection (b) of section 16-245n that relate to more than one
626 electric distribution company. The authority shall, in such financing
627 order or other appropriate order, offset any increase in the competitive
628 transition assessment necessary to pay principal, premium, if any,
629 interest and expenses of the issuance of such rate reduction bonds by
630 making an equivalent reduction to the charge imposed under this
631 subsection, provided any failure to offset all or any portion of such
632 increase in the competitive transition assessment shall not affect the
633 need to implement the full amount of such increase as required by this
634 subsection and by sections 16-245e to 16-245k, inclusive. Such

635 financing order shall also provide if the rate reduction bonds are not
636 issued, any unrecovered funds expended and committed by the
637 electric distribution companies for conservation and load management
638 programs, provided such expenditures were approved by the
639 authority after August 20, 2003, and prior to the date of determination
640 that the rate reduction bonds cannot be issued, shall be recovered by
641 the companies from their respective competitive transition assessment
642 or systems benefits charge but such expenditures shall not exceed four
643 million dollars per month. All receipts from the remaining charge
644 imposed under this subsection, after reduction of such charge to offset
645 the increase in the competitive transition assessment as provided in
646 this subsection, shall be disbursed to the Energy Conservation and
647 Load Management Fund commencing as of July 1, 2003. Any increase
648 in the competitive transition assessment or decrease in the
649 conservation and load management component of an electric
650 distribution company's rates resulting from the issuance of or
651 obligations under rate reduction bonds shall be included as rate
652 adjustments on customer bills.

653 (3) Repealed by P.A. 11-61, S. 187.

654 (b) The electric distribution company shall establish an Energy
655 Conservation and Load Management Fund which shall be held
656 separate and apart from all other funds or accounts. Receipts from the
657 charge imposed under subsection (a) of this section shall be deposited
658 into the fund. Any balance remaining in the fund at the end of any
659 fiscal year shall be carried forward in the fiscal year next succeeding.
660 Disbursements from the fund by electric distribution companies to
661 carry out the plan [developed] approved by the commissioner under
662 subsection (d) of this section shall be authorized by the Public Utilities
663 Regulatory Authority, [upon its approval of such plan.]

664 (c) The Commissioner of Energy and Environmental Protection shall
665 appoint and convene an Energy Conservation Management Board
666 which shall include [representatives] the Commissioner of Energy and
667 Environmental Protection, or the commissioner's designee, the

668 Consumer Counsel, or the Consumer Counsel's designee, the Attorney
669 General, or the Attorney General's designee, and a representative of:
670 (1) An environmental group knowledgeable in energy conservation
671 program collaboratives; (2) [a representative of the Office of Consumer
672 Counsel; (3) the Attorney General; (4)] the electric distribution
673 companies in whose territories the activities take place for such
674 programs; [(5)] (3) a state-wide manufacturing association; [(6)] (4) a
675 chamber of commerce; [(7)] (5) a state-wide business association; [(8)]
676 (6) a state-wide retail organization; [(9) a representative of] (7) a state-
677 wide farm association; (8) a municipal electric energy cooperative
678 created pursuant to chapter 101a; [(10) two representatives selected by
679 the gas companies in this state; and (11)] and (9) residential customers.
680 [Such members] The board shall also include two representatives
681 selected by the gas companies. The members of the board shall serve
682 for a period of five years and may be reappointed. Representatives of
683 gas companies, electric distribution companies and the municipal
684 electric energy cooperative shall be nonvoting members of the board.
685 [The commissioner shall serve as the chairperson of the board.] The
686 members of the board shall elect a chairperson from its voting
687 members. If any vote of the board results in an equal division of its
688 voting members, such vote shall fail.

689 (d) (1) Not later than November 1, 2012, and every three years
690 thereafter, electric distribution companies, as defined in section 16-1, as
691 amended by this act, in coordination with the gas companies, as
692 defined in section 16-1, as amended by this act, shall submit to the
693 Energy Conservation Management Board a combined electric and gas
694 Conservation and Load Management Plan, in accordance with the
695 provisions of this section, to implement cost-effective energy
696 conservation programs and market transformation initiatives. All
697 supply and conservation and load management options shall be
698 evaluated and selected within an integrated supply and demand
699 planning framework. Services provided under the plan shall be
700 available to all customers of electric distribution companies and gas
701 companies. Each such company shall apply to the Energy

702 Conservation Management Board for reimbursement for expenditures
703 pursuant to the plan. The Energy Conservation Management Board
704 shall advise and assist the electric distribution companies and gas
705 companies in the development [and implementation of a
706 comprehensive plan, which plan shall be approved by the Department
707 of Energy and Environmental Protection, to implement cost-effective
708 energy conservation programs and market transformation initiatives.
709 Such] of such plan. The Energy Conservation Management Board shall
710 approve the plan before transmitting it to the Commissioner of Energy
711 and Environmental Protection for approval. The commissioner shall, in
712 an uncontested proceeding during which the commissioner may hold
713 a public meeting, approve, modify or reject said plan prepared
714 pursuant to this subsection. Following approval by the commissioner,
715 the board shall assist the companies in implementing the plan and
716 collaborate with the Clean Energy Finance Investment Authority to
717 further the goals of the plan. Said plan shall include a detailed budget
718 sufficient to fund all energy efficiency that is cost-effective or lower
719 cost than acquisition of equivalent supply, and shall be reviewed and
720 approved by the commissioner. To the extent that the budget in the
721 plan approved by the commissioner with regard to electric distribution
722 companies exceeds the revenues collected pursuant to subdivision (1)
723 of subsection (a) of this section, the Public Utilities Regulatory
724 Authority shall, not later than sixty days after the plan is approved by
725 the commissioner, ensure that the balance of revenues required to fund
726 such budget is provided through a fully reconciling conservation
727 adjustment mechanism of not more than three mills per kilowatt hour
728 of electricity sold to each end use customer of an electric distribution
729 company during the three years of any Conservation and Load
730 Management Plan. The authority shall ensure that the revenues
731 required to fund such budget with regard to gas companies are
732 provided through a fully reconciling conservation adjustment
733 mechanism for each gas company of not more than the equivalent of
734 four and six-tenth cents per hundred cubic feet during the three years
735 of any Conservation and Load Management Plan. Said plan shall
736 include steps that would be needed to achieve the goal of

737 weatherization of eighty per cent of the state's residential units by
738 2030. Each program contained in the plan shall be reviewed by [the
739 electric distribution company] such companies and [either] accepted,
740 modified or rejected by the Energy Conservation Management Board
741 prior to submission to the [department] commissioner for approval.
742 The Energy Conservation Management Board shall, as part of its
743 review, examine opportunities to offer joint programs providing
744 similar efficiency measures that save more than one fuel resource or
745 otherwise to coordinate programs targeted at saving more than one
746 fuel resource. Any costs for joint programs shall be allocated equitably
747 among the conservation programs. The Energy Conservation
748 Management Board shall give preference to projects that maximize the
749 reduction of federally mandated congestion charges. [The Department
750 of Energy and Environmental Protection shall, in an uncontested
751 proceeding during which the department may hold a public hearing,
752 approve, modify or reject the comprehensive plan prepared pursuant
753 to this subsection.]

754 (2) There shall be a joint committee of the Energy Conservation
755 Management Board and the board of directors of the Clean Energy
756 Finance and Investment Authority. The [board and the advisory
757 committee] boards shall each appoint members to such joint
758 committee. The joint committee shall examine opportunities to
759 coordinate the programs and activities funded by the Clean Energy
760 Fund pursuant to section 16-245n with the programs and activities
761 contained in the plan developed under this subsection and to provide
762 financing to increase the benefits of programs funded by the plan so as
763 to reduce the long-term cost, environmental impacts and security risks
764 of energy in the state. Such joint committee shall hold its first meeting
765 on or before August 1, 2005.

766 (3) Programs included in the plan developed under subdivision (1)
767 of this subsection shall be screened through cost-effectiveness testing
768 that compares the value and payback period of program benefits for all
769 energy savings to program costs to ensure that programs are designed

770 to obtain energy savings and system benefits, including mitigation of
771 federally mandated congestion charges, whose value is greater than
772 the costs of the programs. Program cost-effectiveness shall be reviewed
773 by the Commissioner of Energy and Environmental Protection
774 annually, or otherwise as is practicable, and shall incorporate the
775 results of the evaluation process set forth in subdivision (4) of this
776 subsection. If a program is determined to fail the cost-effectiveness test
777 as part of the review process, it shall either be modified to meet the test
778 or shall be terminated, unless it is integral to other programs that in
779 combination are cost-effective. On or before March 1, 2005, and on or
780 before March first annually thereafter, the board shall provide a report,
781 in accordance with the provisions of section 11-4a, to the joint standing
782 committees of the General Assembly having cognizance of matters
783 relating to energy and the environment that documents (A)
784 expenditures and fund balances and evaluates the cost-effectiveness of
785 such programs conducted in the preceding year, and (B) the extent to
786 and manner in which the programs of such board collaborated and
787 cooperated with programs, established under section 7-233y, of
788 municipal electric energy cooperatives. To maximize the reduction of
789 federally mandated congestion charges, programs in the plan may
790 allow for disproportionate allocations between the amount of
791 contributions to the Energy Conservation and Load Management
792 Funds by a certain rate class and the programs that benefit such a rate
793 class. Before conducting such evaluation, the board shall consult with
794 the board of directors of the Clean Energy Finance and Investment
795 Authority. The report shall include a description of the activities
796 undertaken during the reporting period. [jointly or in collaboration
797 with the Clean Energy Fund established pursuant to subsection (c) of
798 section 16-245n.]

799 (4) The [Department] Commissioner of Energy and Environmental
800 Protection shall adopt an independent, comprehensive program
801 evaluation, measurement and verification process to ensure the Energy
802 Conservation Management Board's programs are administered
803 appropriately and efficiently, comply with statutory requirements,

804 programs and measures are cost effective, evaluation reports are
805 accurate and issued in a timely manner, evaluation results are
806 appropriately and accurately taken into account in program
807 development and implementation, and information necessary to meet
808 any third-party evaluation requirements is provided. An annual
809 schedule and budget for evaluations as determined by the board shall
810 be included in the plan filed with the [department] commissioner
811 pursuant to subdivision (1) of this subsection. The electric distribution
812 and gas company representatives and the representative of a
813 municipal electric energy cooperative may not vote on board plans,
814 budgets, recommendations, actions or decisions regarding such
815 process or its program evaluations and their implementation. Program
816 and measure evaluation, measurement and verification shall be
817 conducted on an ongoing basis, with emphasis on impact and process
818 evaluations, programs or measures that have not been studied, and
819 those that account for a relatively high percentage of program
820 spending. Evaluations shall use statistically valid monitoring and data
821 collection techniques appropriate for the programs or measures being
822 evaluated. All evaluations shall contain a description of any problems
823 encountered in the process of the evaluation, including, but not limited
824 to, data collection issues, and recommendations regarding addressing
825 those problems in future evaluations. The board shall contract with
826 one or more consultants not affiliated with the board members to act as
827 an evaluation administrator, advising the board regarding
828 development of a schedule and plans for evaluations and overseeing
829 the program evaluation, measurement and verification process on
830 behalf of the board. Consistent with board processes and approvals
831 and [department] the Commissioner of Energy and Environmental
832 Protection's decisions regarding evaluation, such evaluation
833 administrator shall implement the evaluation process by preparing
834 requests for proposals and selecting evaluation contractors to perform
835 program and measure evaluations and by facilitating communications
836 between evaluation contractors and program administrators to ensure
837 accurate and independent evaluations. In the evaluation
838 administrator's discretion and at his or her request, the electric

839 distribution and gas companies shall communicate with the evaluation
840 administrator for purposes of data collection, vendor contract
841 administration, and providing necessary factual information during
842 the course of evaluations. The evaluation administrator shall bring
843 unresolved administrative issues or problems that arise during the
844 course of an evaluation to the board for resolution, but shall have sole
845 authority regarding substantive and implementation decisions
846 regarding any evaluation. Board members, including electric
847 distribution and gas company representatives, may not communicate
848 with an evaluation contractor about an ongoing evaluation except with
849 the express permission of the evaluation administrator, which may
850 only be granted if the administrator believes the communication will
851 not compromise the independence of the evaluation. The evaluation
852 administrator shall file evaluation reports with the board and with the
853 [department] Commissioner of Energy and Environmental Protection
854 in its most recent uncontested proceeding pursuant to subdivision (1)
855 of this subsection and the board shall post a copy of each report on its
856 Internet web site. The board and its members, including electric
857 distribution and gas company representatives, may file written
858 comments regarding any evaluation with the [department]
859 commissioner or for posting on the board's Internet web site. Within
860 fourteen days of the filing of any evaluation report, the [department]
861 commissioner, members of the board or other interested persons may
862 request in writing, and the [department] commissioner shall conduct, a
863 transcribed technical meeting to review the methodology, results and
864 recommendations of any evaluation. Participants in any such
865 transcribed technical meeting shall include the evaluation
866 administrator, the evaluation contractor and the Office of Consumer
867 Counsel at its discretion. On or before November 1, 2011, and annually
868 thereafter, the board shall report to the joint standing committee of the
869 General Assembly having cognizance of matters relating to energy,
870 with the results and recommendations of completed program
871 evaluations.

872 (5) Programs included in the plan developed under subdivision (1)

873 of this subsection may include, but not be limited to: (A) Conservation
874 and load management programs, including programs that benefit low-
875 income individuals; (B) research, development and commercialization
876 of products or processes which are more energy-efficient than those
877 generally available; (C) development of markets for such products and
878 processes; (D) support for energy use assessment, real-time monitoring
879 systems, engineering studies and services related to new construction
880 or major building renovation; (E) the design, manufacture,
881 commercialization and purchase of energy-efficient appliances and
882 heating, air conditioning and lighting devices; (F) program planning
883 and evaluation; (G) indoor air quality programs relating to energy
884 conservation; (H) joint fuel conservation initiatives programs targeted
885 at reducing consumption of more than one fuel resource; (I)
886 conservation of water resources; (J) public education regarding
887 conservation; and [(J)] (K) demand-side technology programs
888 recommended by the [integrated resources plan approved by the
889 Department of Energy and Environmental Protection pursuant to
890 section 16a-3a. The board shall periodically review contractors to
891 determine whether they are qualified to conduct work related to such
892 programs. Such support] Conservation and Load Management Plan.
893 Support for such programs may be by direct funding, manufacturers'
894 rebates, sale price and loan subsidies, leases and promotional and
895 educational activities. The Energy Conservation Management Board
896 shall periodically review contractors to determine whether they are
897 qualified to conduct work related to such programs and to ensure that
898 in making the selection of contractors to deliver programs, a fair and
899 equitable process is followed. There shall be a rebuttable presumption
900 that such contractors are deemed technically qualified if certified by
901 the Building Performance Institute, Inc. or by an organization selected
902 by the commissioner. The plan shall also provide for expenditures by
903 the [Energy Conservation Management Board] board for the retention
904 of expert consultants and reasonable administrative costs provided
905 such consultants shall not be employed by, or have any contractual
906 relationship with, an electric distribution company or a gas company.
907 Such costs shall not exceed five per cent of the total [revenue collected

908 from the assessment] cost of the plan.

909 (e) Deleted by P.A. 11-80, S. 33.

910 (f) [No] Not later than December 31, 2006, and [no] not later than
911 December thirty-first every five years thereafter, the Energy
912 Conservation Management Board shall, after consulting with the Clean
913 Energy Finance and Investment Authority, conduct an evaluation of
914 the performance of the programs and activities [of the fund] specified
915 in the plan approved by the commissioner pursuant to subsection (d)
916 of this section and submit a report, in accordance with the provisions
917 of section 11-4a, of the evaluation to the joint standing committee of
918 the General Assembly having cognizance of matters relating to energy.

919 (g) Repealed by P.A. 06-186, S. 91.

920 Sec. 17. Section 16-245ee of the general statutes is repealed and the
921 following is substituted in lieu thereof (*Effective from passage*):

922 Before approving any plan for energy conservation and load
923 management and [renewable] clean energy projects issued to [it] the
924 Commissioner of Energy and Environmental Protection by the Energy
925 Conservation and Management Board, the board of directors of the
926 Clean Energy Finance and Investment Authority or an electric
927 distribution company, [the Department of Energy and Environmental
928 Protection] said commissioner shall determine that an equitable
929 amount of the funds administered by each such board are to be
930 deployed among small and large customers with a maximum average
931 monthly peak demand of one hundred kilowatts in census tracts in
932 which the median income is not more than sixty per cent of the state
933 median income. The [department] Commissioner of Energy and
934 Environmental Protection shall determine such equitable share and
935 such projects may include a mentoring component for such
936 communities. On and after January 1, 2012, and annually thereafter,
937 the [department] Commissioner of Energy and Environmental
938 Protection shall report, in accordance with the provisions of section 11-

939 4a, to the joint standing committee of the General Assembly having
940 cognizance of matters relating to energy regarding the distribution of
941 funds to such communities. Any such report may be submitted
942 electronically.

943 Sec. 18. Section 16-245hh of the general statutes is repealed and the
944 following is substituted in lieu thereof (*Effective from passage*):

945 The Clean Energy Finance and Investment Authority created
946 pursuant to section 16-245n, in consultation with the [Department]
947 Commissioner of Energy and Environmental Protection, shall establish
948 a program to be known as the "condominium renewable energy grant
949 program". Under such program, the board of directors of said
950 authority shall provide grants to residential condominium associations
951 and residential condominium owners, within available funds, for
952 purchasing clean energy sources, including solar energy, geothermal
953 energy and fuel cells or other energy-efficient hydrogen-fueled energy.

954 Sec. 19. Section 16a-3 of the general statutes is repealed and the
955 following is substituted in lieu thereof (*Effective from passage*):

956 (a) There is established a Connecticut Energy Advisory Board
957 consisting of nine members, including the Office of Consumer
958 Counsel. The president pro tempore of the Senate shall appoint a
959 representative of an environmental organization knowledgeable in
960 energy efficiency programs, a representative of a consumer advocacy
961 organization and a representative of a state-wide business association.
962 The speaker of the House of Representatives shall appoint a
963 representative of low-income ratepayers, a representative of academia
964 who has knowledge of energy-related issues and a member of the
965 public considered to be an expert in electricity, generation, renewable
966 energy, procurement or conservation programs. The minority leader of
967 the Senate shall appoint a representative of a municipality. The
968 minority leader of the House of Representatives shall appoint a
969 member of the public considered to be an expert in electricity,
970 generation, renewable energy, procurement or conservation. All

971 appointed members shall serve in accordance with section 4-1a. No
972 appointee may be employed by, or a consultant of, a public service
973 company, as defined in section 16-1, or an electric supplier, as defined
974 in section 16-1, or an affiliate or subsidiary of such company or
975 supplier.

976 [(b) The board shall (1) report to the General Assembly on the status
977 of programs administered by the Department of Energy and
978 Environmental Protection, (2) consult with the Commissioner of
979 Energy and Environmental Protection regarding the integrated
980 resource plan developed pursuant to section 16a-3a, and (3) review,
981 within available resources, requests from the General Assembly.]

982 [(c)] (b) The board shall elect a chairman and a vice-chairman from
983 among its members and shall adopt such rules of procedure as are
984 necessary to carry out its functions.

985 [(d)] (c) The board shall convene its first meeting not later than
986 September 1, 2011. A quorum of the board shall consist of two-thirds
987 of the members currently serving on the board.

988 [(e)] (d) The board shall employ such staff as is required for the
989 proper discharge of its duties. [The board may also retain any third-
990 party consultants it deems necessary to accomplish the goals set forth
991 in subsection (b) of this section.] The board shall annually submit to
992 the Department of Energy and Environmental Protection a proposal
993 regarding the level of funding required for the discharge of its duties,
994 which proposal shall be approved by the department either as
995 submitted or as modified by the department, provided the total
996 funding for the board, including, but not limited to, staff and third-
997 party consultants, shall not exceed one million five hundred thousand
998 dollars in any fiscal year.

999 [(f)] (e) The Connecticut Energy Advisory Board shall be within the
1000 Department of Energy and Environmental Protection for
1001 administrative purposes only.

1002 Sec. 20. Section 16a-3a of the general statutes is repealed and the
1003 following is substituted in lieu thereof (*Effective from passage*):

1004 (a) The [Department] Commissioner of Energy and Environmental
1005 Protection, in consultation with the [Connecticut Energy Advisory
1006 Board and the] electric distribution companies, shall review the state's
1007 energy and capacity resource assessment and [develop an integrated
1008 resources plan] approve the Integrated Resources Plan for the
1009 procurement of energy resources, including, but not limited to,
1010 conventional and renewable generating facilities, energy efficiency,
1011 load management, demand response, combined heat and power
1012 facilities, distributed generation and other emerging energy
1013 technologies to meet the projected requirements of [their] customers in
1014 a manner that minimizes the cost of [such] all energy resources to
1015 customers over time and maximizes consumer benefits consistent with
1016 the state's environmental goals and standards. [Such integrated
1017 resources plan] The Integrated Resources Plan shall seek to lower the
1018 cost of electricity.

1019 (b) On or before January 1, 2012, and biennially thereafter, the
1020 [Department] Commissioner of Energy and Environmental Protection,
1021 in consultation with the [Connecticut Energy Advisory Board and the]
1022 electric distribution companies, shall prepare an assessment of (1) the
1023 energy and capacity requirements of customers for the next three, five
1024 and ten years, (2) the manner of how best to eliminate growth in
1025 electric demand, (3) how best to level electric demand in the state by
1026 reducing peak demand and shifting demand to off-peak periods, (4)
1027 the impact of current and projected environmental standards,
1028 including, but not limited to, those related to greenhouse gas emissions
1029 and the federal Clean Air Act goals and how different resources could
1030 help achieve those standards and goals, (5) energy security and
1031 economic risks associated with potential energy resources, and (6) the
1032 estimated lifetime cost and availability of potential energy resources.

1033 (c) Resource needs shall first be met through all available energy
1034 efficiency and demand reduction resources that are cost-effective,

1035 reliable and feasible. The projected customer cost impact of any
1036 demand-side resources considered pursuant to this subsection shall be
1037 reviewed on an equitable basis with nondemand-side resources. The
1038 [integrated resources plan] Integrated Resources Plan shall specify (1)
1039 the total amount of energy and capacity resources needed to meet the
1040 requirements of all customers, (2) the extent to which demand-side
1041 measures, including efficiency, conservation, demand response and
1042 load management can cost-effectively meet these needs in a manner
1043 that ensures equity in benefits and cost reduction to all classes and
1044 subclasses of consumers, (3) needs for generating capacity and
1045 transmission and distribution improvements, (4) how the development
1046 of such resources will reduce and stabilize the costs of electricity to
1047 each class and subclass of consumers, and (5) the manner in which
1048 each of the proposed resources should be procured, including the
1049 optimal contract periods for various resources.

1050 (d) The [integrated resources plan] Integrated Resources Plan shall
1051 consider: (1) Approaches to maximizing the impact of demand-side
1052 measures; (2) the extent to which generation needs can be met by
1053 renewable and combined heat and power facilities; (3) the
1054 optimization of the use of generation sites and generation portfolio
1055 existing within the state; (4) fuel types, diversity, availability, firmness
1056 of supply and security and environmental impacts thereof, including
1057 impacts on meeting the state's greenhouse gas emission goals; (5)
1058 reliability, peak load and energy forecasts, system contingencies and
1059 existing resource availabilities; (6) import limitations and the
1060 appropriate reliance on such imports; (7) the impact of the
1061 [procurement plan] Integrated Resources Plan on the costs of electric
1062 customers; and (8) the effects on participants and nonparticipants.
1063 Such plan shall include options for lowering the rates and cost of
1064 electricity. [The Department of Energy and Environmental Protection
1065 shall hold a public hearing on such integrated resources plan pursuant
1066 to chapter 54. The commissioner may approve or reject such plan with
1067 comments.]

1068 (e) [The procurement manager of the Public Utilities Regulatory
1069 Authority, in consultation with the electric distribution companies, the
1070 regional independent system operator, and the Connecticut Energy
1071 Advisory Board, shall develop a procurement plan and hold public
1072 hearings on the proposed plan. Such hearings shall not constitute a
1073 contested case and shall be held in accordance with chapter 54. The
1074 Public Utilities Regulatory Authority shall give not less than fifteen
1075 days' notice of such proceeding by electronic publication on the
1076 department's Internet web site.] In approving the Integrated Resources
1077 Plan, the Commissioner of Energy and Environmental Protection shall
1078 conduct an uncontested proceeding that shall include not less than one
1079 public meeting and one technical meeting at which technical personnel
1080 shall be available to answer questions. Such meetings shall be
1081 transcribed and posted on the department's Internet web site. Not less
1082 than fifteen days before any such public meeting and thirty days
1083 before any such technical meeting, said commissioner shall publish
1084 notice of either such meeting and post the text of the proposed
1085 Integrated Resources Plan on the department's Internet web site.
1086 Notice of such [hearing] public meeting or technical meeting may also
1087 be published in one or more newspapers having state-wide circulation
1088 if deemed necessary by the commissioner. Such notice shall state the
1089 date, time, and place of the [hearing] meeting, the subject matter of the
1090 [hearing] meeting and time period during which comments may be
1091 submitted to said commissioner, the statutory authority for the
1092 proposed [integrated resources plan] Integrated Resources Plan and
1093 the location where a copy of the proposed [integrated resources] plan
1094 may be obtained or examined. [in addition to posting the plan on the
1095 department's Internet web site. The] Said commissioner shall provide a
1096 time period of not less than [forty-five] sixty days from the date the
1097 notice is published on the department's Internet web site for public
1098 review and comment. [The] Said commissioner shall consider fully [,
1099 after all public meetings,] all written and oral comments concerning
1100 the proposed [integrated resources plan and] Integrated Resources
1101 Plan after all public meetings and before approving the final plan. Said
1102 commissioner shall [post on the department's Internet web site and] (1)

1103 notify by electronic mail each person who requests such notice, [The
1104 commissioner shall make available] and (2) post on the department's
1105 Internet web site the electronic text of the final [integrated resources
1106 plan or an Internet web site where the final integrated resources plan is
1107 posted,] Integrated Resources Plan and a report summarizing [(1)] all
1108 public comments [,] and [(2)] the changes made to the final [integrated
1109 resources] plan in response to such comments and the reasons
1110 therefor. The commissioner shall submit the final [integrated resources
1111 plan] Integrated Resources Plan by electronic means, or as requested,
1112 to the joint standing committees of the General Assembly having
1113 cognizance of matters relating to energy and the environment. [The
1114 department's Bureau of Energy shall, after the public hearing, make
1115 recommendations to the Commissioner of Energy and Environmental
1116 Protection regarding plan modifications. Said commissioner shall
1117 approve or reject the plan with comments.] Said commissioner may
1118 modify the Integrated Resources Plan to correct clerical errors at any
1119 time without following the procedures outlined in this subsection.

1120 (f) [On or before March 1, 2012] Not later than two years after the
1121 adoption of the Integrated Resources Plan, and every two years
1122 thereafter, the [Department] Commissioner of Energy and
1123 Environmental Protection shall report to the joint standing committees
1124 of the General Assembly having cognizance of matters relating to
1125 energy and the environment regarding goals established and progress
1126 toward implementation of [the integrated resources plan established
1127 pursuant to this section] said plan, as well as any recommendations
1128 [for the process] concerning such plan. Any such report may be
1129 submitted electronically.

1130 (g) All reasonable costs associated with the department's
1131 development of the resource assessment and [the development of the
1132 integrated resources plan and the procurement plan] the Integrated
1133 Resources Plan shall be recoverable through the assessment in section
1134 16-49. All electric distribution companies' reasonable costs associated
1135 with the development of the plan shall be recoverable through a

1136 reconciling nonbypassable component of electric rates as determined
1137 by the authority.

1138 (h) [The decisions of the Public Utilities Regulatory Authority shall
1139 be guided by the goals of the Department of Energy and
1140 Environmental Protection, as described in section 22a-2d, and with the
1141 goals of the integrated resources plan approved pursuant to this
1142 section and the comprehensive energy plan developed pursuant to
1143 section 16a-3d and shall be based on the evidence in the record of each
1144 proceeding.] In the event that the Integrated Resources Plan approved
1145 by the Commissioner of Energy and Environmental Protection
1146 contains any provision the implementation of which requires funding
1147 through new or amended rates or charges, the Public Utilities
1148 Regulatory Authority may open a proceeding to review such
1149 provision, in accordance with the procedures established in sections
1150 16-19 and 16-19e, as amended by this act, to ensure that rates remain
1151 just and reasonable.

1152 Sec. 21. Section 16a-3b of the general statutes is repealed and the
1153 following is substituted in lieu thereof (*Effective from passage*):

1154 (a) The Public Utilities Regulatory Authority shall oversee the
1155 implementation of the [integrated resources plan approved by the
1156 Commissioner of Energy and Environmental Protection pursuant to
1157 section 16a-3a] Integrated Resources Plan and the Procurement Plan.
1158 The electric distribution companies shall implement the demand-side
1159 measures, including, but not limited to, energy efficiency, load
1160 management, demand response, combined heat and power facilities,
1161 distributed generation and other emerging energy technologies,
1162 specified in [said plan through] the Integrated Resources Plan and
1163 included in the comprehensive [conservation and load management
1164 plan prepared pursuant to section 16-245m for review] Conservation
1165 and Load Management Plan approved by the Energy Conservation
1166 Management Board and the Commissioner of Energy and
1167 Environmental Protection. The electric distribution companies shall
1168 submit proposals to appropriate regulatory agencies to address

1169 transmission and distribution upgrades as specified in [said plan] the
1170 Integrated Resources Plan.

1171 (b) [If the integrated resources plan specifies the construction of a
1172 generating facility] When the Integrated Resources Plan contains an
1173 option to procure new sources of generation, the authority shall
1174 develop and issue a request for proposals, shall publish such request
1175 for proposals in one or more newspapers or periodicals, as selected by
1176 the authority, and shall post such request for proposals on its Internet
1177 web site. In considering proposals submitted pursuant to such request,
1178 the authority shall give preference to proposals for generation without
1179 any financial assistance, including, but not limited to, long-term
1180 contract financing or ratepayer guarantees. Pursuant to a
1181 nondisclosure agreement, the authority shall make available to the
1182 Commissioner of Energy and Environmental Protection, the Office of
1183 Consumer Counsel and the Attorney General all confidential bid
1184 information it receives pursuant to this subsection, provided the bids
1185 and any analysis of such bids shall not be subject to disclosure under
1186 the Freedom of Information Act. Three months after the authority
1187 issues a final decision, it shall make available all financial bid
1188 information, provided such information regarding the bidders not
1189 selected be presented in a manner that conceals the identities of such
1190 bidders.

1191 (1) On and after July 1, 2008, an electric distribution company may
1192 submit proposals in response to a request for proposals on the same
1193 basis as other respondents to the solicitation. A proposal submitted by
1194 an electric distribution company shall include its full projected costs
1195 such that any project costs recovered from or defrayed by ratepayers
1196 are included in the projected costs. An electric distribution company
1197 submitting any such bid shall demonstrate to the satisfaction of the
1198 authority that its bid is not supported in any form of cross
1199 subsidization by affiliated entities. If the authority approves such
1200 electric distribution company's proposal, the costs and revenues of
1201 such proposal shall not be included in calculating such company's

1202 earning for purposes of, or in determining whether its rates are just
1203 and reasonable under, sections 16-19, 16-19a and 16-19e, as amended
1204 by this act. An electric distribution company shall not recover more
1205 than the full costs identified in any approved proposal. Affiliates of the
1206 electric distribution company may submit proposals pursuant to
1207 section 16-244h, regulations adopted pursuant to section 16-244h and
1208 other requirements the authority may impose.

1209 (2) If the authority selects a nonelectric distribution company
1210 proposal, an electric distribution company shall, within thirty days of
1211 the selection of a proposal by the authority, negotiate in good faith the
1212 final terms of a contract with a generating facility and shall apply to
1213 the authority for approval of such contract. Upon authority approval,
1214 the electric distribution company shall enter into such contract.

1215 (3) The authority shall determine the appropriate manner of cost
1216 recovery for proposals selected pursuant to this section.

1217 (4) The authority may retain the services of a third-party entity with
1218 expertise in the area of energy procurement to oversee the
1219 development of the request for proposals and to assist the authority in
1220 its approval of proposals pursuant to this section. The reasonable and
1221 proper expenses for retaining such third-party entity shall be
1222 recoverable through the generation services charge.

1223 (c) The electric distribution companies shall issue requests for
1224 proposals to acquire any other resource needs not identified in
1225 subsection (a) or (b) of this section but specified in the [integrated
1226 resources plan] Integrated Resources Plan approved by the
1227 Commissioner of Energy and Environmental Protection pursuant to
1228 section 16a-3a, as amended by this act. Such requests for proposals
1229 shall be subject to approval by the authority.

1230 Sec. 22. Subsection (a) of section 16a-3c of the general statutes is
1231 repealed and the following is substituted in lieu thereof (*Effective from*
1232 *passage*):

1233 (a) On and after July 1, 2011, if the Public Utilities Regulatory
1234 Authority does not receive and approve proposals [pursuant to the
1235 requests for proposals processes, pursuant to section 16a-3b,] sufficient
1236 to reach the goal set by the [integrated resources plan approved
1237 pursuant to section 16a-3a] Integrated Resources Plan, the authority
1238 may order an electric distribution company to submit for the
1239 authority's review in a contested case proceeding, in accordance with
1240 chapter 54, a proposal to build and operate an electric generation
1241 facility in the state. An electric distribution company shall be eligible to
1242 recover its prudently incurred costs consistent with the principles set
1243 forth in section 16-19e, as amended by this act, for any generation
1244 project approved pursuant to this section.

1245 Sec. 23. Section 16a-3d of the general statutes is repealed and the
1246 following is substituted in lieu thereof (*Effective from passage*):

1247 (a) On or before [July 1, 2012] October 1, 2016, and every three years
1248 thereafter, the Commissioner of Energy and Environmental Protection
1249 [, in consultation with the Connecticut Energy Advisory Board,] shall
1250 prepare a [comprehensive energy plan. Such plan] Comprehensive
1251 Energy Strategy. Said strategy shall reflect the legislative findings and
1252 policy stated in section 16a-35k and shall incorporate (1) an assessment
1253 and plan for all energy needs in the state, including, but not limited to,
1254 electricity, heating, cooling, and transportation, (2) the findings of the
1255 [integrated resources plan] Integrated Resources Plan, (3) the findings
1256 of the plan for energy efficiency adopted pursuant to section 16-245m,
1257 as amended by this act, [and] (4) the findings of the plan for renewable
1258 energy adopted pursuant to section 16-245n, [. Such plan] and (5) the
1259 Energy Assurance Plan developed for the state of Connecticut
1260 pursuant to the American Recovery and Reinvestment Act of 2009, P.L.
1261 111-5, or any successor Energy Assurance Plan developed within a
1262 reasonable time prior to the preparation of any Comprehensive Energy
1263 Strategy. Said strategy shall further include, but not be limited to, (A)
1264 an assessment of current energy supplies, demand and costs, (B)
1265 identification and evaluation of the factors likely to affect future

1266 energy supplies, demand and costs, (C) a statement of progress made
1267 toward achieving the goals and milestones set in the preceding
1268 [comprehensive energy plan] Comprehensive Energy Strategy, (D) a
1269 statement of energy policies and long-range energy planning
1270 objectives and strategies appropriate to achieve, among other things, a
1271 sound economy, the least-cost mix of energy supply sources and
1272 measures that reduce demand for energy, giving due regard to such
1273 factors as consumer price impacts, security and diversity of fuel
1274 supplies and energy generating methods, protection of public health
1275 and safety, environmental goals and standards, conservation of energy
1276 and energy resources and the ability of the state to compete
1277 economically, (E) recommendations for administrative and legislative
1278 actions to implement such policies, objectives and strategies, (F) an
1279 assessment of the potential costs savings and benefits to ratepayers,
1280 including, but not limited to, carbon dioxide emissions reductions or
1281 voluntary joint ventures to repower some or all of the state's coal-fired
1282 and oil-fired generation facilities built before 1990, and (G) the benefits,
1283 costs, obstacles and solutions related to the expansion and use and
1284 availability of natural gas in Connecticut. If the department finds that
1285 such expansion is in the public interest, it shall develop a plan to
1286 increase the use and availability of natural gas. [for transportation
1287 purposes.]

1288 (b) In adopting the [comprehensive energy plan] Comprehensive
1289 Energy Strategy, the Commissioner of Energy and Environmental
1290 Protection [, or the commissioner's designee,] shall conduct a
1291 proceeding [and such proceeding] that shall not be considered a
1292 contested case under chapter 54, [provided a hearing pursuant to
1293 chapter 54 shall be held. The] but shall include not less than one public
1294 meeting and one technical meeting at which technical personnel shall
1295 be available to answer questions. Such meetings shall be transcribed
1296 and posted on the department's Internet web site. Said commissioner
1297 shall give not less than fifteen days' notice of such proceeding by
1298 electronic publication on the department's Internet web site. Not later
1299 than fifteen days prior to any such public meeting and not less than

1300 thirty days prior to any such technical meeting, the commissioner shall
1301 publish notice of either such meeting and post the text of the proposed
1302 Comprehensive Energy Strategy on the department's Internet web site.
1303 Notice of such [hearing] public meeting or technical meeting may also
1304 be published in one or more newspapers having state-wide circulation
1305 if deemed necessary by the commissioner. Such notice shall state the
1306 date, time, and place of the meeting, the subject matter of the meeting,
1307 the manner and time period during which comments may be
1308 submitted to said commissioner, the statutory authority for the
1309 proposed [plan] strategy and the location where a copy of the
1310 proposed [plan] strategy may be obtained or examined in addition to
1311 posting the [plan] proposed strategy on the department's Internet web
1312 site. [The Public Utilities Regulatory Authority shall comment on the
1313 plan's impact on ratepayers and any other person may comment on the
1314 proposed plan. The] Said commissioner shall provide a time period of
1315 not less than [forty-five] sixty days from the date the notice is
1316 published on the department's Internet web site for public review and
1317 comment. [The] During such time period, any person may provide
1318 comments concerning the proposed strategy to said commissioner.
1319 Said commissioner shall consider fully [, after all public meetings,] all
1320 written and oral comments concerning the proposed [plan and shall
1321 post on the department's Internet web site and] strategy after all public
1322 meetings and technical meetings and before approving the final
1323 strategy. Said commissioner shall (1) notify by electronic mail each
1324 person who requests such notice, [. The commissioner shall make
1325 available] and (2) and post on the department's Internet web site the
1326 electronic text of the final [plan or an Internet web site where the final
1327 plan is posted,] strategy and a report summarizing [(1)] all public
1328 comments [,] and [(2)] the changes made to the final [plan] strategy in
1329 response to such comments and the reasons [therefore] therefor. The
1330 Public Utilities Regulatory Authority shall comment on the strategy's
1331 impact on natural gas and electric rates.

1332 (c) The [commissioner] Commissioner of Energy and Environmental
1333 Protection shall submit the final [plan] Comprehensive Energy

1334 Strategy electronically to the joint standing committees of the General
1335 Assembly having cognizance of matters relating to energy and the
1336 environment.

1337 (d) The [commissioner may, in consultation with the Connecticut
1338 Energy Advisory Board, modify the comprehensive energy plan]
1339 Commissioner of Energy and Environmental Protection may modify
1340 the Comprehensive Energy Strategy in accordance with the procedures
1341 outlined in subsections (b) and (c) of this section. [The commissioner
1342 may approve or reject such plan with comments.]

1343 [(e) The decisions of the Public Utilities Regulatory Authority shall
1344 be guided by the goals of the Department of Energy and
1345 Environmental Protection, as listed in section 22a-2d, and by the goals
1346 of the comprehensive energy plan and the integrated resources plan
1347 approved pursuant to section 16a-3a and shall be based on the
1348 evidence in the record of each proceeding.

1349 (f) All electric distribution companies' reasonable costs associated
1350 with the development of the resource assessment shall be recoverable
1351 through the systems benefits charge.]

1352 Sec. 24. Section 16a-3e of the general statutes is repealed and the
1353 following is substituted in lieu thereof (*Effective from passage*):

1354 [(a)] The [integrated resources plan, developed pursuant to section
1355 16a-3a,] Integrated Resources Plan to be adopted in 2012 and annually
1356 thereafter, shall (1) indicate specific options to reduce [the price of
1357 electricity] electric rates and costs. Such options may include the
1358 procurement of new sources of generation. In the review of new
1359 sources of generation, the [integrated resources plan] Integrated
1360 Resources Plan shall indicate whether the private wholesale market
1361 can supply such additional sources or whether state financial
1362 assistance, long-term purchasing of electricity contracts or other
1363 interventions are needed to achieve the goal; (2) analyze in-state
1364 renewable sources of electricity in comparison to transmission line

1365 upgrades or new projects and out-of-state renewable energy sources,
1366 provided such analysis also considers the benefits of additional jobs
1367 and other economic impacts and how they are created and subsidized;
1368 (3) include an examination of average consumption and other states'
1369 best practices to determine why electricity rates are lower elsewhere in
1370 the region; (4) assess and compare the cost of transmission line
1371 projects, new power sources, renewable sources of electricity,
1372 conservation and distributed generation projects to ensure the state
1373 pursues only the least-cost alternative projects; (5) continually monitor
1374 supply and distribution systems to identify potential need for
1375 transmission line projects early enough to identify alternatives; and (6)
1376 assess the least-cost alternative to address reliability concerns,
1377 including, but not limited to, lowering electricity demand through
1378 conservation and distributed generation projects before an electric
1379 distribution company submits a proposal for transmission lines or
1380 transmission line upgrades to the independent system operator or the
1381 Federal Energy Regulatory Commission, provided no provision of
1382 such plan shall be deemed to prohibit an electric distribution company
1383 from making any filing required by law or regulation.

1384 [(b) If, on and after July 1, 2012, the 2012 integrated resources plan
1385 or any subsequent plan contains an option to procure new sources of
1386 generation, the Department of Energy and Environmental Protection
1387 shall pursue the most cost-effective approach. If the department seeks
1388 new sources of generation, it shall issue a notice of interest for
1389 generation without any financial assistance, including, but not limited
1390 to, long-term contract financing or ratepayer guarantees. If the
1391 department fails to receive any responsive cost-effective proposal, it
1392 shall issue a request for proposals that may include such financial
1393 assistance.

1394 (c) On or before February 1, 2012, the department shall report to the
1395 joint standing committee of the General Assembly having cognizance
1396 of matters relating to energy regarding state policy and legislative
1397 changes the department feels would most likely lower the state's

1398 electricity rates.]

1399 Sec. 25. Subsection (b) of section 16a-7b of the general statutes is
1400 repealed and the following is substituted in lieu thereof (*Effective from*
1401 *passage*):

1402 (b) No municipality other than a municipality operating a plant
1403 pursuant to chapter 101 or any special act and acting for purposes
1404 thereto may take an action to condemn, in whole or in part, or restrict
1405 the operation of any existing and currently operating energy facility, if
1406 such facility is first determined by the Public Utilities Regulatory
1407 Authority, following a contested case proceeding, held in accordance
1408 with the provisions of chapter 54, to comprise a critical, unique and
1409 unmovable component of the state's energy infrastructure, unless the
1410 municipality first receives written approval from the [department, the
1411 Connecticut Energy Advisory Board] Commissioner of Energy and
1412 Environmental Protection and the Connecticut Siting Council that such
1413 taking would not have a detrimental impact on the state's or region's
1414 ability to provide a particular energy resource to its citizens.

1415 Sec. 26. Subsection (f) of section 16a-23t of the general statutes is
1416 repealed and the following is substituted in lieu thereof (*Effective from*
1417 *passage*):

1418 (f) The Commissioner of Social Services, or the commissioner's
1419 designee, [the chairperson of the Connecticut Energy Advisory Board,]
1420 and the Commissioner of Energy and Environmental Protection, or the
1421 commissioner's designee, shall constitute a Home Heating Oil
1422 Planning Council to address issues involving the supply, delivery and
1423 costs of home heating oil and state policies regarding the future of the
1424 state's home heating oil supply. The Commissioner of Energy and
1425 Environmental Protection shall convene the first meeting of the
1426 council.

1427 Sec. 27. Subsections (c) to (e), inclusive, of section 16a-37u of the
1428 general statutes are repealed and the following is substituted in lieu

1429 thereof (*Effective from passage*):

1430 (c) Any state agency or municipality may enter into an energy-
1431 savings performance contract, as defined in section 16a-37x, with a
1432 qualified energy service provider, as defined in said section 16a-37x, to
1433 produce utility cost savings, as defined in said section 16a-37x, or
1434 operation and maintenance cost savings, as defined in said section 16a-
1435 37x. Any energy-savings measure, as defined in said section 16a-37x,
1436 implemented under such contracts shall comply with state [or local]
1437 building [codes] code and local building requirements. Any state
1438 agency or municipality may implement other capital improvements in
1439 conjunction with an energy-savings performance contract as long as
1440 the measures that are being implemented to achieve utility and
1441 operation and maintenance cost savings and other capital
1442 improvements are in the aggregate cost effective over the term of the
1443 contract.

1444 (d) On or before January 1, 2013, and annually thereafter, the
1445 commissioner shall report, in accordance with the provisions of section
1446 11-4a, on the status of its implementation of the plan and provide
1447 recommendations regarding energy use in state buildings to the joint
1448 standing committee of the General Assembly having cognizance of
1449 matters relating to energy. Any such report may be submitted
1450 electronically.

1451 (e) Not later than January fifth, annually, the commissioner shall
1452 submit a report to the Governor and the joint standing committee of
1453 the General Assembly having cognizance of matters relating to energy
1454 planning and activities. The report shall (1) indicate the total number
1455 of energy audits and technical assistance audits of state-owned and
1456 leased buildings, (2) summarize the status of the energy conservation
1457 measures recommended by such audits, (3) summarize all energy
1458 conservation measures implemented during the preceding twelve
1459 months in state-owned and leased buildings which have not had such
1460 audits, (4) analyze the availability and allocation of funds to
1461 implement the measures recommended under subdivision (2) of this

1462 subsection, (5) list each budgeted agency, as defined in section 4-69,
1463 which occupies a state-owned or leased building and has not
1464 cooperated with the Commissioner of Administrative Services and the
1465 Commissioner of Energy and Environmental Protection in conducting
1466 energy and technical assistance audits of such building and
1467 implementing operational and maintenance improvements
1468 recommended by such audits and any other energy conservation
1469 measures required for such building by the [secretary] Commissioner
1470 of Energy and Environmental Protection, in consultation with the
1471 Secretary of the Office of Policy and Management, (6) summarize all
1472 life-cycle cost analyses prepared under section 16a-38 during the
1473 preceding twelve months, and summarize agency compliance with the
1474 life-cycle cost analyses, and (7) identify any state laws, regulations or
1475 procedures that impede innovative energy conservation and load
1476 management projects in state buildings. Any such report may be
1477 submitted electronically.

1478 Sec. 28. Section 16a-38l of the general statutes is repealed and the
1479 following is substituted in lieu thereof (*Effective from passage*):

1480 (a) Notwithstanding any provisions of the general statutes, the
1481 Department of Energy and Environmental Protection, in consultation
1482 with the Department of Construction Services, shall develop a strategic
1483 plan to improve the management of energy use in state facilities. Such
1484 plan shall include, but not be limited to: (1) A detailed description of
1485 the manner in which initiatives that make investments in energy
1486 efficiency, demand and load response, distributed generation,
1487 renewable energy and combined heat and power will be implemented;
1488 (2) options for having state agencies and institutions pursue
1489 competitive electric supply options through an integrated energy
1490 purchasing program; and (3) an outline of potential near-term
1491 budgetary savings targets that can be achieved through the
1492 implementation of said plan.

1493 (b) [On or before September 1, 2007, and annually thereafter, the
1494 Department of Energy and Environmental Protection shall file such

1495 strategic plan with the Connecticut Energy Advisory Board. On or
1496 before January 1, 2008, and annually thereafter, the board shall
1497 approve or modify and approve said plan. On or before March 15,
1498 2008, and annually thereafter, the board shall measure the success of
1499 the implementation of said plan and determine any actual financial
1500 benefits that have been derived by the overall electric system,
1501 including, but not limited to, state facilities.] Any savings achieved
1502 through the implementation of said plan shall be allocated as follows:
1503 (1) Seventy-five per cent shall be retained by electric ratepayers, and
1504 (2) twenty-five per cent shall be divided equally between (A)
1505 reinvestment into energy efficiency programs in state buildings, and
1506 (B) investment into energy efficiency programs and technologies on
1507 behalf of participants of energy assistance programs administered by
1508 the Department of Social Services. Any reinvestments or investments
1509 made in programs pursuant to this section shall be paid through the
1510 systems benefits charge.

1511 (c) To carry out the purposes of this section, the Department of
1512 Energy and Environmental Protection may perform all acts necessary
1513 for the negotiation, execution and administration of any contract that is
1514 reasonably incidental to and furthers the needs of the state and the
1515 purposes of this section. The Department of Energy and
1516 Environmental Protection may also retain the services of a third party
1517 entity possessing the requisite managerial, technical and financial
1518 capacity, to perform some or all of the duties necessary to implement
1519 the provisions of said plan.

1520 (d) Any costs incurred by the state in complying with the provisions
1521 of this section shall be paid from annual state appropriations.

1522 Sec. 29. Subsections (a) to (c), inclusive, of section 16a-40b of the
1523 general statutes are repealed and the following is substituted in lieu
1524 thereof (*Effective from passage*):

1525 (a) The commissioner, acting on behalf of the state, may, with
1526 respect to loans for which funds have been authorized by the State

1527 Bond Commission prior to July 1, 1992, in his discretion make low-cost
1528 loans or deferred loans to residents of this state for the purchase and
1529 installation in residential structures of insulation, alternative energy
1530 devices, energy conservation materials and replacement furnaces and
1531 boilers, approved in accordance with regulations to be adopted by the
1532 Commissioner of Energy and Environmental Protection. In the
1533 purchase and installation of insulation in new residential structures,
1534 only that insulation which exceeds the requirements of the State
1535 Building Code shall be eligible for such loans or deferred loans. The
1536 commissioner may also make low-cost loans or deferred loans to
1537 persons in the state residing in dwellings constructed not later than
1538 December 31, [1979] 1995, and for which the primary source of heating
1539 since such date has been electric resistance, for (1) the purchase and
1540 installation of a high-efficiency secondary heating system using a
1541 source of heat other than electric resistance, (2) the conversion of a
1542 primary electric heating system to a high-efficiency system using a
1543 source of heat other than electric resistance, or (3) the purchase and
1544 installation of a high-efficiency combination heating and cooling
1545 system. As used in this subsection, "high-efficiency" means having a
1546 seasonal energy efficiency ratio of 11.0 or higher, or a heating season
1547 performance factor of 7.2 or higher, as designated by the American
1548 Refrigeration Institute in the Directory of Certified Unitary Air
1549 Conditioners, Air Source Heat Pumps and Outdoor Unitary
1550 Equipment, as from time to time amended, or an equivalent ratio for a
1551 fossil fuel system.

1552 (b) Any such loan or deferred loan shall be available only for a
1553 residential structure containing not more than four dwelling units,
1554 shall be not less than four hundred dollars and not more than twenty-
1555 five thousand dollars per structure and, with respect to any application
1556 received on or after November 29, 1979, shall be made only to an
1557 applicant who submits evidence, satisfactory to the commissioner, that
1558 the adjusted gross income of the household member or members who
1559 contribute to the support of his household was not in excess of [two]
1560 one hundred ten per cent of the median area income by household

1561 size. In the case of a deferred loan, the contract shall require that
1562 payments on interest are due immediately but that payments on
1563 principal may be made at a later time. Repayment of loans made under
1564 this subsection shall be subject to (1) a rate of interest (A) of zero per
1565 cent for loans for natural gas furnaces or boilers that meet or exceed
1566 federal Energy Star standards and propane and oil furnaces and
1567 boilers that are not less than eighty-four per cent efficient or as may
1568 otherwise be provided in subsection (a) of section 16a-46e, or (B) to be
1569 determined in accordance with subsection (t) of section 3-20 and this
1570 subsection for loans for other purposes, and (2) such terms and
1571 conditions as the commissioner may establish. The State Bond
1572 Commission shall establish a range of rates of interest payable on loans
1573 pursuant to subparagraph (B) of subdivision (1) of this subsection and
1574 shall apply the range to applicants in accordance with a formula which
1575 reflects their income. Such range shall be not less than zero per cent for
1576 any applicant in the lowest income class and not more than one per
1577 cent above the rate of interest borne by the general obligation bonds of
1578 the state last issued prior to the most recent date such range was
1579 established for any applicant for whom the adjusted gross income of
1580 the household member or members who contribute to the support of
1581 his household does not exceed [two] one hundred ten per cent of the
1582 median area income by household size.

1583 (c) The commissioner shall establish a program under which he
1584 shall make funds deposited in the Energy Conservation Loan Fund
1585 available for low-cost loans or deferred loans under subsection (a) of
1586 this section for residential structures containing more than four
1587 dwelling units, or for contracts guaranteeing payment of loans or
1588 deferred loans provided by private institutions for such structures for
1589 the purposes specified under subsection (a) of this section. Any such
1590 loan or deferred loan shall be an amount equaling not more than [two]
1591 three thousand five hundred dollars multiplied by the number of
1592 dwelling units in such structure, provided no such loan or deferred
1593 loan shall exceed [sixty] one hundred thousand dollars. If the applicant
1594 seeks a loan or deferred loan for a structure containing more than

1595 thirty dwelling units, he shall include in his application a commitment
1596 to make comparable energy improvements of benefit to all dwelling
1597 units in the structure in addition to the thirty units which are eligible
1598 for the loan or deferred loan. Applications for contracts of guarantee
1599 shall be limited to structures containing not more than thirty dwelling
1600 units and the amount of the guarantee shall be not more than three
1601 thousand dollars for each dwelling unit benefiting from the loan or
1602 deferred loan. There shall not be an income eligibility limitation for
1603 applicants for such loans, deferred loans or guarantees, but the
1604 commissioner shall give preference to applications for loans, deferred
1605 loans or guarantees for such structures which are occupied by persons
1606 of low or moderate income. Repayment of such loans or deferred loans
1607 shall be subject to (1) a rate of interest (A) of zero per cent for loans for
1608 natural gas furnaces or boilers that meet or exceed federal Energy Star
1609 standards and propane and oil furnaces and boilers that are not less
1610 than eighty-four per cent efficient or as may otherwise be provided in
1611 subsection (a) of section 16a-46e, or (B) to be determined in accordance
1612 with subsection (t) of section 3-20 for loans for other purposes, and (2)
1613 such terms and conditions as the commissioner shall establish. The
1614 state shall have a lien on each property for which a loan, deferred loan
1615 or guarantee has been made under this section to ensure compliance
1616 with such terms and conditions.

1617 Sec. 30. Subsection (a) of section 16a-40l of the general statutes is
1618 repealed and the following is substituted in lieu thereof (*Effective from*
1619 *passage*):

1620 (a) On or before October 1, 2011, the Department of Energy and
1621 Environmental Protection shall establish a residential heating
1622 equipment financing program. Such program shall allow residential
1623 customers to finance, through on-bill financing or other mechanism,
1624 the installation of energy efficient natural gas or heating oil burners,
1625 boilers and furnaces or ductless heat pumps to replace (1) burners,
1626 boilers and furnaces that are not less than seven years old with an
1627 efficiency rating of not more than seventy-five per cent, or (2) electric

1628 heating systems. Eligible fuel oil furnaces shall have an efficiency
1629 rating of not less than eighty-six per cent. An eligible fuel oil burner
1630 shall have an efficiency rating of not less than eighty-six per cent with
1631 temperature reset controls. An eligible natural gas boiler shall have an
1632 annual fuel utilization efficiency rating of not less than ninety per cent
1633 and an eligible natural gas furnace shall have an annual fuel utilization
1634 efficiency rating of not less than ninety-five per cent. To participate in
1635 the program established pursuant to this subsection, a customer shall
1636 first have a home energy audit, the cost of which may be financed
1637 pursuant to subsection (b) of this section.

1638 Sec. 31. Section 16a-46h of the general statutes is repealed and the
1639 following is substituted in lieu thereof (*Effective from passage*):

1640 [(a)] Each electric, gas or heating fuel customer, regardless of
1641 heating source, shall be assessed fees, charges, co-pays or other similar
1642 terms to access any audits administered by the Home Energy Solutions
1643 program that reflect the contributions made to the Energy Efficiency
1644 Fund by each such customer's respective customer type, provided such
1645 fees, charges, copays and other similar terms shall not exceed a total
1646 [of ninety-nine dollars] amount for any such audit as determined by
1647 the Energy Conservation Management Board for each such customer
1648 type.

1649 [(b) After August 1, 2013, the costs of subsidizing such audits to
1650 ratepayers whose primary source of heat is not electricity or natural
1651 gas shall not exceed five hundred thousand dollars per year.]

1652 Sec. 32. Subsections (b) to (g), inclusive, of section 16a-48 of the
1653 general statutes are repealed and the following is substituted in lieu
1654 thereof (*Effective from passage*):

1655 (b) The provisions of this section apply to the testing, certification
1656 and enforcement of efficiency standards for the following types of new
1657 products sold, offered for sale or installed in the state: (1) Commercial
1658 clothes washers; (2) commercial refrigerators and freezers; (3)

1659 illuminated exit signs; (4) large packaged air-conditioning equipment;
1660 (5) low voltage dry-type distribution transformers; (6) torchiere
1661 lighting fixtures; (7) traffic signal modules; (8) unit heaters; (9)
1662 residential furnaces and boilers; (10) residential pool pumps; (11) metal
1663 halide lamp fixtures; (12) single voltage external AC to DC power
1664 supplies; (13) state regulated incandescent reflector lamps; (14) bottle-
1665 type water dispensers; (15) commercial hot food holding cabinets; (16)
1666 portable electric spas; (17) walk-in refrigerators and walk-in freezers;
1667 (18) pool heaters; (19) compact audio players; (20) televisions; (21)
1668 digital versatile disc players; (22) digital versatile disc recorders; and
1669 (23) any other products as may be designated by the [department]
1670 commissioner in accordance with subdivision (3) of subsection (d) of
1671 this section.

1672 (c) The provisions of this section do not apply to (1) new products
1673 manufactured in the state and sold outside the state, (2) new products
1674 manufactured outside the state and sold at wholesale inside the state
1675 for final retail sale and installation outside the state, (3) products
1676 installed in mobile manufactured homes at the time of construction, or
1677 (4) products designed expressly for installation and use in recreational
1678 vehicles.

1679 (d) (1) The [department] Commissioner of Energy and
1680 Environmental Protection shall adopt regulations, in accordance with
1681 the provisions of chapter 54, to implement the provisions of this
1682 section and to establish minimum energy efficiency standards for the
1683 types of new products set forth in subsection (b) of this section. The
1684 regulations shall provide for the following minimum energy efficiency
1685 standards:

1686 (A) Commercial clothes washers shall meet the requirements shown
1687 in Table P-3 of section 1605.3 of the California Code of Regulations,
1688 Title 20: Division 2, Chapter 4, Article 4;

1689 (B) Commercial refrigerators and freezers shall meet the August 1,
1690 2004, requirements shown in Table A-6 of said California regulation;

1691 (C) Illuminated exit signs shall meet the version 2.0 product
1692 specification of the "Energy Star Program Requirements for Exit Signs"
1693 developed by the United States Environmental Protection Agency;

1694 (D) Large packaged air-conditioning equipment having not more
1695 than seven hundred sixty thousand BTUs per hour of capacity shall
1696 meet a minimum energy efficiency ratio of 10.0 for units using both
1697 electric heat and air conditioning or units solely using electric air
1698 conditioning, and 9.8 for units using both natural gas heat and electric
1699 air conditioning;

1700 (E) Large packaged air-conditioning equipment having not less than
1701 seven hundred sixty-one thousand BTUs per hour of capacity shall
1702 meet a minimum energy efficiency ratio of 9.7 for units using both
1703 electric heat and air conditioning or units solely using electric air
1704 conditioning, and 9.5 for units using both natural gas heat and electric
1705 air conditioning;

1706 (F) Low voltage dry-type distribution transformers shall meet or
1707 exceed the energy efficiency values shown in Table 4-2 of the National
1708 Electrical Manufacturers Association Standard TP-1-2002;

1709 (G) Torchiere lighting fixtures shall not consume more than one
1710 hundred ninety watts and shall not be capable of operating with lamps
1711 that total more than one hundred ninety watts;

1712 (H) Traffic signal modules shall meet the product specification of
1713 the "Energy Star Program Requirements for Traffic Signals" developed
1714 by the United States Environmental Protection Agency that took effect
1715 in February, 2001, except where the department, in consultation with
1716 the Commissioner of Transportation, determines that such
1717 specification would compromise safe signal operation;

1718 (I) Unit heaters shall not have pilot lights and shall have either
1719 power venting or an automatic flue damper;

1720 (J) On or after January 1, 2009, residential furnaces and boilers

1721 purchased by the state shall meet or exceed the following annual fuel
1722 utilization efficiency: (i) For gas and propane furnaces, ninety per cent
1723 annual fuel utilization efficiency, (ii) for oil furnaces, eighty-three per
1724 cent annual fuel utilization efficiency, (iii) for gas and propane hot
1725 water boilers, eighty-four per cent annual fuel utilization efficiency,
1726 (iv) for oil-fired hot water boilers, eighty-four per cent annual fuel
1727 utilization efficiency, (v) for gas and propane steam boilers, eighty-two
1728 per cent annual fuel utilization efficiency, (vi) for oil-fired steam
1729 boilers, eighty-two per cent annual fuel utilization efficiency, and (vii)
1730 for furnaces with furnace air handlers, an electricity ratio of not more
1731 than 2.0, except air handlers for oil furnaces with a capacity of less than
1732 ninety-four thousand BTUs per hour shall have an electricity ratio of
1733 2.3 or less;

1734 (K) On or after January 1, 2010, metal halide lamp fixtures designed
1735 to be operated with lamps rated greater than or equal to one hundred
1736 fifty watts but less than or equal to five hundred watts shall not
1737 contain a probe-start metal halide lamp ballast;

1738 (L) Single-voltage external AC to DC power supplies manufactured
1739 on or after January 1, 2008, shall meet the energy efficiency standards
1740 of table U-1 of section 1605.3 of the January 2006 California Code of
1741 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
1742 Efficiency Regulations. This standard applies to single voltage AC to
1743 DC power supplies that are sold individually and to those that are sold
1744 as a component of or in conjunction with another product. This
1745 standard shall not apply to single-voltage external AC to DC power
1746 supplies sold with products subject to certification by the United States
1747 Food and Drug Administration. A single-voltage external AC to DC
1748 power supply that is made available by a manufacturer directly to a
1749 consumer or to a service or repair facility after and separate from the
1750 original sale of the product requiring the power supply as a service
1751 part or spare part shall not be required to meet the standards in said
1752 table U-1 until five years after the effective dates indicated in the table;

1753 (M) On or after January 1, 2009, state regulated incandescent

1754 reflector lamps shall be manufactured to meet the minimum average
1755 lamp efficacy requirements for federally regulated incandescent
1756 reflector lamps contained in 42 USC 6295(i)(1)(A). Each lamp shall
1757 indicate the date of manufacture;

1758 (N) On or after January 1, 2009, bottle-type water dispensers,
1759 commercial hot food holding cabinets, portable electric spas, walk-in
1760 refrigerators and walk-in freezers shall meet the efficiency
1761 requirements of section 1605.3 of the January 2006 California Code of
1762 Regulations, Title 20, Division 2, Chapter 4, Article 4: Appliance
1763 Efficiency Regulations. On or after January 1, 2010, residential pool
1764 pumps shall meet said efficiency requirements;

1765 (O) On or after January 1, 2009, pool heaters shall meet the
1766 efficiency requirements of sections 1605.1 and 1605.3 of the January
1767 2006 California Code of Regulations, Title 20, Division 2, Chapter 4,
1768 Article 4: Appliance Efficiency Regulations;

1769 (P) By January 1, 2014, compact audio players, digital versatile disc
1770 players and digital versatile disc recorders shall meet the requirements
1771 shown in Table V-1 of Section 1605.3 of the November 2009
1772 amendments to the California Code of Regulations, Title 20, Division 2,
1773 Chapter 4, Article 4, unless the commissioner, in accordance with
1774 subparagraph (B) of subdivision (3) of this subsection, determines that
1775 such standards are unwarranted and may accept, reject or modify
1776 according to subparagraph (A) of subdivision (3) of this subsection;

1777 (Q) On or after January 1, 2014, televisions manufactured on or after
1778 July 1, 2011, shall meet the requirements shown in Table V-2 of Section
1779 1605.3 of the November 2009 amendments to the California Code of
1780 Regulations, Title 20, Division 2, Chapter 4, Article 4, unless the
1781 commissioner, in accordance with subparagraph (B) of subdivision (3)
1782 of this subsection, determines that such standards are unwarranted
1783 and may accept, reject or modify according to subparagraph (A) of
1784 subdivision (3) of this subsection; and

1785 (R) In addition to the requirements of subparagraph (Q) of this
1786 subdivision, televisions manufactured on or after January 1, 2014, shall
1787 meet the efficiency requirements of Sections 1605.3(v)(3)(A),
1788 1605.3(v)(3)(B) and 1605.3(v)(3)(C) of the November 2009 amendments
1789 to the California Code of Regulations, Title 20, Division 2, Chapter 4,
1790 Article 4, unless the commissioner, in accordance with subparagraph
1791 (B) of subdivision (3) of this subsection, determines that such
1792 standards are unwarranted and may accept, reject or modify according
1793 to subparagraph (A) of subdivision (3) of this subsection.

1794 (2) Such efficiency standards, where in conflict with the State
1795 Building Code, shall take precedence over the standards contained in
1796 the Building Code. Not later than July 1, 2007, and biennially
1797 thereafter, the [department] Commissioner of Energy and
1798 Environmental Protection shall review and increase the level of such
1799 efficiency standards by adopting regulations in accordance with the
1800 provisions of chapter 54 upon a determination that increased efficiency
1801 standards would serve to promote energy conservation in the state and
1802 would be cost-effective for consumers who purchase and use such new
1803 products, provided no such increased efficiency standards shall
1804 become effective within one year following the adoption of any
1805 amended regulations providing for such increased efficiency
1806 standards.

1807 (3) (A) The [department] Commissioner of Energy and
1808 Environmental Protection shall adopt regulations, in accordance with
1809 the provisions of chapter 54, to designate additional products to be
1810 subject to the provisions of this section and to establish efficiency
1811 standards for such products upon a determination that such efficiency
1812 standards (i) would serve to promote energy conservation in the state,
1813 (ii) would be cost-effective for consumers who purchase and use such
1814 new products, and (iii) would not impose an unreasonable burden on
1815 Connecticut businesses.

1816 (B) The [department] Commissioner of Energy and Environmental
1817 Protection, in consultation with the Multi-State Appliance Standards

1818 Collaborative, shall identify additional appliance and equipment
1819 efficiency standards. The commissioner shall review all California
1820 standards and may review standards from other states in such
1821 collaborative. The commissioner shall issue notice of such review in
1822 the Connecticut Law Journal, allow for public comment and may hold
1823 a public hearing within six months of adoption of an efficiency
1824 standard by a cooperative member state regarding a product for which
1825 no equivalent Connecticut or federal standard currently exists. The
1826 [department] commissioner shall adopt regulations in accordance with
1827 the provisions of chapter 54 adopting such efficiency standard unless
1828 the [department] commissioner makes a specific finding that such
1829 standard does not meet the criteria in subparagraph (A) of this
1830 subdivision.

1831 (e) On or after July 1, 2006, except for commercial clothes washers,
1832 for which the date shall be July 1, 2007, commercial refrigerators and
1833 freezers, for which the date shall be July 1, 2008, and large packaged
1834 air-conditioning equipment, for which the date shall be July 1, 2009, no
1835 new product of a type set forth in subsection (b) of this section or
1836 designated by the [department] Commissioner of Energy and
1837 Environmental Protection may be sold, offered for sale, or installed in
1838 the state unless the energy efficiency of the new product meets or
1839 exceeds the efficiency standards set forth in such regulations adopted
1840 pursuant to subsection (d) of this section.

1841 (f) The [department] Commissioner of Energy and Environmental
1842 Protection shall adopt procedures for testing the energy efficiency of
1843 the new products set forth in subsection (b) of this section or
1844 designated by the [department] commissioner if such procedures are
1845 not provided for in the State Building Code. The [department]
1846 commissioner shall use United States Department of Energy approved
1847 test methods, or in the absence of such test methods, other appropriate
1848 nationally recognized test methods. The manufacturers of such
1849 products shall cause samples of such products to be tested in
1850 accordance with the test procedures adopted pursuant to this

1851 subsection or those specified in the State Building Code.

1852 (g) Manufacturers of new products set forth in subsection (b) of this
1853 section or designated by the [department] Commissioner of Energy
1854 and Environmental Protection shall certify to the commissioner that
1855 such products are in compliance with the provisions of this section,
1856 except that certification is not required for single voltage external AC
1857 to DC power supplies and walk-in refrigerators and walk-in freezers.
1858 All single voltage external AC to DC power supplies shall be labeled as
1859 described in the January 2006 California Code of Regulations, Title 20,
1860 Section 1607 (9). The [department] commissioner shall promulgate
1861 regulations governing the certification of such products. The
1862 commissioner shall publish an annual list of such products.

1863 Sec. 33. Subsection (h) of section 2c-2h of the general statutes is
1864 repealed and the following is substituted in lieu thereof (*Effective from*
1865 *passage*):

1866 (h) Not later than July 1, 2021, and not later than every ten years
1867 thereafter, the joint standing committee of the General Assembly
1868 having cognizance of any of the following governmental entities or
1869 programs shall conduct a review of the applicable entity or program in
1870 accordance with the provisions of section 2c-3:

1871 (1) State Board of Examiners for Physical Therapists, established
1872 under section 20-67;

1873 (2) Commission on Medicolegal Investigations, established under
1874 subsection (a) of section 19a-401;

1875 (3) Program of regulation of occupational therapists, established
1876 under chapter 376a;

1877 (4) Commission of Pharmacy, established under section 20-572;

1878 (5) Architectural Licensing Board, established under section 20-289;

1879 [(6) Connecticut Energy Advisory Board, established under section
1880 16a-3; and]

1881 [(7)] (6) Board of Firearms Permit Examiners, established under
1882 section 29-32b.

1883 Sec. 34. Subsection (a) of section 16-243y of the general statutes is
1884 repealed and the following is substituted in lieu thereof (*Effective from*
1885 *passage*):

1886 (a) As used in this section:

1887 (1) "Municipality" has the same meaning as provided in section 7-
1888 233b;

1889 (2) "Critical facility" means any hospital, police station, fire station,
1890 water treatment plant, sewage treatment plant, public shelter, [or]
1891 correctional facility or production and transmission facility of a
1892 television or radio station, whether broadcast, cable or satellite,
1893 licensed by the Federal Communications Commission, any commercial
1894 area of a municipality, a municipal center, as identified by the chief
1895 elected official of any municipality, or any other facility or area
1896 identified by the Department of Energy and Environmental Protection
1897 as critical;

1898 (3) "Distributed energy generation" means the generation of
1899 electricity from a unit with a rating of not more than sixty-five
1900 megawatts on the premises of a retail end user within the transmission
1901 and distribution system;

1902 (4) "Electric distribution company" and "participating municipal
1903 electric utility" have the same meanings as provided in section 16-1, as
1904 amended by this act; and

1905 (5) "Microgrid" means a group of interconnected loads and
1906 distributed energy resources within clearly defined electrical
1907 boundaries that acts as a single controllable entity with respect to the

1908 grid and that connects and disconnects from such grid to enable it to
1909 operate in both grid-connected or island mode.

1910 Sec. 35. Section 16-244u of the general statutes is repealed and the
1911 following is substituted in lieu thereof (*Effective July 1, 2013*):

1912 (a) As used in this section:

1913 (1) "Beneficial account" means an in-state retail end user of an
1914 electric distribution company designated by a customer host or an
1915 agricultural customer host in such electric distribution company's
1916 service area to receive virtual net metering credits from a virtual net
1917 metering facility or an agricultural virtual net metering facility;

1918 (2) "Customer host" means an in-state retail end user of an electric
1919 distribution company that owns, leases or enters into a long-term
1920 contract for a virtual net metering facility and participates in virtual
1921 net metering;

1922 (3) "Agricultural customer host" means an in-state retail end user of
1923 an electric distribution company that uses electricity for the purpose of
1924 agriculture, as defined in subsection (q) of section 1-1, owns an
1925 agricultural virtual net metering facility and participates in
1926 agricultural virtual net metering;

1927 [(3)] (4) (A) "Unassigned virtual net metering credit" means, in any
1928 given electric distribution company monthly billing period, a virtual
1929 net metering credit that remains after both the customer host and its
1930 beneficial accounts have been billed for zero kilowatt hours related
1931 [solely] to the generation service charges and a declining percentage of
1932 the transmission and distribution charges on such billings through
1933 virtual net metering;

1934 (B) "Unassigned agricultural virtual net metering credit" means, in
1935 any given electric distribution company monthly billing period, an
1936 agricultural virtual net metering credit that remains after both the
1937 agricultural customer host and its beneficial accounts have been billed

1938 for zero kilowatt hours related to the generation service charges and a
1939 declining percentage of the transmission and distribution charges on
1940 such billings through agricultural virtual net metering;

1941 [(4)] (5) "Virtual net metering" means the process of combining the
1942 electric meter readings and billings, including any virtual net metering
1943 credits, for a municipal, state or agricultural customer host and a
1944 beneficial account related to such customer host's account through an
1945 electric distribution company billing process related [solely] to the
1946 generation service charges and a declining percentage of the
1947 transmission and distribution charges on such billings;

1948 [(5)] (6) "Virtual net metering credit" means a credit equal to the
1949 retail cost per kilowatt hour the customer host may have otherwise
1950 been charged for each kilowatt hour produced by a virtual net
1951 metering facility that exceeds the total amount of kilowatt hours used
1952 during an electric distribution company monthly billing period; and

1953 [(6)] (7) (A) "Virtual net metering facility" means a Class I renewable
1954 energy source or a Class III source that: [(A)] (i) Is served by an electric
1955 distribution company, owned, leased or subject to a long-term contract
1956 by a customer host and serves the electricity needs of the customer
1957 host and its beneficial accounts; [(B)] (ii) is within the same electric
1958 distribution company service territory as the customer host and its
1959 beneficial accounts; and [(C)] (iii) has a nameplate capacity rating of
1960 [two] three megawatts or less; and

1961 (B) "Agricultural virtual net metering facility" means a Class I
1962 renewable energy source that is operated as part of a business for the
1963 purpose of agriculture, as defined in subsection (q) of section 1-1, that:
1964 (i) Is served by an electric distribution company on land owned or
1965 controlled by an agricultural customer host and serves the electricity
1966 needs of the agricultural customer host and its beneficial accounts; (ii)
1967 is within the same electric distribution company service territory as the
1968 agricultural customer host and its beneficial accounts; and (iii) has a
1969 nameplate capacity rating of three megawatts or less.

1970 (8) "Declining percentage of the transmission and distribution
1971 charges" means, during the period commencing on the effective date of
1972 this section and ending July 1, 2014, eighty per cent of the transmission
1973 and distribution charges, during the period commencing on July 2,
1974 2014, and ending July 1, 2015, sixty per cent of the transmission and
1975 distribution charges, and commencing on and after July 2, 2015, forty
1976 per cent of the transmission and distribution charges.

1977 (b) Each electric distribution company shall provide virtual net
1978 metering to its municipal, ~~[customers]~~ state or agricultural customer
1979 hosts and shall make any necessary interconnections for a virtual net
1980 metering facility or an agricultural virtual net metering facility. Upon
1981 request by a municipal, state or agricultural customer host to
1982 implement the provisions of this section, an electric distribution
1983 company shall install metering equipment, if necessary. For each
1984 municipal, state or agricultural customer host, such metering
1985 equipment shall (1) measure electricity consumed from the electric
1986 distribution company's facilities; (2) deduct the amount of electricity
1987 produced but not consumed; and (3) register, for each monthly billing
1988 period, the net amount of electricity produced and, if applicable,
1989 consumed. If, in a given monthly billing period, a municipal, state or
1990 agricultural customer host supplies more electricity to the electric
1991 distribution system than the electric distribution company delivers to
1992 the municipal, state or agricultural customer host, the electric
1993 distribution company shall bill the municipal, state or agricultural
1994 customer host for zero kilowatt hours of generation and assign a
1995 virtual net metering credit to the municipal, state or agricultural
1996 customer host's beneficial accounts for the next monthly billing period.
1997 Such credit shall be applied against the generation service component
1998 ~~[of]~~ and a declining percentage of the transmission and distribution
1999 charges billed to the beneficial [account] accounts. Such credit shall be
2000 allocated among such accounts in proportion to their consumption for
2001 the previous twelve billing periods.

2002 (c) An electric distribution company shall carry forward any

2003 unassigned virtual net metering [generation] credits earned by the
2004 municipal or state customer host or unassigned agricultural virtual net
2005 metering credits earned by the agricultural customer host from one
2006 monthly billing period to the next until the end of the calendar year. At
2007 the end of each calendar year, the electric distribution company shall
2008 compensate the municipal, state or agricultural customer host for any
2009 unassigned virtual net metering generation credits at the rate the
2010 electric distribution company pays for power procured to supply
2011 standard service customers pursuant to section 16-244c, as amended
2012 by this act, and a declining percentage of the transmission and
2013 distribution charges.

2014 (d) At least sixty days before a municipal or state customer host's
2015 virtual net metering facility or an agricultural customer host's
2016 agricultural virtual net metering facility becomes operational, the
2017 municipal, state or agricultural customer host shall provide written
2018 notice to the electric distribution company of its beneficial accounts.
2019 The municipal, state or agricultural customer host may change its list
2020 of beneficial accounts not more than once annually by providing
2021 another sixty days' written notice. The municipal or state customer
2022 host shall not designate more than five beneficial accounts, except that
2023 such customer host may designate up to five additional nonstate or
2024 municipal beneficial accounts, provided such accounts are critical
2025 facilities, as defined in subdivision (2) of subsection (a) of section 16-
2026 243y, as amended by this act, and connected to a microgrid. The
2027 agricultural customer host shall not designate more than ten beneficial
2028 accounts each of which shall (1) use electricity for the purpose of
2029 agriculture, as defined in subsection (q) of section 1-1, (2) be a
2030 municipality, or (3) be a non-commercial critical facility, as defined in
2031 subdivision (2) of subsection (a) of section 16-243y, as amended by this
2032 act.

2033 (e) On or before [February 1, 2012] October 1, 2013, the [Department
2034 of Energy and Environmental Protection] Public Utilities Regulatory
2035 Authority shall conduct a proceeding to develop the administrative

2036 processes and program specifications, including, but not limited to, a
2037 cap of [one] ten million dollars per year apportioned to each electric
2038 distribution company based on consumer load for credits provided to
2039 beneficial accounts pursuant to subsection (c) of this section and
2040 payments made pursuant to subsection (d) of this section, provided
2041 the municipal, state and agricultural customer hosts, each in the
2042 aggregate, shall receive not more than forty per cent of the dollar
2043 amount established pursuant to this subsection.

2044 (f) On or before January 1, 2013, and annually thereafter, each
2045 electric distribution company shall report to the [department]
2046 authority on the cost of its virtual net metering program pursuant to
2047 this section and the [department] authority shall combine such
2048 information and report it annually, in accordance with the provisions
2049 of section 11-4a, to the joint standing committee of the General
2050 Assembly having cognizance of matters relating to energy.

2051 (g) A municipal, state or agricultural customer host shall be allowed
2052 to aggregate all electric meters that are billable to such customer host.

2053 Sec. 36. Section 16-19ff of the general statutes is repealed and the
2054 following is substituted in lieu thereof (*Effective July 1, 2013*):

2055 (a) Notwithstanding any provisions of the general statutes to the
2056 contrary, each electric company or electric distribution company shall
2057 allow the installation of submeters at (1) a recreational campground,
2058 (2) individual slips at marinas for metering the electric use by
2059 individual boat owners, (3) commercial, industrial, multifamily
2060 residential or multiuse buildings where the electric power or thermal
2061 energy is provided by a Class I renewable energy source, as defined in
2062 section 16-1, as amended by this act, or a combined heat and power
2063 system, as defined in section 16-1, as amended by this act, or (4) in any
2064 other location as approved by the authority [and] where submetering
2065 promotes the state's energy goals, as described in the Comprehensive
2066 Energy Strategy, while protecting consumers against termination of
2067 residential utility service or other related issues. Each entity approved

2068 to submeter by the Public Utilities Regulatory Authority, pursuant to
2069 subsection (c) of this section, shall provide electricity to [such
2070 campground] any allowed facility, as described in this subsection, at a
2071 rate no greater than the [residential] rate charged to that customer class
2072 for the service territory in which [the campground or marina is] such
2073 allowed facility is located, provided nothing in this section shall permit
2074 [the installation of submeters for nonresidential use including, but not
2075 limited to, general outdoor lighting marina operations, repair facilities,
2076 restaurants or other retail recreational facilities. Service to
2077 nonresidential facilities shall be separately metered and billed at the
2078 appropriate rate] such entity to charge a submetered account for (A)
2079 usage for any common areas of a commercial, industrial or multifamily
2080 residential building, or (B) other usage not solely for use by such
2081 account.

2082 (b) The Public Utilities Regulatory Authority shall adopt
2083 regulations, in accordance with the provisions of chapter 54, to carry
2084 out the purposes of this section. Such regulations shall: (1) Require a
2085 submetered customer to pay only his portion of the energy consumed,
2086 which cost shall not exceed the amount paid by the owner of the main
2087 meter for such energy; (2) establish standards for the safe and proper
2088 installation of submeters; (3) require that the ultimate services
2089 delivered to a submetered customer are consistent with any service
2090 requirements imposed upon the company; (4) establish standards that
2091 protect a submetered customer against termination of service or other
2092 related issues; and (5) establish standards for the locations of
2093 submeters. [and] The authority may adopt any other provisions [the
2094 authority] it deems necessary to carry out the purposes of this section
2095 and section 16-19ee.

2096 (c) The authority shall develop an application and approval process
2097 that allows for the reasonable implementation of submetering
2098 provisions at allowed facilities, as described in subsection (a) of this
2099 section, while protecting consumers against termination of residential
2100 utility service or other related issues.

2101 Sec. 37. Subsection (a) of section 16-41 of the general statutes is
2102 repealed and the following is substituted in lieu thereof (*Effective July*
2103 *1, 2013*):

2104 (a) Each (1) public service company and its officers, agents and
2105 employees, (2) electric supplier or person providing electric generation
2106 services without a license in violation of section 16-245, and its officers,
2107 agents and employees, (3) certified telecommunications provider or
2108 person providing telecommunications services without authorization
2109 pursuant to sections 16-247f to 16-247h, inclusive, and its officers,
2110 agents and employees, (4) person, public agency or public utility, as
2111 such terms are defined in section 16-345, subject to the requirements of
2112 chapter 293, (5) person subject to the registration requirements under
2113 section 16-258a, (6) cellular mobile telephone carrier, as described in
2114 section 16-250b, (7) Connecticut electric efficiency partner, as defined
2115 in section 16-243v, [and] (8) company, as defined in section 16-49, and
2116 (9) entity approved to submeter pursuant to section 16-19ff, as
2117 amended by this act, shall obey, observe and comply with all
2118 applicable provisions of this title and each applicable order made or
2119 applicable regulations adopted by the Public Utilities Regulatory
2120 Authority by virtue of this title as long as the same remains in force.
2121 Any such company, electric supplier, certified telecommunications
2122 provider, cellular mobile telephone carrier, Connecticut electric
2123 efficiency partner, entity approved to submeter, person, any officer,
2124 agent or employee thereof, public agency or public utility which the
2125 authority finds has failed to obey or comply with any such provision of
2126 this title, order or regulation shall be fined by order of the authority in
2127 accordance with the penalty prescribed for the violated provision of
2128 this title or, if no penalty is prescribed, not more than ten thousand
2129 dollars for each offense, except that the penalty shall be a fine of not
2130 more than forty thousand dollars for failure to comply with an order of
2131 the authority made in accordance with the provisions of section 16-19
2132 or 16-247k or within thirty days of such order or within any specific
2133 time period for compliance specified in such order. Each distinct
2134 violation of any such provision of this title, order or regulation shall be

2135 a separate offense and, in case of a continued violation, each day
2136 thereof shall be deemed a separate offense. Each such penalty and any
2137 interest charged pursuant to subsection (g) or (h) of section 16-49 shall
2138 be excluded from operating expenses for purposes of rate-making.

2139 Sec. 38. Subdivisions (8) and (9) of subsection (a) of section 16-1 of
2140 the general statutes are repealed and the following is substituted in
2141 lieu thereof (*Effective July 1, 2013*):

2142 (8) "Electric company" includes, until an electric company has been
2143 unbundled in accordance with the provisions of section 16-244e, every
2144 person owning, leasing, maintaining, operating, managing or
2145 controlling poles, wires, conduits or other fixtures, along public
2146 highways or streets, for the transmission or distribution of electric
2147 current for sale for light, heat or power within this state, or engaged in
2148 generating electricity to be so transmitted or distributed for such
2149 purpose, but shall not include (A) a private power producer, as
2150 defined in section 16-243b, (B) an exempt wholesale generator, as
2151 defined in 15 USC 79z-5a, (C) a municipal electric utility established
2152 under chapter 101, (D) a municipal electric energy cooperative
2153 established under chapter 101a, (E) an electric cooperative established
2154 under chapter 597, [or] (F) any other electric utility owned, leased,
2155 maintained, operated, managed or controlled by any unit of local
2156 government under any general statute or any public or special act, (G)
2157 an entity approved to submeter pursuant to section 16-19ff, as
2158 amended by this act, or (H) a municipality, state or federal
2159 governmental entity authorized to distribute electricity across a public
2160 highway or street pursuant to section 39 of this act;

2161 (9) "Gas company" includes every person owning, leasing,
2162 maintaining, operating, managing or controlling mains, pipes or other
2163 fixtures, in public highways or streets, for the transmission or
2164 distribution of gas for sale for heat or power within this state, or
2165 engaged in the manufacture of gas to be so transmitted or distributed
2166 for such purpose, but shall not include (A) a person manufacturing gas
2167 through the use of a biomass gasification plant provided such person

2168 does not own, lease, maintain, operate, manage or control mains, pipes
2169 or other fixtures in public highways or streets, (B) a municipal gas
2170 utility established under chapter 101 or any other gas utility owned,
2171 leased, maintained, operated, managed or controlled by any unit of
2172 local government under any general statute or any public or special
2173 act, or (C) an entity approved to submeter pursuant to section 16-19ff,
2174 as amended by this act;

2175 Sec. 39. (NEW) (*Effective July 1, 2013*) The Public Utilities Regulatory
2176 Authority shall authorize any municipality or state or federal
2177 governmental entity that owns, operates or leases any Class I
2178 renewable energy source, as defined in section 16-1 of the general
2179 statutes, as amended by this act, Class III source, as defined in section
2180 16-1 of the general statutes, as amended by this act, or generation
2181 source under five megawatts, to independently distribute electricity
2182 generated from any such source across a public highway or street,
2183 provided (1) any such source is connected to a municipal microgrid, as
2184 defined in subdivision (5) of subsection (a) of section 16-243y of the
2185 general statutes, as amended by this act, and (2) to ensure the
2186 reliability and availability of the microgrid delivery system and the
2187 safety of the public, such municipality or state or federal governmental
2188 entity shall engage the applicable electric distribution company, as
2189 defined in section 16-1 of the general statutes, as amended by this act,
2190 to complete the interconnection of such microgrid to the electric grid in
2191 accordance with the authority's interconnection standards. For
2192 purposes of this section, any such municipality or governmental entity
2193 shall not be considered an electric company, as defined in section 16-1
2194 of the general statutes, as amended by this act.

2195 Sec. 40. Subsection (a) of section 32-80a of the general statutes is
2196 repealed and the following is substituted in lieu thereof (*Effective July*
2197 *1, 2013*):

2198 (a) As used in this section and sections 32-80b and 32-80c:

2199 (1) "Energy improvement district distributed resources" means one

2200 or more of the following owned, leased, or financed by an Energy
2201 Improvement District Board: (A) Customer-side distributed resources,
2202 as defined in section 16-1, as amended by this act; (B) grid-side
2203 distributed resources, as defined in said section 16-1; (C) combined
2204 heat and power systems, as defined in said section 16-1; [and] (D)
2205 Class III sources, as defined in said section 16-1; and (E) microgrids, as
2206 defined in subdivision (5) of subsection (a) of section 16-243y, as
2207 amended by this act; and

2208 (2) "Project" means the acquisition, purchase, construction,
2209 reconstruction, improvement or extension of one or more energy
2210 improvement district distributed resources.

2211 Sec. 41. (NEW) (*Effective from passage*) (a) On or before January 1,
2212 2014, the Department of Energy and Environmental Protection may
2213 benchmark energy and water consumption of all nonresidential
2214 buildings owned or operated by the state or any state agency with a
2215 gross floor area of ten thousand square feet or more using the United
2216 States Environmental Protection Agency's Energy Star Portfolio
2217 Manager. On or before April 1, 2014, the Department of Energy and
2218 Environmental Protection shall make public information from said
2219 Portfolio Manager for all such nonresidential buildings.

2220 (b) On or before April 1, 2014, the department may benchmark
2221 energy and water consumption of all residential buildings owned or
2222 operated by the state or any state agency with a gross floor area of ten
2223 thousand square feet or more using the United States Environmental
2224 Protection Agency's Energy Star Portfolio Manager. On or before July
2225 1, 2014, the department shall make public information from said
2226 Portfolio Manager for all such residential buildings.

2227 Sec. 42. Subdivision (1) of subsection (e) of section 16a-40g of the
2228 general statutes is repealed and the following is substituted in lieu
2229 thereof (*Effective from passage*):

2230 (e) (1) The authority may enter into a financing agreement with the

2231 property owner of qualifying commercial real property. After such
2232 agreement is entered into, and upon notice from the authority, the
2233 participating municipality shall (A) place a caveat on the land records
2234 indicating that a benefit assessment and lien is anticipated upon
2235 completion of energy improvements for such property, or (B) at the
2236 direction of the authority, levy the benefit assessment and file a lien on
2237 the land records based on the estimated costs of the energy
2238 improvements prior to the completion or upon the completion of said
2239 improvements.

2240 Sec. 43. Subsection (g) of section 16a-40g of the general statutes is
2241 repealed and the following is substituted in lieu thereof (*Effective from*
2242 *passage*):

2243 (g) Benefit assessments levied pursuant to this section and the
2244 interest, fees and any penalties thereon shall constitute a lien against
2245 the qualifying commercial real property on which they are made until
2246 they are paid. Such lien, [shall be levied and] or if the financing
2247 agreement provides that the benefit assessments shall be paid in
2248 installments then each installment payment, shall be collected in the
2249 same manner as the property taxes of the participating municipality on
2250 real property, including, in the event of default or delinquency, with
2251 respect to any penalties, fees and remedies. [and lien priorities.] Each
2252 such lien may be [continued,] recorded and released in the manner
2253 provided for property tax liens and, subject to the consent of existing
2254 mortgage holders, [and] shall take precedence over all other liens or
2255 encumbrances except a lien for taxes of the municipality on real
2256 property, which lien for taxes shall have priority over such benefit
2257 assessment lien. To the extent benefit assessments are paid in
2258 installments and any such installment is not paid when due, the
2259 benefit assessment lien may be foreclosed to the extent of any unpaid
2260 installment payments and any penalties, interest and fees related
2261 thereto. In the event such benefit assessment lien is foreclosed, such
2262 benefit assessment lien shall survive the judgment of foreclosure to the
2263 extent of any unpaid installment payments of the benefit assessment

2264 secured by such benefit assessment lien that were not the subject of
2265 such judgment.

2266 Sec. 44. Section 16-50kk of the general statutes is repealed and the
2267 following is substituted in lieu thereof (*Effective from passage*):

2268 (a) On or before July 1, 2012, the Connecticut Siting Council, in
2269 consultation with the Department of Energy and Environmental
2270 Protection, shall adopt regulations, in accordance with the provisions
2271 of chapter 54, concerning the siting of wind turbines. Such regulations
2272 shall include, but not be limited to, (1) a consideration of (A) setbacks,
2273 including considerations of tower height and distance from
2274 neighboring properties; (B) flicker; (C) a requirement for the developer
2275 to decommission the facility at the end of its useful life; (D) [different
2276 requirements for projects of different sizes; (E)] ice throw; [(F)] (E)
2277 blade shear; [(G)] (F) noise; and [(H)] (G) impact on natural resources;
2278 and (2) a requirement for a public hearing for wind turbine projects.

2279 (b) The Connecticut Siting Council shall not act on any application
2280 or petition for siting of a wind turbine until after the adoption of
2281 regulations pursuant to subsection (a) of this section.

2282 Sec. 45. Section 29-252 of the general statutes is repealed and the
2283 following is substituted in lieu thereof (*Effective from passage*):

2284 (a) As used in this subsection, "geotechnical" means any geological
2285 condition, such as soil and subsurface soil condition, which may affect
2286 the structural characteristics of a building or structure. The State
2287 Building Inspector and the Codes and Standards Committee shall,
2288 jointly, with the approval of the Commissioner of Construction
2289 Services, adopt and administer a State Building Code based on a
2290 nationally recognized model building code for the purpose of
2291 regulating the design, construction and use of buildings or structures
2292 to be erected and the alteration of buildings or structures already
2293 erected and make such amendments thereto as they, from time to time,
2294 deem necessary or desirable. Such amendments shall be limited to

2295 administrative matters, geotechnical and weather-related portions of
2296 said code, amendments to said code necessitated by a provision of the
2297 general statutes and any other matter which, based on substantial
2298 evidence, necessitates an amendment to said code. The code shall be
2299 revised not later than January 1, 2005, and thereafter as deemed
2300 necessary to incorporate any subsequent revisions to the code not later
2301 than eighteen months following the date of first publication of such
2302 subsequent revisions to the code. The purpose of said Building Code
2303 shall also include, but not be limited to, promoting and ensuring that
2304 such buildings and structures are designed and constructed in such a
2305 manner as to conserve energy and, wherever practicable, facilitate the
2306 use of renewable energy resources, including provisions for electric
2307 circuits capable of supporting electric vehicle charging in any newly
2308 constructed residential garage in any code adopted after the effective
2309 date of this section. Said Building Code includes any code, rule or
2310 regulation incorporated therein by reference. [As used in this
2311 subsection, "geotechnical" means any geological condition, such as soil
2312 and subsurface soil conditions, which may affect the structural
2313 characteristics of a building or structure.]

2314 (b) The State Building Inspector shall be appointed by the Governor.
2315 He shall be an architect or professional engineer licensed by the state
2316 of Connecticut, shall have a thorough knowledge of building code
2317 administration and enforcement and shall have had not less than ten
2318 years practical experience in his profession.

2319 (c) The State Building Inspector or his designee may issue official
2320 interpretations of the State Building Code, including interpretations of
2321 the applicability of any provision of the code, upon the request of any
2322 person. The State Building Inspector shall compile and index each
2323 interpretation and shall publish such interpretations at periodic
2324 intervals not exceeding four months.

2325 (d) The State Building Inspector or his designee shall review a
2326 decision by a local building official or a board of appeals appointed
2327 pursuant to section 29-266 when he has reason to believe that such

2328 official or board has misconstrued or misinterpreted any provision of
2329 the State Building Code. If, upon review and after consultation with
2330 such official or board, he determines that a provision of the code has
2331 been misconstrued or misinterpreted, he shall issue an interpretation
2332 of said code and may issue any order he deems appropriate. Any such
2333 determination or order shall be in writing and be sent to such local
2334 building official or board by registered mail, return receipt requested.
2335 Any person aggrieved by any determination or order by the State
2336 Building Inspector under this subsection may appeal to the Codes and
2337 Standards Committee within fourteen days after mailing of the
2338 decision or order. Any person aggrieved by any ruling of the Codes
2339 and Standards Committee may appeal in accordance with the
2340 provisions of subsection (d) of section 29-266.

2341 Sec. 46. Section 16a-21a of the general statutes is repealed and the
2342 following is substituted in lieu thereof (*Effective from passage*):

2343 (a) (1) The amount of sulfur content of the following fuels sold,
2344 offered for sale, distributed or used in this state shall not exceed the
2345 following percentages by weight: (A) For number two heating oil,
2346 three-tenths of one per cent, and (B) for number two off-road diesel
2347 fuel, three-tenths of one per cent.

2348 (2) Notwithstanding subdivision (1) of this subsection, the amount
2349 of sulfur content of number two heating oil sold, offered for sale,
2350 distributed or used in this state shall not exceed the following
2351 percentages by weight: (A) For the period beginning July 1, [2011]
2352 2014, and ending June 30, [2014, fifty] 2018, five hundred parts per
2353 million, and (B) on and after July 1, [2014] 2018, fifteen parts per
2354 million.

2355 [(3) The provisions of subdivision (2) of this subsection shall not
2356 take effect until the states of New York, Massachusetts and Rhode
2357 Island each have adopted requirements that are substantially similar to
2358 the provisions of said subdivision.

2359 (b) As of the date on which the last of the states of New York,
2360 Massachusetts and Rhode Island limits the sulfur content of number
2361 two heating oil to one thousand five hundred parts per million, the
2362 sulfur content of number two heating oil sold, offered for sale,
2363 distributed or used in this state shall not exceed one thousand five
2364 hundred parts per million.

2365 (c) As of the date on which the last of the states of New York,
2366 Massachusetts and Rhode Island limits the sulfur content of number
2367 two heating oil to one thousand two hundred fifty parts per million,
2368 the sulfur content of number two heating oil sold, offered for sale,
2369 distributed or used in this state shall not exceed one thousand two
2370 hundred fifty parts per million.

2371 (d) As of the date on which the last of the states of New York,
2372 Massachusetts and Rhode Island limits the sulfur content of number
2373 two heating oil to five hundred parts per million, the sulfur content of
2374 number two heating oil sold, offered for sale, distributed or used in
2375 this state shall not exceed five hundred parts per million.

2376 (e) As of the date on which the last of the states of New York,
2377 Massachusetts and Rhode Island limits the sulfur content of number
2378 two off-road diesel fuel to five hundred parts per million, the sulfur
2379 content of number two off-road diesel fuel offered for sale, distributed
2380 or used in this state shall not exceed five hundred parts per million.]

2381 [(f)] (b) The Commissioner of Energy and Environmental Protection
2382 may suspend the requirements of [subsections (a) to (e), inclusive,]
2383 subsection (a) of this section if the commissioner finds that the physical
2384 availability of fuel which complies with such requirements is
2385 inadequate to meet the needs of residential, commercial or industrial
2386 users in this state and that such inadequate physical availability
2387 constitutes an emergency provided the commissioner shall specify in
2388 writing the period of time such suspension shall be in effect.

2389 Sec. 47. (*Effective from passage*) (a) The Public Utilities Regulatory

2390 Authority shall, in consultation with the Connecticut Water Planning
2391 Council and Department of Public Health, study the financial capacity
2392 and the system viability of small community water companies not
2393 included as part of a water supply plan pursuant to section 25-32d of
2394 the general statutes. The study shall include, but not be limited to, (1)
2395 potential factors affecting the costs necessary to maintain and operate
2396 such systems safely and effectively, and (2) potential benefits that
2397 could derive from creating a financial assistance account to help such
2398 systems defray the costs of essential infrastructure improvements.

2399 (b) The Public Utilities Regulatory Authority may, in consultation
2400 with the Connecticut Water Planning Council and Department of
2401 Public Health, retain a consultant to assist in developing such study
2402 pursuant to subsection (a) of this section. All reasonable and proper
2403 expenses for the services of such consultant shall be borne by each
2404 water company as defined in section 16-1 of the general statutes, as
2405 amended by this act, and paid at such times and in such manner as the
2406 authority directs, provided all such reasonable and proper expenses
2407 shall be limited to forty-nine thousand dollars. All such reasonable and
2408 proper costs and expenses shall be recognized by the authority for all
2409 purposes as proper business expenses of each such water company.

2410 (c) On or before February 1, 2014, the Public Utilities Regulatory
2411 Authority shall report the findings of such study to the joint standing
2412 committees of the General Assembly having cognizance of matters
2413 relating to energy, public health and planning and development in
2414 accordance with the provisions of section 11-4a of the general statutes.

2415 Sec. 48. (*Effective from passage*) On or before November 1, 2013, at the
2416 request of a municipality, the Commissioner of Energy and
2417 Environmental Protection, in consultation with the Commissioner of
2418 Public Health, shall examine the impact of such municipality's aquifer
2419 protection regulations on economic development within the
2420 municipality. Such an examination shall include, but not be limited to,
2421 any potential impact caused by the future expansion of an aquifer
2422 protection area upon the issuance of a diversion permit in accordance

2423 with section 22a-369 of the general statutes, or the issuance of a general
2424 permit in accordance with section 22a-378a of the general statutes. In
2425 any municipality where existing public drinking water supply wells
2426 are owned by a private water company serving one thousand or more
2427 persons and such wells also serve persons in other municipalities, the
2428 Commissioner of Energy and Environmental Protection shall
2429 recommend regulatory changes to cover the host municipality's costs
2430 associated with enforcement of its aquifer protection regulations and
2431 any potential economic development losses associated with an
2432 expansion of the aquifer protection area. On or before February 1, 2014,
2433 the Commissioner of Energy and Environmental Protection shall
2434 report the findings of such examination and any recommended
2435 regulatory changes to the joint standing committee of the General
2436 Assembly having cognizance of matters relating to energy, in
2437 accordance with the provisions of section 11-4a of the general statutes.

2438 Sec. 49. Section 1 of public act 13-78 is repealed and the following is
2439 substituted in lieu thereof (*Effective from passage*):

2440 The Public Utilities Regulatory Authority shall authorize rates for
2441 each water company, as defined in section 16-1 of the general statutes,
2442 as amended by this act, that promote comprehensive supply-side and
2443 demand-side water conservation. In establishing such rates, the
2444 authority shall take into consideration consumers who are low water
2445 users, including those consumers who have previously implemented
2446 conservation measures, state energy policies, the capital intensive
2447 nature of sustaining water systems that minimize water losses and the
2448 competition for capital for continued investments in such systems.
2449 Such rates shall (1) prioritize demand projections that recognize the
2450 effects of conservation and account for declining rates of water
2451 consumption in order to minimize the use of a revenue adjustment
2452 mechanism, as defined in section 3 of public act 13-78, following a
2453 general rate case, and (2) consider [(1) demand projections that
2454 recognize the effects of conservation, (2)] (A) implementation of
2455 metering and measures to provide timely price signals to consumers,

2456 [(3)] (B) multiyear rate plans, [(4)] (C) measures to reduce system water
2457 losses, and [(5)] (D) alternative rate designs that promote conservation.

2458 Sec. 50. Section 16-1900 of the general statutes is repealed and the
2459 following is substituted in lieu thereof (*Effective from passage*):

2460 In order to promote an electric, gas, telephone and water
2461 company's conservation and load management programs or other
2462 programs promoting the state's economic development, energy and
2463 other policy, the Public Utilities Regulatory Authority may approve
2464 rate amendments for any such company, pursuant to subsection (a) of
2465 section 16-19 or, upon the request of a company in a proceeding, other
2466 than a rate proceeding pursuant to said subsection. Upon filing by a
2467 gas company of a natural gas infrastructure expansion plan in
2468 accordance with section 51 of this act, the authority may approve in a
2469 contested proceeding new rate mechanisms to recover the costs of such
2470 plan.

2471 Sec. 51. (NEW) (*Effective from passage*) (a) On or before June 15, 2013,
2472 the gas companies, as defined in section 16-1 of the general statutes, as
2473 amended by this act, shall jointly submit to the Commissioner of
2474 Energy and Environmental Protection and the Public Utilities
2475 Regulatory Authority a natural gas infrastructure expansion plan to
2476 provide natural gas service to on and off-main gas customers
2477 consistent with the goals of the 2013 Comprehensive Energy Strategy
2478 approved by the Commissioner of Energy and Environmental
2479 Protection in accordance with section 16a-3d of the general statutes, as
2480 amended by this act. Such plan shall include steps to expand the
2481 natural gas distribution network, increase the rate of cost-effective
2482 customer conversions, provide natural gas access for industrial
2483 facilities in the state to the greatest extent feasible, lower the costs of
2484 adding new customers, ensure the reliability and timely addition of
2485 natural gas supply and limit the risk to existing gas customers by
2486 incorporating mechanisms to increase or decrease the rate of
2487 conversions over time in response to changes in energy prices. Such
2488 plan shall include, but not be limited to, the following components: (1)

2489 A customer conversion plan and schedule for a ten-year period, (2) an
2490 analysis demonstrating the feasibility of reaching the new customer
2491 conversion goals as directed by the Comprehensive Energy Strategy
2492 for on and off-main customers, (3) a plan for outreach and marketing
2493 tailored to each customer segment, (4) a description of steps the gas
2494 companies will take to reduce the costs of conversion, (5) a strategy for
2495 capacity procurement, (6) a strategy for leveraging third-party
2496 investment to finance equipment replacement and main extensions for
2497 new customers, (7) a plan to harmonize natural gas infrastructure
2498 expansion with steps to reduce methane leakage from existing gas
2499 infrastructure, (8) a description of steps the gas companies will take to
2500 ensure that potential customers targeted for conversion to natural gas
2501 are incented to install efficient equipment and improve the efficiency
2502 of the building envelope at the time of conversion, provided such steps
2503 include, but are not limited to, providing such customers with
2504 information regarding the Home Energy Solutions audit, and to the
2505 extent feasible, an application form of said audit, and (9) a proposal for
2506 rate changes consistent with the recommendations of the
2507 Comprehensive Energy Strategy, including specific cost recovery
2508 mechanisms for each customer segment and a description of the rate
2509 impact of any proposed rate changes.

2510 (b) Not later than thirty days after the natural gas infrastructure
2511 expansion plan is submitted to the commissioner pursuant to
2512 subsection (a) of this section, the commissioner shall review the plan
2513 and issue a preliminary determination as to whether the plan is
2514 consistent with the goals of the Comprehensive Energy Strategy.

2515 (c) In the event that the commissioner determines that the plan is
2516 consistent with the Comprehensive Energy Strategy pursuant to
2517 subsection (b) of this section, the Public Utilities Regulatory Authority
2518 shall, in a contested proceeding during which the authority shall hold
2519 a public hearing, approve or modify the plan not later than one
2520 hundred twenty days after such plan is submitted to the authority.

2521 (d) In reviewing the natural gas infrastructure expansion plan

2522 pursuant to subsection (c) of this section, in order to protect the
2523 interests of ratepayers and ensure revenue recovery for gas companies,
2524 and consistent with the recommendations of the Comprehensive
2525 Energy Strategy, the authority shall, in accordance with section 16-
2526 1900 of the general statutes, as amended by this act, (1) establish a
2527 hurdle rate utilizing a twenty-five-year payback period to compare the
2528 revenue requirement of connecting new customers to the gas
2529 distribution system to determine the level of new business capital
2530 expenditures that will be recoverable through rates, provided the
2531 authority shall develop a methodology that reasonably accounts for
2532 revenues that would be collected from new customers who signaled an
2533 intention to switch to natural gas over a period of at least three years
2534 within a common geographic location, (2) establish a new rate for new
2535 customers added pursuant to the natural gas infrastructure expansion
2536 plan to offset incremental costs of expanding natural gas infrastructure
2537 pursuant to such plan, (3) establish a rate mechanism for the gas
2538 companies to recover prudent investments made pursuant to the
2539 approved natural gas infrastructure expansion plan in a timely manner
2540 outside of a rate proceeding, provided such mechanism shall take into
2541 consideration the additional revenues that the gas companies will
2542 generate through implementation of such plan, and (4)
2543 notwithstanding the provisions of section 16-19b of the general
2544 statutes, effective for the period of the natural gas expansion plan, (A)
2545 assign at least half of the nonfirm margin credit to offset the rate base
2546 of the gas companies, and (B) assign the lesser of (i) an amount equal
2547 to half of the nonfirm margin credit, or (ii) an amount equal to fifteen
2548 million dollars from the nonfirm margin credit annually for all gas
2549 companies in the aggregate, apportioned to each gas company in
2550 proportion to revenues of and the existing and new capacity
2551 contracted for by each gas company, to offset expansion costs,
2552 including, but not limited to, the costs of adding new state, municipal,
2553 commercial and industrial customers where such additions provide
2554 societal benefits, including, but not limited to, increased or retained
2555 employment, local economic development, environmental benefits and
2556 transit-oriented development goals.

2557 (e) On or before June 15, 2014, and annually thereafter for a period
2558 of nine years, the gas companies shall jointly report to the
2559 commissioner and the authority the status and progress of such
2560 implementation. Such report shall include, but not be limited to (1) the
2561 number of customers added over the previous year, (2) a comparison
2562 of actual expenditures to estimated expenditures for the previous year,
2563 (3) a forecast of new customers and expenditures for the upcoming
2564 year, and (4) any additional information that either the authority or the
2565 commissioner deems appropriate.

2566 Sec. 52. (*Effective from passage*) (a) The Commissioner of Energy and
2567 Environmental Protection, the Clean Energy Finance and Investment
2568 Authority and the Energy Conservation Management Board shall, in
2569 coordination with the electric distribution and gas companies, as
2570 defined in section 16-1 of the general statutes, as amended by this act,
2571 establish a pilot program in at least four municipalities, consistent with
2572 the policy goals of the Comprehensive Energy Strategy, to (1) ensure
2573 that potential customers targeted for conversion to natural gas are
2574 incented to install efficient equipment and improve the efficiency of
2575 the building envelope at the time of conversion, (2) ensure that
2576 customers who cannot cost-effectively convert to natural gas are
2577 incented to install efficient equipment and improve the efficiency of
2578 the building envelope, and (3) provide access to low-cost financing for
2579 natural gas conversion or efficiency upgrades. The pilot program shall
2580 utilize a community-based marketing campaign and a competitive
2581 solicitation for volume pricing on high efficiency heating equipment
2582 and insulation.

2583 (b) The pilot program shall terminate on December 31, 2014, after
2584 which the department may evaluate the results of the pilot program
2585 and determine whether to reestablish the pilot program or establish a
2586 permanent program.

2587 Sec. 53. (NEW) (*Effective from passage*) The Department of Energy
2588 and Environmental Protection may, from resources available not
2589 included in state appropriated funds, provide grants or rebates to

2590 municipalities, academic institutions and other entities for the
2591 purchase or installation of alternative vehicles, alternative vehicle
2592 fueling equipment and energy efficient devices.

2593 Sec. 54. Subsection (b) of section 16-19kk of the general statutes is
2594 repealed and the following is substituted in lieu thereof (*Effective from*
2595 *passage*):

2596 (b) The authority shall complete, on or before December 31, 1991, an
2597 investigation into the relationship between a company's volume of
2598 sales and its earnings. The authority shall, on or before July 1, 1993,
2599 implement rate-making and other procedures and practices in order to
2600 encourage the implementation of conservation and load management
2601 programs and other programs authorized by the authority promoting
2602 the state's economic development, energy and other policy. Such
2603 procedures to implement a modification or elimination of any direct
2604 relationship between the volume of sales and the earnings of electric,
2605 gas, telephone and water companies may include the adoption of a
2606 sales adjustment clause pursuant to subsection [(i)] (j) of section 16-
2607 19b, or other adjustment clause similar thereto. The authority's
2608 investigation shall include a review of its regulations and policies to
2609 identify any existing disincentives to the development and
2610 implementation of cost effective conservation and load management
2611 programs and other programs promoting the state's economic
2612 development, energy and other policy.

2613 Sec. 55. Subsection (b) of section 16-245aa of the general statutes is
2614 repealed and the following is substituted in lieu thereof (*Effective from*
2615 *passage*):

2616 (b) The Clean Energy Finance and Investment Authority, in
2617 consultation with the Department of Energy and Environmental
2618 Protection, the Department of Economic and Community
2619 Development and the State Treasurer, shall establish a renewable
2620 energy and efficient energy finance program. Said authority shall make
2621 grants, investments, loans or other forms of financial assistance under

2622 said program to projects for the purchase and installation of (1)
2623 renewable energy sources, including solar energy, geothermal energy,
2624 thermal energy storage, electric storage and fuel cells or other energy-
2625 efficient hydrogen-fueled energy, or (2) energy-efficient generation
2626 sources, including units providing combined heat-and-power
2627 operations with greater than sixty-five per cent efficiency or such
2628 higher efficiency level as said authority may prescribe. Said authority
2629 may make grants under said program of up to two and one-half per
2630 cent of the balance in the account to support workforce development
2631 initiatives in connection with deployment of the projects. Said
2632 authority shall give priority to applications for grants, investments,
2633 loans or other forms of financial assistance to projects that use major
2634 system components manufactured or assembled in Connecticut. Each
2635 grant, investment, loan or other form of financial assistance shall be in
2636 an amount that makes the cost of purchasing, installing and operating
2637 the renewable energy or energy-efficient generation source
2638 competitive with the grid's or other end users' current electricity
2639 expenses.

2640 Sec. 56. (NEW) (*Effective from passage*) On or before July 1, 2014, the
2641 Department of Energy and Environmental Protection shall, in
2642 consultation with the Energy Conservation Management Board and
2643 the Department of Housing, develop weatherization standards for
2644 properties participating the rental assistance program. On and after the
2645 effective date of such standards, no property shall be eligible to
2646 participate in such program unless (1) such property has undergone an
2647 energy efficiency audit administered by the Home Energy Solutions
2648 program or a program deemed comparable by the Commissioner of
2649 Energy and Environmental Protection, and (2) the owner or operator of
2650 such property permits the installation of free weatherization measures
2651 pursuant to a program described in subdivision (1) of this section.

2652 Sec. 57. (NEW) (*Effective from passage*) On and after July 1, 2013,
2653 Operation Fuel, Incorporated and agencies administering state fuel
2654 assistance programs shall provide a recipient of funds (1) information

2655 regarding the Home Energy Solutions audit, and (2) an application
2656 form for said audit.

2657 Sec. 58. (NEW) (*Effective from passage*) (a) For purposes of this
2658 section, (1) "clean energy improvements" means improvements from
2659 the installation of clean energy, as defined in subsection (a) of section
2660 16-245n of the general statutes, and shall include smart meters,
2661 provided such improvements are applicable to a residential dwelling
2662 unit of a customer of an electric distribution company or gas company,
2663 and (2) "electric distribution company" and "gas company" have the
2664 same meanings as provided in section 16-1 of the general statutes, as
2665 amended by this act.

2666 (b) On or before April 1, 2014, the Energy Conservation
2667 Management Board and the Clean Energy Finance and Investment
2668 Authority, in consultation with the electric distribution companies and
2669 gas companies, shall establish a comprehensive residential clean
2670 energy on-bill repayment program financed by third-party private
2671 capital managed by the Clean Energy Finance and Investment
2672 Authority. Such program shall have the following features:

2673 (1) To establish a process for qualifying clean energy improvements;

2674 (2) To prioritize clean energy improvements for cost-effectiveness;

2675 (3) To reduce peak electricity demand;

2676 (4) To assist customers of electric distribution companies or gas
2677 companies in accessing incentives, other cost savings and financing for
2678 clean energy improvements, including natural gas furnaces or boilers
2679 that meet or exceed federal Energy Star standards and propane and oil
2680 furnaces and boilers that are not less than eighty-four per cent efficient;

2681 (5) To identify knowledgeable contractors for installation of clean
2682 energy improvements and to ensure successful installation of such
2683 improvements;

2684 (6) To finance clean energy improvements to the extent the tenor of
2685 such financing repayment does not exceed the average expected life of
2686 such improvements;

2687 (7) To provide that the repayment amount plus the anticipated
2688 periodic customer bill after installation of the clean energy
2689 improvements does not exceed the anticipated periodic bill for electric
2690 or gas service without installation of such improvements, including no
2691 energy savings improvements;

2692 (8) To authorize the disconnection for nonpayment by the customer
2693 of any financing repayment amount, except during the pendency of
2694 any complaint, investigation, hearing or appeal challenging the on-bill
2695 repayment loan, terms, accuracy or related matters, with any on-bill
2696 repayment amount treated as part of the customer's utility account
2697 subject to the protections provided in sections 16-262c, 16-262d, 16-
2698 262g to 16-262i, inclusive, and 16-262x of the general statutes;

2699 (9) To establish program guidelines to address the ramifications of
2700 on-bill repayment and the risks associated with disconnection of
2701 service of low-income and hardship customers;

2702 (10) To provide the assignment of repayment obligations to
2703 subsequent owners of the dwelling unit upon the development by the
2704 Energy Conservation Management Board and the Clean Energy
2705 Finance and Investment Authority of timely written notice guidelines
2706 to subsequent owners, except on-bill repayment amounts may not be
2707 directly charged to a tenant of a dwelling unit by a utility company
2708 pursuant to section 16-262e of the general statutes or a receiver
2709 pursuant to sections 16-262f, 16-262t, 47a-14h and 47a-56a to 47a-56k,
2710 inclusive, of the general statutes; and

2711 (11) To provide that the on-bill repayment billing and collection
2712 services shall be available without regard to whether the energy or fuel
2713 delivered by the utility is the customer's primary energy source.

2714 (c) The guidelines for the comprehensive residential clean energy

2715 on-bill repayment program pursuant to subdivisions (9) to (11),
2716 inclusive, of subsection (b) of this section shall be subject to review and
2717 approve by the Public Utilities Regulatory Authority, which review
2718 shall commence upon filing such guidelines with the authority and the
2719 review shall be deemed complete not later than ninety days after such
2720 filing. Such review shall be conducted in an uncontested proceeding.

2721 (d) On-bill repayment for any loan that is part of the comprehensive
2722 residential clean energy on-bill repayment program established
2723 pursuant to this section and utilized to improve efficiency or clean
2724 energy improvements for provision of heat to a dwelling unit shall be
2725 treated as part of the primary heating expense for the customer for
2726 purposes of (1) any energy assistance program funded or administered
2727 by the state or under any plan adopted pursuant to section 16a-41a of
2728 the general statutes, and (2) any matching payment program plan
2729 pursuant to subdivisions (4) to (6), inclusive, of subsection (b) of
2730 section 16-262c of the general statutes.

2731 Sec. 59. (NEW) (*Effective from passage*) (a) As used in this section, (1)
2732 "qualifying project" means a combined heat and power system, as
2733 described in subdivision (44) of subsection (a) of section 16-1 of the
2734 general statutes, as amended by this act, that (A) provides commercial,
2735 industrial or residential facilities with both electrical generation and
2736 heat output, (B) has a nameplate capacity of between five hundred and
2737 five thousand kilowatts, (C) is placed into service between January 1,
2738 2012, and January 1, 2015, and (D) is not eligible under section 16-
2739 245hh of the general statutes or section 103 of public act 11-80, and (2)
2740 "electric distribution company" has the same meaning as provided in
2741 section 16-1 of the general statutes, as amended by this act.

2742 (b) The Commissioner of Energy and Environmental Protection
2743 shall establish a pilot program to promote large combined heat and
2744 power systems by mitigating the economic disincentives for such
2745 systems created by the existing demand charge tariffs of the electric
2746 distribution companies.

2747 (c) On or after the effective date of this section, the Commissioner of
2748 Energy and Environmental Protection shall solicit applications from
2749 qualifying projects and shall select such projects for participation in the
2750 pilot program on a first-come, first-served basis. The commissioner
2751 shall select as many qualifying projects as is deemed appropriate, in
2752 the commissioner's discretion, up to a maximum of twenty megawatts
2753 of nameplate capacity for the entire pilot program. Qualifying projects
2754 selected for participation in the pilot program shall become operational
2755 within one year of such selection or that capacity shall be offered to at
2756 least one other qualifying project that participated in the solicitation.
2757 Qualifying projects selected pursuant to this subsection shall be
2758 eligible to continue the terms of the pilot program for a period of ten
2759 years from the time the project is placed into service.

2760 (d) A qualifying project selected to participate in the pilot program
2761 shall not be required to pay the demand charges pursuant to the
2762 distribution demand-ratchet provision of firm service due to an outage
2763 of service of such project. If a qualifying project that participates in the
2764 pilot program has an outage of service, the only demand charge that
2765 shall be assessed by an electric distribution company shall be based on
2766 daily demand pricing pro-rated from standard monthly rates,
2767 provided, however, that if the outage of service lasts for less than three
2768 hours, no demand charge shall be assessed by an electric distribution
2769 company.

2770 (e) Any qualifying project that participates in the pilot program
2771 shall provide to the Public Utilities Regulatory Authority and the
2772 Commissioner of Energy and Environmental Protection all system
2773 performance and supplemental utility data that the authority shall, in
2774 its reasonable discretion, deem to be appropriate for measuring the
2775 performance of the pilot program. Such data shall consist of (1) net
2776 electrical production from the qualifying project, measured in
2777 kilowatt-hours per fifteen minute interval, (2) net thermal production
2778 from the qualifying project, measured in million BTU per fifteen
2779 minute interval, (3) fuel consumed by the qualifying facility, measured

2780 in million BTU per fifteen minute interval, (4) supplemental electricity
2781 received from the electric distribution company, measured in kilowatt-
2782 hours and average kilovolt-ampere per fifteen minute interval, (5) each
2783 downtime of the qualifying project, including the time of day of the
2784 downtime, the duration of the downtime and the reasons therefor, and
2785 (6) other such data as the authority deems appropriate. Such data shall
2786 be provided on a form approved by the authority.

2787 (f) The authority shall, with the system performance and
2788 supplemental utility data received pursuant to subsection (e) of this
2789 section, analyze (1) the system performance of the qualifying projects,
2790 (2) the as-used daily demand charge versus standard distributed
2791 generation rider demand charges, and (3) the viability of conforming
2792 all distributed generation combined heat and power systems to an as-
2793 used daily time of use demand tariff.

2794 (g) After the authority and commissioner have received the system
2795 performance and supplemental utility data pursuant to subsection (e)
2796 of this section for a period of three years, the commissioner shall,
2797 within ninety days, submit a report, in accordance with section 11-4a
2798 of the general statutes, to the joint standing committee of the General
2799 Assembly having cognizance of matters relating to energy,
2800 recommending whether to continue, expand, modify or eliminate the
2801 pilot program.

2802 (h) Any electric customer of an electric distribution company, as
2803 defined in section 16-1 of the general statutes, as amended by this act,
2804 with a qualifying project that participates in the pilot program shall be
2805 allowed to aggregate all electric meters that are (1) on the same
2806 premises as such qualifying project, and (2) billable to such customer.

2807 Sec. 60. Section 16-234 of the general statutes is repealed and the
2808 following is substituted in lieu thereof (*Effective July 1, 2013*):

2809 [No telegraph, telephone or electric light company or association,
2810 nor any company or association engaged in distributing electricity by

2811 wires or similar conductors or in using an electric wire or conductor
2812 for any purpose, shall exercise any powers which may have been
2813 conferred upon it to change the location of, or to erect or place, wires,
2814 conductors, fixtures, structures or apparatus of any kind over, on or
2815 under any highway or public ground, without the consent of the
2816 adjoining proprietors, or, if such company or association is unable to
2817 obtain such consent, without the approval of the Public Utilities
2818 Regulatory Authority, which shall be given only after a hearing upon
2819 notice to such proprietors; or to cut or trim any tree on or overhanging
2820 any highway or public ground, without the consent of the owner
2821 thereof, or, if such company or association is unable to obtain such
2822 consent, without the approval of the tree warden or the consent of the
2823 authority, which consent shall be given only after a hearing upon
2824 notice to such owner; but the authority may, if it finds that public
2825 convenience and necessity require, authorize the changing of the
2826 location of, or the erection or placing of, such wires, conductors,
2827 fixtures, structures or apparatus over, on or under such highway or
2828 public ground; and the tree warden in any town or the authority may,
2829 if he or it finds that public convenience and necessity require,
2830 authorize the cutting and trimming and the keeping trimmed of any
2831 brush or tree in such town on or overhanging such highway or public
2832 ground, which action shall be taken only after notice and hearing as
2833 aforesaid, which hearing shall be held within a reasonable time after
2834 the application therefor.]

2835 (a) As used in this section:

2836 (1) "Utility" means a telephone, telecommunications, electric or
2837 electric distribution company, each as defined in section 16-1, as
2838 amended by this act;

2839 (2) "Utility protection zone" means any rectangular area extending
2840 horizontally for a distance of eight feet from any outermost electrical
2841 conductor or wire installed from pole to pole and vertically from the
2842 ground to the sky;

2843 (3) "Hazardous tree" means any tree or part of a tree that is (A)
2844 dead, (B) extensively decayed, or (C) structurally weak, which, if it
2845 falls, would endanger utility infrastructure, facilities or equipment;

2846 (4) "Vegetation management" means pruning or removal of trees,
2847 shrubs or other vegetation that pose a risk to the reliability of the
2848 utility infrastructure, and the retention of trees and shrubs that are
2849 compatible with the utility infrastructure. Until such time as the
2850 Department of Energy and Environmental Protection issues standards
2851 for identifying such compatible trees and shrubs, the standards and
2852 identification of such compatible trees and shrubs shall be as set forth
2853 in the 2012 final report of the State Vegetation Management Task
2854 Force; and

2855 (5) "Pruning" means the selective removal of plant parts to meet
2856 specific goals and objectives, when performed according to current
2857 professional tree care standards.

2858 (b) A utility may perform vegetation management within the utility
2859 protection zone to secure the reliability of utility services by protecting
2860 overhead wires, poles, conductors or other utility infrastructure from
2861 trees and shrubs, parts of trees and shrubs or other vegetation located
2862 within the utility protection zone.

2863 (c) (1) In conducting vegetation management, no utility shall prune
2864 or remove any tree or shrub within the utility protection zone, or on or
2865 overhanging any highway or public ground, without delivering notice
2866 to the abutting property owner. Notice shall be considered delivered
2867 when it is (A) mailed to the abutting property owner via first class
2868 mail, (B) delivered, in writing, at the location of the abutting property,
2869 or (C) simultaneously conveyed verbally and provided in writing to
2870 the abutting property owner. A utility shall deliver such notice to the
2871 abutting property owner if (i) pursuant to subparagraph (A) or (B) of
2872 this subdivision, at least fifteen business days before the starting date
2873 of any such pruning or removal, and (ii) pursuant to subparagraph (C)
2874 of this subdivision, at any time before any such pruning or removal,

2875 provided no utility may start such pruning or removal unless (I) the
2876 objection period pursuant to subdivision (2) of this subsection has been
2877 met, or (II) such property owner affirmatively waives, in writing, the
2878 right to object.

2879 (2) The notice shall indicate that (A) objection to pruning or removal
2880 shall be filed in writing with the utility and either the tree warden of
2881 the municipality or the Commissioner of Transportation, as
2882 appropriate, not later than ten business days after delivery of the
2883 notice, and (B) the objection may include a request for consultation
2884 with the tree warden or the Commissioner of Transportation, as
2885 appropriate.

2886 (3) If no objection is filed by the abutting property owner in
2887 accordance with subdivision (2) of this subsection, the utility may
2888 prune or remove the trees or shrubs for which notice of pruning or
2889 removal has been delivered.

2890 (4) If the abutting property owner files an objection pursuant to
2891 subdivision (2) of this subsection, the tree warden of the municipality
2892 or the Commissioner of Transportation, as appropriate, shall issue a
2893 written decision as to the disposition of the tree or shrub not later than
2894 ten business days after the filing date of such objection. This decision
2895 shall not be issued before a consultation with the abutting property
2896 owner if such a consultation has been requested. The abutting property
2897 owner or the utility may appeal the tree warden's decision to the
2898 Public Utilities Regulatory Authority within ten business days after the
2899 tree warden's decision. The authority shall hold a hearing within sixty
2900 business days of receipt of the abutting property owner's or utility's
2901 written appeal of the tree warden's decision and shall provide notice of
2902 such hearing to the abutting property owner, the tree warden and the
2903 utility. The authority may authorize the pruning or removal of any tree
2904 or shrub whose pruning or removal has been at issue in the hearing if
2905 it finds that public convenience and necessity require such action.

2906 (5) When an objection has been filed pursuant to subdivision (2) of

2907 this subsection, no tree or shrub subject to the objection shall be
2908 pruned or removed until a final decision has been reached pursuant to
2909 subdivision (4) of this subsection.

2910 (d) No utility shall be required to provide notice pursuant to
2911 subsection (c) of this section if the tree warden of the municipality or
2912 the Commissioner of Transportation, as appropriate, authorizes, in
2913 writing, pruning or removal by the utility of a hazardous tree within
2914 the utility protection zone or on or overhanging any public highway or
2915 public ground. Nothing in this subsection shall be construed to require
2916 a utility to prune or remove a tree.

2917 (e) No utility shall be required to obtain a permit pursuant to
2918 subsection (f) of section 23-65 or provide notice under subsection (c) of
2919 this section to prune or remove a tree, as necessary, if any part of a tree
2920 is in direct contact with an energized electrical conductor or has visible
2921 signs of burning. Nothing in this subsection shall be construed to
2922 require a utility to prune or remove a tree.

2923 (f) No utility shall exercise any powers which may have been
2924 conferred upon it to change the location of, or to erect or place, wires,
2925 conductors, fixtures, structures or apparatus of any kind over, on or
2926 under any highway or public ground, without the consent of the
2927 adjoining proprietors or, if such company is unable to obtain such
2928 consent, without the approval of the Public Utilities Regulatory
2929 Authority, which shall be given only after a hearing upon notice to
2930 such proprietors. The authority may, if it finds that public convenience
2931 and necessity require, authorize the changing of the location of, or the
2932 erection or placing of, such wires, conductors, fixtures, structures or
2933 apparatus over, on or under such highway or public ground.

2934 Sec. 61. Subsections (a) and (b) of section 16-50p of the general
2935 statutes are repealed and the following is substituted in lieu thereof
2936 (*Effective July 1, 2013*):

2937 (a) (1) In a certification proceeding, the council shall render a

2938 decision upon the record either granting or denying the application as
2939 filed, or granting it upon such terms, conditions, limitations or
2940 modifications of the construction or operation of the facility as the
2941 council may deem appropriate.

2942 (2) The council's decision shall be rendered in accordance with the
2943 following:

2944 (A) Not later than twelve months after the deadline for filing an
2945 application following the request for proposal process for a facility
2946 described in subdivision (1) or (2) of subsection (a) of section 16-50i or
2947 subdivision (4) of said subsection (a) if the application was
2948 incorporated in an application concerning a facility described in
2949 subdivision (1) of said subsection (a);

2950 (B) Not later than one hundred eighty days after the deadline for
2951 filing an application following the request for proposal process for a
2952 facility described in subdivision (4) of subsection (a) of section 16-50i
2953 and an application concerning a facility described in subdivision (3) of
2954 said subsection (a), provided the council may extend such period by
2955 not more than one hundred eighty days with the consent of the
2956 applicant; and

2957 (C) Not later than one hundred eighty days after the filing of an
2958 application for a facility described in subdivision (5) or (6) of
2959 subsection (a) of section 16-50i, provided the council may extend such
2960 period by not more than one hundred eighty days with the consent of
2961 the applicant.

2962 (3) The council shall file, with its order, an opinion stating in full its
2963 reasons for the decision. The council shall not grant a certificate, either
2964 as proposed or as modified by the council, unless it shall find and
2965 determine:

2966 (A) Except as provided in subsection (b) or (c) of this section, a
2967 public need for the facility and the basis of the need;

2968 (B) The nature of the probable environmental impact of the facility
2969 alone and cumulatively with other existing facilities, including a
2970 specification of every significant adverse effect, including, but not
2971 limited to, electromagnetic fields that, whether alone or cumulatively
2972 with other effects, impact on, and conflict with the policies of the state
2973 concerning the natural environment, ecological balance, public health
2974 and safety, scenic, historic and recreational values, forests and parks,
2975 air and water purity and fish, aquaculture and wildlife;

2976 (C) Why the adverse effects or conflicts referred to in subparagraph
2977 (B) of this subdivision are not sufficient reason to deny the application;

2978 (D) In the case of an electric transmission line, (i) what part, if any,
2979 of the facility shall be located overhead, (ii) that the facility conforms to
2980 a long-range plan for expansion of the electric power grid of the
2981 electric systems serving the state and interconnected utility systems
2982 and will serve the interests of electric system economy and reliability,
2983 and (iii) that the overhead portions, if any, of the facility are cost
2984 effective and the most appropriate alternative based on a life-cycle cost
2985 analysis of the facility and underground alternatives to such facility,
2986 are consistent with the purposes of this chapter, with such regulations
2987 or standards as the council may adopt pursuant to section 16-50t,
2988 including, but not limited to, the council's best management practices
2989 for electric and magnetic fields for electric transmission lines and with
2990 the Federal Power Commission "Guidelines for the Protection of
2991 Natural Historic Scenic and Recreational Values in the Design and
2992 Location of Rights-of-Way and Transmission Facilities" or any
2993 successor guidelines and any other applicable federal guidelines and
2994 are to be contained within an area that provides a buffer zone that
2995 protects the public health and safety, as determined by the council. In
2996 establishing such buffer zone, the council shall consider, among other
2997 things, residential areas, private or public schools, licensed child day
2998 care facilities, licensed youth camps or public playgrounds adjacent to
2999 the proposed route of the overhead portions and the level of the
3000 voltage of the overhead portions and any existing overhead

3001 transmission lines on the proposed route. At a minimum, the existing
3002 right-of-way shall serve as the buffer zone;

3003 (E) In the case of an electric or fuel transmission line, that the
3004 location of the line will not pose an undue hazard to persons or
3005 property along the area traversed by the line;

3006 (F) In the case of an application that was heard under a consolidated
3007 hearing process with other applications that were common to a request
3008 for proposal, that the facility proposed in the subject application
3009 represents the most appropriate alternative among such applications
3010 based on the findings and determinations pursuant to this subsection;

3011 (G) In the case of a facility described in subdivision (6) of subsection
3012 (a) of section 16-50i that is (i) proposed to be installed on land under
3013 agricultural restriction, as provided in section 22-26cc, that the facility
3014 will not result in a material decrease of acreage and productivity of the
3015 arable land, [or] (ii) proposed to be installed on land near a building
3016 containing a school, as defined in section 10-154a, or a commercial
3017 child day care center, as described in subdivision (1) of subsection (a)
3018 of section 19a-77, that the facility will not be less than two hundred
3019 fifty feet from such school or commercial child day care center unless
3020 the location is acceptable to the chief elected official of the municipality
3021 or the council finds that the facility will not have a substantial adverse
3022 effect on the aesthetics or scenic quality of the neighborhood in which
3023 such school or commercial child day care center is located, [provided
3024 the council shall] or (iii) proposed to be installed on land owned by a
3025 water company, as defined in section 25-32a, and which involves a
3026 new ground mounted telecommunications tower, that such land
3027 owned by a water company is preferred over any alternative
3028 telecommunications tower sites provided the council shall, pursuant to
3029 clause (iii) of this subparagraph, consult with the Department of Public
3030 Health to determine potential impacts to public drinking water
3031 supplies in considering all the environmental impacts identified
3032 pursuant to subparagraph (B) of this subdivision. The council shall not
3033 render any decision pursuant to this subparagraph that is inconsistent

3034 with federal law or regulations; and

3035 (H) That, for a facility described in subdivision (5) or (6) of
3036 subsection (a) of section 16-50i, the council has considered the
3037 manufacturer's recommended safety standards for any equipment,
3038 machinery or technology for the facility.

3039 (b) (1) Prior to granting an applicant's certificate for a facility
3040 described in subdivision (5) or (6) of subsection (a) of section 16-50i,
3041 the council shall examine, in addition to its consideration of
3042 subdivisions (1) to (3), inclusive, of subsection (a) of this section: (A)
3043 The feasibility of requiring an applicant to share an existing facility, as
3044 defined in subsection (b) of section 16-50aa, within a technically
3045 derived search area of the site of the proposed facility, provided such
3046 shared use is technically, legally, environmentally and economically
3047 feasible and meets public safety concerns, (B) whether such facility, if
3048 constructed, may be shared with any public or private entity that
3049 provides telecommunications or community antenna television service
3050 to the public, provided such shared use is technically, legally,
3051 environmentally and economically feasible at fair market rates, meets
3052 public safety concerns, and the parties' interests have been considered,
3053 (C) whether the proposed facility would be located in an area of the
3054 state which the council, in consultation with the Department of Energy
3055 and Environmental Protection and any affected municipalities, finds to
3056 be a relatively undisturbed area that possesses scenic quality of local,
3057 regional or state-wide significance, and (D) the latest facility design
3058 options intended to minimize aesthetic and environmental impacts.
3059 The council may deny an application for a certificate if it determines
3060 that (i) shared use under the provisions of subparagraph (A) of this
3061 subdivision is feasible, (ii) the applicant would not cooperate relative
3062 to the future shared use of the proposed facility, [or] (iii) the proposed
3063 facility would substantially affect the scenic quality of its location or
3064 surrounding neighborhood and no public safety concerns require that
3065 the proposed facility be constructed in such a location, or (iv) no public
3066 safety concerns require that a proposed facility owned or operated by

3067 the state be constructed in that location. In evaluating the public need
3068 for a cellular facility described in subdivision (6) of subsection (a) of
3069 section 16-50i, there shall be a presumption of public need for personal
3070 wireless services and the council shall be limited to consideration of a
3071 specific need for any proposed facility to be used to provide such
3072 services to the public.

3073 (2) When issuing a certificate for a facility described in subdivision
3074 (5) or (6) of subsection (a) of section 16-50i, the council may impose
3075 such reasonable conditions as it deems necessary to promote
3076 immediate and future shared use of such facilities and avoid the
3077 unnecessary proliferation of such facilities in the state. The council
3078 shall, prior to issuing a certificate, provide notice of the proposed
3079 facility to the municipality in which the facility is to be located. Upon
3080 motion of the council, written request by a public or private entity that
3081 provides telecommunications or community antenna television service
3082 to the public or upon written request by an interested party, the
3083 council may conduct a preliminary investigation to determine whether
3084 the holder of a certificate for such a facility is in compliance with the
3085 certificate. Following its investigation, the council may initiate a
3086 certificate review proceeding, which shall include a hearing, to
3087 determine whether the holder of a certificate for such a facility is in
3088 compliance with the certificate. In such proceeding, the council shall
3089 render a decision and may issue orders it deems necessary to compel
3090 compliance with the certificate, which may include, but not be limited
3091 to, revocation of the certificate. Such orders may be enforced in
3092 accordance with the provisions of section 16-50u.

3093 Sec. 62. Section 25-32 of the general statutes is amended by adding
3094 subsection (q) as follows (*Effective July 1, 2013*):

3095 (NEW) (q) Notwithstanding any provision of this section, the
3096 commissioner may grant a permit for the lease or change in use of
3097 water company land to allow for telecommunications antennas,
3098 telecommunications towers, ancillary equipment, related access drives
3099 or utilities, used in the provision of personal wireless services, as

3100 defined in 47 USC 332(c)(7), if the commissioner determines such lease
3101 or change in use will not have an adverse impact on the purity and
3102 adequacy of the public drinking water supply and that any use
3103 restrictions which the commissioner requires as a condition of granting
3104 a permit can be enforced against subsequent owners, lessees and
3105 assignees. The permit application shall include, but not be limited to,
3106 documentation on the extent of other alternative sites considered
3107 unsuitable by the provider of wireless services and a finding by the
3108 commissioner that such lease or change in use of water company land
3109 will not have a significant adverse impact upon the purity and
3110 adequacy of the public drinking supply. Any permit granted under
3111 this subsection shall be subject to any conditions or restrictions which
3112 the commissioner may deem necessary to maintain the purity and
3113 adequacy of the public drinking water supply.

3114 Sec. 63. Section 16-245p of the general statutes, as amended by
3115 section 45 of public act 13-5, is repealed and the following is
3116 substituted in lieu thereof (*Effective from passage*):

3117 (a) An electric supplier and an electric distribution company
3118 providing standard service or back-up electric generation service,
3119 pursuant to section 16-244c, as amended by this act, shall submit
3120 information to the Public Utilities Regulatory Authority that the
3121 authority [, after consultation with the Consumer Education Advisory
3122 Council, established under section 16-244d,] determines will assist
3123 customers in making informed decisions when choosing an electric
3124 supplier, including, but not limited to, the information provided in
3125 subsection (b) of this section. Each supplier or electric distribution
3126 company providing standard service or back-up electric generation
3127 service, pursuant to section 16-244c, as amended by this act, shall, at
3128 such times as the authority requires, but not less than annually, submit
3129 in a form prescribed by the authority, information that the authority
3130 must make available pursuant to subsection (b) of this section and any
3131 other information the authority considers relevant. After the authority
3132 has received the information required pursuant to this subsection, the

3133 supplier shall be eligible to receive customer marketing information
3134 from electric or electric distribution companies, as provided in section
3135 16-245o.

3136 (b) The Public Utilities Regulatory Authority shall maintain and
3137 make available to customers upon request, a list of electric aggregators
3138 and the following information about each electric supplier and each
3139 electric distribution company providing standard service or back-up
3140 electric generation service, pursuant to section 16-244c, as amended by
3141 this act: (1) Rates and charges; (2) applicable terms and conditions of a
3142 contract for electric generation services; (3) the percentage of the total
3143 electric output derived from each of the categories of energy sources,
3144 the total emission rates of nitrogen oxides, sulfur oxides, carbon
3145 dioxide, carbon monoxide, particulates, heavy metals and other wastes
3146 the disposal of which is regulated under state or federal law at the
3147 facilities operated by or under long-term contract to the electric
3148 supplier or providing electric generation services to an electric
3149 distribution company providing standard service or back-up electric
3150 generation service, pursuant to section 16-244c, as amended by this act,
3151 and the analysis of the environmental characteristics of each such
3152 category of energy source [prepared pursuant to subsection (e) of said
3153 section 16-244d] and to the extent such information is unknown, the
3154 estimated percentage of the total electric output for which such
3155 information is unknown, along with the word "unknown" for that
3156 percentage; (4) a record of customer complaints and the disposition of
3157 each complaint; and (5) any other information the authority
3158 determines will assist customers in making informed decisions when
3159 choosing an electric supplier. The authority shall make available to
3160 customers the information filed pursuant to subsection (a) of this
3161 section not later than thirty days after its receipt. The authority shall
3162 put such information in a standard format so that a customer can
3163 readily understand and compare the services provided by each electric
3164 supplier.

3165 (c) Each electric supplier and electric distribution company shall

3166 disclose to customers, in a manner prescribed by the authority and not
3167 less than annually, such information as the authority considers
3168 relevant. The authority may adopt regulations, in accordance with the
3169 provisions of chapter 54, to implement the provisions of this
3170 subsection.

3171 Sec. 64. Section 16-19f of the general statutes is repealed and the
3172 following is substituted in lieu thereof (*Effective from passage*):

3173 (a) As used in this section:

3174 (1) "Cost of service" means an electric utility rate for a class of
3175 consumer which is designed, to the maximum extent practicable, to
3176 reflect the cost to the utility in providing electric service to such class;

3177 (2) "Declining block rate" means an electric utility rate for a class of
3178 consumer which prices successive blocks of electricity consumed by
3179 such consumer at lower per-unit prices;

3180 (3) "Time of day rate" means an electric utility rate for a class of
3181 consumer which is designed to reflect the cost to the utility of
3182 providing electricity to such consumer at different times of the day;

3183 (4) "Seasonal rate" means an electric utility rate for a class of
3184 consumer designed to reflect the cost to the utility in providing
3185 electricity to such consumer during different seasons of the year;

3186 (5) "Electric vehicle time of day rate" means an electric utility rate
3187 for a class of consumer designed to reflect the cost to the utility of
3188 providing electricity to such consumer charging an electric vehicle at a
3189 public electric vehicle charging station at different times of the day, but
3190 shall not include demand charges;

3191 (6) "Public electric vehicle charging station" means an electric
3192 vehicle charging station, electric recharging point, charging point or
3193 electric vehicle supply equipment, which is an element in an
3194 infrastructure that supplies electricity for the recharging of plug-in

3195 electric vehicles, including all-electric cars, neighborhood electric
3196 vehicles and plug-in hybrids, and which allows any electric vehicle
3197 owner or operator to access and use the charging station free of charge;

3198 [(5)] (7) "Interruptible rate" means an electric utility rate designed to
3199 reflect the cost to the utility in providing service to a consumer where
3200 such consumer permits his service to be interrupted during periods of
3201 peak electrical demand;

3202 [(6)] (8) "Load management techniques" means cost-effective
3203 techniques used by an electric utility to reduce the maximum kilowatt
3204 demand on the utility.

3205 (b) The Public Utilities Regulatory Authority, with respect to each
3206 electric public service company and each municipal electric company,
3207 shall [] (1) within two years, consider and determine whether it is
3208 appropriate to implement any of the following rate design standards:
3209 [(1)] (A) Cost of service; [(2)] (B) prohibition of declining block rates;
3210 [(3)] (C) time of day rates; [(4)] (D) seasonal rates; [(5)] (E) interruptible
3211 rates; and [(6)] (F) load management techniques, and (2) within one
3212 year, consider and determine whether it is appropriate to implement
3213 electric vehicle time of day rates. The consideration of said standards
3214 by the authority and each municipal electric company shall be made
3215 after public notice and hearing. Such hearing may be held concurrently
3216 with a hearing required pursuant to subsection (b) of section 16-19e.
3217 The authority and each municipal company shall make a
3218 determination on whether it is appropriate to implement any of said
3219 standards. Said determination shall be in writing, shall take into
3220 consideration the evidence presented at the hearing and shall be
3221 available to the public. A standard shall be deemed to be appropriate
3222 for implementation if such implementation would encourage energy
3223 conservation, optimal and efficient use of facilities and resources by an
3224 electric public service company or municipal electric company and
3225 equitable rates for electric consumers.

3226 (c) The Public Utilities Regulatory Authority, with respect to each

3227 electric public service company, and each municipal electric company
3228 may implement any standard determined under subsection (b) of this
3229 section to be appropriate or decline to implement any such standard. If
3230 the authority or a municipal electric company declines to implement
3231 any standard determined to be appropriate, it shall state in writing its
3232 reasons for doing so and make such statement available to the public.

3233 (d) The provisions of this section shall not apply to any municipal
3234 electric company which has total annual sales of electricity for
3235 purposes other than resale of five hundred million kilowatt-hours or
3236 less.

3237 Sec. 65. Section 42-133bb of the general statutes is repealed and the
3238 following is substituted in lieu thereof (*Effective from passage*):

3239 Notwithstanding the terms, provisions or conditions of any
3240 franchise agreement or other agreement between a manufacturer or
3241 distributor and a dealer, no manufacturer or distributor shall require
3242 that a dealer:

3243 (1) Order or accept delivery of any new motor vehicle, part or
3244 accessory, equipment or any other commodity not required by law in
3245 connection with warranty service or a recall campaign or voluntarily
3246 ordered by the dealer, except that the provisions of this subdivision
3247 shall not affect terms or provisions of a franchise requiring dealers to
3248 market a representative line of motor vehicles which the manufacturer
3249 or distributor is publicly advertising;

3250 (2) Order or accept delivery of any new motor vehicle with special
3251 features, accessories or equipment not included in the list price of such
3252 motor vehicles as publicly advertised by the manufacturer or
3253 distributor;

3254 (3) Pay all or part of the cost of an advertising campaign or contest,
3255 or purchase any promotional materials, training material, showroom
3256 or other display decorations or materials at the expense of the new
3257 motor vehicle dealer without the consent of the new motor vehicle

3258 dealer;

3259 (4) Enter into any agreement with the manufacturer or distributor or
3260 do any other act prejudicial to the dealer under threat of termination or
3261 cancellation of a franchise or agreement between the dealer and the
3262 manufacturer or distributor, except that this subdivision shall not
3263 preclude the manufacturer or distributor from insisting on compliance
3264 with the reasonable terms or provisions of the franchise or agreement,
3265 and notice in good faith to any dealer of the dealer's violation of such
3266 terms or provisions shall not constitute a violation of sections 42-133r
3267 to 42-133ee, inclusive;

3268 (5) Change the capital structure of the dealer or the means by which
3269 the dealer finances the operation of the dealership provided the dealer
3270 meets reasonable capital standards established by the manufacturer or
3271 distributor in accordance with uniformly applied criteria, and
3272 provided further that no change in the capital structure shall cause a
3273 change in the principal management or have the effect of a sale of the
3274 franchise without the consent of the manufacturer or distributor and
3275 such consent shall not be unreasonably withheld;

3276 (6) Refrain from participation in the management of, investment in,
3277 or acquisition of any other line of new motor vehicles or related
3278 products, provided this subdivision shall not apply unless the dealer
3279 maintains a reasonable line of credit for each line make of new motor
3280 vehicle, the dealer remains in compliance with any reasonable facilities
3281 requirements of the manufacturer or distributor, and no change is
3282 made in the principal management of the dealer;

3283 (7) Prospectively assent to a release, assignment, novation, waiver
3284 or estoppel which would relieve any person from liability to be
3285 imposed by sections 42-133r to 42-133ee, inclusive, or require any
3286 controversy between a dealer and a manufacturer or distributor, to be
3287 referred to any forum other than the Superior Court or the United
3288 States District Court;

3289 (8) Construct, renovate or make substantial alterations to the
 3290 dealer's facilities unless the manufacturer or distributor can
 3291 demonstrate that such construction, renovation or alteration
 3292 requirements are reasonable and justifiable in light of current and
 3293 reasonably foreseeable projections of economic conditions, financial
 3294 expectations, availability of additional vehicle allocation and such
 3295 dealer's market for the sale of vehicles; [.]

3296 (9) Purchase goods or services including, but not limited to, vehicle
 3297 battery charging stations, from a vendor chosen by the manufacturer
 3298 or distributor if substantially similar items of like appearance, function
 3299 and quality are available from other sources, provided the provisions
 3300 of this subdivision shall not be construed to (A) allow a dealer to
 3301 impair or eliminate the intellectual property rights of the manufacturer
 3302 or distributor, or (B) permit the dealer to erect or maintain signs that
 3303 do not conform to the intellectual property usage guidelines of the
 3304 manufacturer or distributor.

3305 Sec. 66. Section 16a-41i of the general statutes is repealed. (*Effective*
 3306 *from passage*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-1(a)(2)
Sec. 2	<i>from passage</i>	16-1(a)(52)
Sec. 3	<i>from passage</i>	16-2
Sec. 4	<i>from passage</i>	16-2c
Sec. 5	<i>from passage</i>	16-3
Sec. 6	<i>from passage</i>	16-6b
Sec. 7	<i>from passage</i>	16-7
Sec. 8	<i>July 1, 2013</i>	16-18a
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	16-19e
Sec. 11	<i>from passage</i>	16-19tt
Sec. 12	<i>from passage</i>	16-35
Sec. 13	<i>from passage</i>	16-244c(c)(5)
Sec. 14	<i>from passage</i>	16-244m

Sec. 15	<i>from passage</i>	16-32f
Sec. 16	<i>from passage</i>	16-245m
Sec. 17	<i>from passage</i>	16-245ee
Sec. 18	<i>from passage</i>	16-245hh
Sec. 19	<i>from passage</i>	16a-3
Sec. 20	<i>from passage</i>	16a-3a
Sec. 21	<i>from passage</i>	16a-3b
Sec. 22	<i>from passage</i>	16a-3c(a)
Sec. 23	<i>from passage</i>	16a-3d
Sec. 24	<i>from passage</i>	16a-3e
Sec. 25	<i>from passage</i>	16a-7b(b)
Sec. 26	<i>from passage</i>	16a-23t(f)
Sec. 27	<i>from passage</i>	16a-37u(c) to (e)
Sec. 28	<i>from passage</i>	16a-38l
Sec. 29	<i>from passage</i>	16a-40b(a) to (c)
Sec. 30	<i>from passage</i>	16a-40l(a)
Sec. 31	<i>from passage</i>	16a-46h
Sec. 32	<i>from passage</i>	16a-48(b) to (g)
Sec. 33	<i>from passage</i>	2c-2h(h)
Sec. 34	<i>from passage</i>	16-243y(a)
Sec. 35	July 1, 2013	16-244u
Sec. 36	July 1, 2013	16-19ff
Sec. 37	July 1, 2013	16-41(a)
Sec. 38	July 1, 2013	16-1(a)(8) and (9)
Sec. 39	July 1, 2013	New section
Sec. 40	July 1, 2013	32-80a(a)
Sec. 41	<i>from passage</i>	New section
Sec. 42	<i>from passage</i>	16a-40g(e)(1)
Sec. 43	<i>from passage</i>	16a-40g(g)
Sec. 44	<i>from passage</i>	16-50kk
Sec. 45	<i>from passage</i>	29-252
Sec. 46	<i>from passage</i>	16a-21a
Sec. 47	<i>from passage</i>	New section
Sec. 48	<i>from passage</i>	New section
Sec. 49	<i>from passage</i>	PA 13-78Section 1
Sec. 50	<i>from passage</i>	16-19oo
Sec. 51	<i>from passage</i>	New section
Sec. 52	<i>from passage</i>	New section
Sec. 53	<i>from passage</i>	New section
Sec. 54	<i>from passage</i>	16-19kk(b)

Sec. 55	<i>from passage</i>	16-245aa(b)
Sec. 56	<i>from passage</i>	New section
Sec. 57	<i>from passage</i>	New section
Sec. 58	<i>from passage</i>	New section
Sec. 59	<i>from passage</i>	New section
Sec. 60	<i>July 1, 2013</i>	16-234
Sec. 61	<i>July 1, 2013</i>	16-50p(a) and (b)
Sec. 62	<i>July 1, 2013</i>	25-32
Sec. 63	<i>from passage</i>	16-245p
Sec. 64	<i>from passage</i>	16-19f
Sec. 65	<i>from passage</i>	42-133bb
Sec. 66	<i>from passage</i>	Repealer section