



House of Representatives

General Assembly

File No. 517

January Session, 2015

House Bill No. 6020

House of Representatives, April 8, 2015

The Committee on Energy and Technology reported through REP. REED of the 102nd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING ANAEROBIC DIGESTION.

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

1 Section 1. Section 103 of public act 11-80, as amended by section 156
2 of public act 12-2 of the June 12 special session, is repealed and the
3 following is substituted in lieu thereof (*Effective from passage*):

4 (a) The [Clean Energy Finance and Investment Authority]
5 Connecticut Green Bank shall on or before March 1, 2012, establish a
6 three-year pilot program to promote the development of new
7 combined heat and power projects in Connecticut that are below five
8 megawatts in capacity size. The program established pursuant to this
9 section shall not exceed fifty megawatts. The [Clean Energy Finance
10 and Investment Authority] Connecticut Green Bank shall examine the
11 appropriate assistance to provide to each approved project. The [Clean
12 Energy Finance and Investment Authority] Connecticut Green Bank
13 shall set one or more standardized grant amounts, loan amounts and
14 power purchase agreements for such projects to limit the
15 administrative burden of project approvals for the [authority] bank

16 and the project proponent, including, but not limited to, a per kilowatt
17 cost of up to four hundred fifty dollars. Such standardized provisions
18 shall seek to minimize costs for the general class of ratepayers,
19 ensuring that the project developer has a significant share of the
20 financial burden and risk, while ensuring the development of projects
21 that benefit Connecticut's economy, ratepayers, and environment. The
22 [Clean Energy Finance and Investment Authority] Connecticut Green
23 Bank may in its discretion decline to support a proposed project if the
24 benefits of such project to Connecticut's ratepayers, economy and
25 environment, including emissions reductions, are too meager to justify
26 ratepayer or taxpayer investment.

27 (b) The [Clean Energy Finance and Investment Authority]
28 Connecticut Green Bank shall establish a [~~three-year~~] five-year pilot
29 program to support through loans, grants or power purchase
30 agreements sustainable practices and economic prosperity of
31 Connecticut farms and other businesses by using organic waste with
32 on-site anaerobic digestion facilities to generate electricity and heat. As
33 part of the pilot program, said [authority] bank may approve no more
34 than five projects, each of which shall have a maximum size of three
35 megawatts at a cost of four hundred fifty dollars per kilowatt.

36 (c) On or before January 1, 2016, the [Clean Energy Finance and
37 Investment Authority] Connecticut Green Bank shall report, in
38 accordance with the provisions of section 11-4a of the general statutes,
39 to the joint standing committee of the General Assembly having
40 cognizance of matters relating to energy regarding the program
41 established pursuant to subsection (a) of this section and whether such
42 program should continue. On or before January 1, 2018, the
43 Connecticut Green Bank shall report, in accordance with the
44 provisions of section 11-4a of the general statutes, to the joint standing
45 committee of the General Assembly having cognizance of matters
46 relating to energy regarding the program established pursuant to
47 subsection (b) of this section and whether such program should
48 continue.

49 (d) The [Clean Energy Finance and Investment Authority]
50 Connecticut Green Bank shall allocate four million dollars annually
51 from the Clean Energy Fund, provided two million dollars shall be
52 allocated for combined heat and power projects and two million
53 dollars shall be allocated for anaerobic digestion projects.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	PA 11-80, Sec. 103

ET *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill extends the Connecticut Green Bank's anaerobic digestion pilot program by two years. The Connecticut Green Bank is a quasi-public state agency which does not currently receive state funding. The program is not estimated to have a fiscal impact to the state or municipalities as ratepayers.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**HB 6020*****AN ACT CONCERNING ANAEROBIC DIGESTION.*****SUMMARY:**

This bill extends, by two years, the Connecticut Green Bank's anaerobic digestion pilot program. The program supports sustainable practices and economic prosperity of Connecticut farms and other businesses by using organic waste with on-site anaerobic digestion facilities to generate electricity and heat. Currently, the three-year pilot program ends this year and the Green Bank must report to the Energy and Technology Committee, by January 1, 2016, on the program and whether it should continue. The bill extends the reporting deadline by two years to January 1, 2018.

The bill also makes conforming changes to reflect that PA 14-94 renamed the Clean Energy Finance and Investment Authority as the Connecticut Green Bank.

EFFECTIVE DATE: Upon passage

BACKGROUND***Anaerobic Digestion Pilot Program***

The Green Bank's assistance under the program can take the form of loans, grants, or power purchase agreements. It may approve no more than five projects under the program, each with a maximum size of three megawatts and a maximum cost of \$450 per kilowatt.

The bank must allocate \$2 million annually from the Clean Energy Fund for the program.

Anaerobic Digesters

Anaerobic digesters convert manure or other organic products into

methane, the principal component of natural gas. The methane can be used for heating or electricity generation, among other things.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 23 Nay 0 (03/24/2015)