



General Assembly

Amendment

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LCO No. 9226



Offered by:

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To: Subst. Senate Bill No. 570

File No. 611

Cal. No. 343

"AN ACT CONCERNING ELECTRIC FIXED BILL FEES AND GRID MODERNIZATION."

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

3 "Section 1. (NEW) (*Effective July 1, 2015*) (a) As used in this section:

4 (1) "Residential fixed charge" means any fixed fee charged to
5 residential electric customers, including, but not limited to, (A) a fixed
6 charge for distribution basic service, (B) a distribution customer service
7 charge, (C) a customer charge, or (D) a basic service fee which is
8 separate and distinct from any distribution charge per kilowatt-hour.

9 (2) "Electric distribution company" has the same meaning as
10 provided in section 16-1 of the general statutes, as amended by this act.

11 (b) The Public Utilities Regulatory Authority shall adjust each
12 electric distribution company's residential fixed charge upon such
13 company's filing with the authority an amendment of rate schedules
14 pursuant to section 16-19 of the general statutes to recover only the
15 fixed costs and operation and maintenance expenses directly related to
16 metering, billing, service connections and the provision of customer
17 service.

18 (c) The provisions in subsection (b) of this section shall not permit or
19 enable the authority to cause a cost-shift to other rate classes.

20 (d) This section shall not apply to electric customers that subscribe
21 to a residential electric heating service rate class.

22 Sec. 2. Subsection (a) of section 16-1 of the general statutes is
23 amended by adding subdivisions (48) and (49) as follows (*Effective July*
24 *1, 2015*):

25 (NEW) (48) "Distributed energy resource" means any customer-side
26 distributed resource or grid-side distributed resource, that generates
27 electricity from a Class I renewable energy source or Class III source,
28 customer-side distributed resource that reduces demand for electricity
29 through conservation and load management, energy storage system
30 located on the customer-side of the meter or connected to the
31 distribution system or microgrid.

32 (NEW) (49) "Grid-side system enhancement" means an investment
33 in distribution system infrastructure, technology and systems designed
34 to enable the deployment of distributed energy resources and allow for
35 grid management and system balancing, including, but not limited to,
36 energy storage systems, distribution system automation and controls,
37 intelligent field systems, advanced distribution system metering and
38 communication and systems that enable two-way power flow.

39 Sec. 3. (NEW) (*Effective July 1, 2015*) Not later than October 1, 2016,
40 the Department of Energy and Environmental Protection shall issue,
41 either as part of the Comprehensive Energy Strategy, issued pursuant

42 to section 16a-3d of the general statutes, or in a separate proceeding
43 that provides opportunity for public review and comment consistent
44 with that mandated for the Comprehensive Energy Strategy pursuant
45 to section 16a-3d of the general statutes, a study and recommendations
46 for regulatory, legislative and policy mechanisms necessary to
47 transform the electric distribution company business model and
48 related constructs for supporting and deploying distributed energy
49 resources to increase system-wide efficiencies in the integration of
50 more distributed energy resources, and ensure that such companies
51 are appropriately incentivized to support and deploy distributed
52 energy resources, in such a way that increases (1) customer choice; (2)
53 net benefits to the electric system, electric ratepayers and society,
54 including through the avoidance of electric system costs related to
55 generation and transmission; (3) deployment of cost-effective
56 distributed energy resources; (4) system reliability and resiliency; and
57 (5) reduction of greenhouse gas emissions and other pollutants.

58 Sec. 4. (NEW) (*Effective July 1, 2015*) (a) Notwithstanding subsection
59 (a) of section 16-244e of the general statutes, each electric distribution
60 company, as defined in section 16-1 of the general statutes, as amended
61 by this act, shall submit a proposal or proposals to the Department of
62 Energy and Environmental Protection for a pilot program to build,
63 own or operate grid-side system enhancements, including, but not
64 limited to, energy storage systems, as defined in section 16-1 of the
65 general statutes, as amended by this act, for the purpose of
66 demonstrating and investigating how distributed energy resources, as
67 defined in section 16-1 of the general statutes, as amended by this act,
68 can be reliably and efficiently integrated into the operation of the
69 electric distribution system in a manner that maximizes the value
70 provided to the electric grid, electric ratepayers and the public from
71 such resources. Such proposal shall complement and enhance the
72 programs, products and incentives available through the Connecticut
73 Green Bank and the Connecticut Energy Efficiency Fund, pursuant to
74 sections 16-244r, 16-244s and 16-244t of the general statutes, and other
75 similar programs that support the deployment of distributed energy

76 resources.

77 (b) The department shall evaluate such proposals and may approve
78 such proposals if such proposals demonstrate: (1) How grid-side
79 system enhancements, including, but not limited to, energy storage
80 systems, can be reliably and cost-effectively integrated into the electric
81 distribution system; and (2) that such proposals maximize the value
82 provided to ratepayers. Any proposal that is approved by the
83 department shall be subject to review and approval by the Public
84 Utilities Regulatory Authority, and shall be approved by the authority
85 if the authority concludes that investment in such grid-side system
86 enhancement is reasonable, prudent and provides value to ratepayers.

87 (c) Each electric distribution company may enter into joint
88 ownership agreements, partnerships or other contractual agreements
89 for services with private entities to carry out the provisions of this
90 section. The costs incurred by the electric distribution companies
91 pursuant to this section shall be recovered from all customers of the
92 contracting electric distribution company through a fully reconciling
93 component of electric rates for all customers of electric distribution
94 companies, until the electric distribution company's next rate case, at
95 which time such costs and investments shall be recoverable through
96 base distribution rates.

97 (d) Not later than January 1, 2017, the department shall evaluate
98 such approved proposals pursuant to this section and submit a report,
99 in accordance with the provisions of section 11-4a of the general
100 statutes, to the joint standing committee of the General Assembly
101 having cognizance of matters relating to energy, regarding the
102 performance, costs and benefits associated with grid-side system
103 enhancements, including, but not limited to, energy storage systems
104 procured pursuant to this section.

105 Sec. 5. (NEW) (*Effective July 1, 2015*) (a) After the effective date of
106 this section, the Commissioner of Energy and Environmental
107 Protection shall initiate an uncontested proceeding or proceedings to

108 (1) determine the net value that any type of customer-side Class I
109 renewable energy source or Class III source, as defined in section 16-1
110 of the general statutes, as amended by this act, provide to the electric
111 grid, ratepayers and the public; and (2) make recommendations
112 regarding any changes to ratemaking mechanisms and other programs
113 supporting Class I renewable energy sources or Class III sources that
114 would credit the owners of such distributed energy resource for such
115 net value.

116 (b) In determining the value of any type of Class I renewable energy
117 source or Class III source in any proceeding initiated pursuant to this
118 section, the commissioner shall consider the costs and benefits
119 associated with the following factors: (1) Energy; (2) generation
120 capacity; (3) distribution system impacts, including, but not limited to,
121 line loss savings; (4) transmission system impacts, including, but not
122 limited to, line loss savings; (5) price suppression; (6) quantifiable
123 environmental attributes; (7) reliability and resiliency; and (8) fuel
124 price volatility reduction benefits. The commissioner shall consider the
125 extent to which the rate design for crediting such Class I renewable
126 energy source or Class III source avoids participant contribution to the
127 combined public benefits charge that funds programs supporting such
128 sources.

129 (c) In any proceeding initiated pursuant to this section, the
130 commissioner shall convene a public scoping meeting with interested
131 stakeholders to determine the types of Class I renewable energy
132 sources or Class III sources to be evaluated at such proceeding, the
133 scope of such proceeding, and any other issues the commissioner
134 deems relevant. Not less than thirty days after convening any such
135 scoping meeting, the commissioner shall conduct not less than one
136 public meeting and one technical meeting where technical personnel
137 shall be made available to respond to questions. In conducting any
138 proceeding pursuant to this section, the commissioner shall:

139 (1) Not less than fifteen days prior to convening any public, scoping
140 or technical meeting pursuant to this subsection, publish notice of such

141 meeting. Such notice shall disclose the time period for public comment
142 and the time, date and location of such meeting. The testimony, public
143 comments and exhibits made at such proceeding and at such public
144 and technical meetings shall be transcribed and made available on the
145 department's Internet web site.

146 (2) Not later than sixty days after convening the public meeting or
147 technical meeting required pursuant to this subsection, whichever is
148 later, make proposed recommendations available for public comment
149 for a period of not less than thirty days after issuing such proposed
150 recommendations in any proceeding conducted pursuant to subsection
151 (a) of this section. The commissioner shall fully consider all oral and
152 written public comments concerning the proposed valuation
153 methodology for such Class I renewable energy source or Class III
154 source before issuing the final valuation methodology.

155 (d) At the conclusion of any proceeding conducted pursuant to
156 subsection (a) of this section, the commissioner shall (1) establish a
157 final valuation methodology, including provisions for how such
158 methodology shall be updated over time to account for changed
159 market conditions, for the distributed Class I renewable energy source
160 or Class III source evaluated in the proceeding, and (2) make
161 recommendations regarding any changes to ratemaking mechanisms
162 and other programs supporting Class I renewable energy sources or
163 Class III sources that would credit the owners of such distributed
164 energy resource for such net value.

165 (e) After the conclusion of any proceeding under this section, the
166 commissioner may update the final valuation methodology established
167 under subsection (d) of this section as needed to reflect changed
168 market conditions.

169 (f) Not later than six months after such proceeding, the
170 commissioner shall report, in accordance with section 11-4a of the
171 general statutes, to the joint standing committee of the General
172 Assembly having cognizance of matters relating to energy regarding

173 such valuation methodology and recommendations.

174 Sec. 6. (NEW) (*Effective July 1, 2015*) On or after the effective date of
175 this section, the Commissioner of Energy And Environmental
176 Protection may direct each electric distribution company to submit an
177 active demand response resource plan to the department for the
178 procurement of active demand response resources that can reduce
179 generation service charges or other electric service charges through
180 one or more tariffs. The department shall review and may approve,
181 modify or reject such plans. Each electric distribution company shall
182 file an application with the Public Utilities Regulatory Authority for
183 approval of a tariff pursuant to section 16-19 of the general statutes,
184 associated with such demand response resource plans approved by the
185 department. The department may require each electric distribution
186 company to submit additional active demand response resource plans
187 pursuant to this section, as needed to reduce generation service
188 charges. Each electric distribution company's costs associated with the
189 compliance with the provisions of this section shall be recoverable
190 through a fully reconciling component of electric rates for all
191 customers of electric distribution companies. Not later than July 1,
192 2017, the department shall submit a report in accordance with the
193 provisions of section 11-4a of the general statutes, regarding such
194 approved demand response resource plans to the joint standing
195 committee of the General Assembly having cognizance of matters
196 relating to energy.

197 Sec. 7. Section 16-245a of the general statutes is amended by adding
198 subsection (i) as follows (*Effective July 1, 2015*):

199 (NEW) (i) Notwithstanding the provisions of this section and the
200 regulations adopted pursuant to subsection (f) of this section, the
201 Public Utilities Regulatory Authority shall issue registration numbers
202 to electric generating facilities that are eligible Class I renewable
203 energy sources and derive electricity from either solar power, wind
204 power or a fuel cell. The owner of such electric generating facility shall
205 register with the authority, subject to section 16-33, using a self-

206 certification process as prescribed by the authority and shall sign a
207 statement under oath indicating that such owner has complied with
208 the requirements and criteria for the issuance of a Class I renewable
209 energy source registration number. Failure to comply with such
210 requirements and criteria may result in the authority revoking such
211 registration.

212 Sec. 8. Subsection (c) of section 16-243y of the general statutes is
213 repealed and the following is substituted in lieu thereof (*Effective July*
214 *1, 2015*):

215 (c) The department shall award grants or loans under the microgrid
216 grant and loan pilot program to any number of recipients. To the
217 extent possible, the amount of loans and grants awarded under the
218 program shall be evenly distributed between small, medium and large
219 municipalities. Such grants and loans [shall only be used to] may
220 provide assistance to recipients for the cost of a microgrid's design,
221 engineering services and interconnection infrastructure, and may
222 provide matching funds or low interest loans for new generation,
223 energy storage systems, or both for any such microgrid, provided such
224 generation is derived from a Class I renewable energy source or Class
225 III source or a gas microturbine with an efficiency factor of 40 or
226 greater. The department may establish any financing mechanism to
227 provide or leverage additional funding to support the development of
228 interconnection infrastructure, distributed energy generation and
229 microgrids. [that is not limited to the cost of interconnection
230 infrastructure.]

231 Sec. 9. Subsection (g) of section 16-244u of the general statutes is
232 repealed and the following is substituted in lieu thereof (*Effective July*
233 *1, 2015*):

234 (g) A municipal, state or agricultural customer host shall be allowed
235 to aggregate [all] electric meters that are located on the same parcel or
236 property of one of the virtual net metering facilities that are billable to
237 such customer host.

238 Sec. 10. (NEW) (*Effective July 1, 2015, and applicable to assessment years*
239 *commencing on or after October 1, 2015*) Any municipality may, by vote
240 of its legislative body or, in a municipality where the legislative body
241 is a town meeting, by vote of the board of selectmen, abate up to one
242 hundred per cent of the property taxes due for any tax year, for not
243 more than twenty-five tax years, with respect to personal property of
244 any gas company, as defined in section 16-1 of the general statutes, as
245 amended by this act, in order to facilitate natural gas expansion
246 projects in such municipality. The gas company shall include the
247 amount of such abatement when calculating the hurdle rate pursuant
248 to section 16-19ww of the general statutes for gas expansion projects
249 within such municipality.

250 Sec. 11. Subdivision (3) of subsection (a) of section 16-244u of the
251 general statutes is repealed and the following is substituted in lieu
252 thereof (*Effective July 1, 2015*):

253 (3) "Agricultural customer host" means an in-state retail end user of
254 an electric distribution company that uses electricity for the purpose of
255 agriculture, as defined in subsection (q) of section 1-1, owns, leases or
256 enters into a long-term contract for an agricultural virtual net metering
257 facility and participates in agricultural virtual net metering;

258 Sec. 12. Section 16a-41b of the general statutes is amended by
259 adding subsection (c) as follows (*Effective October 1, 2015*):

260 (NEW) (c) The Low-Income Energy Advisory Board shall convene
261 and devise recommendations to improve the implementation of
262 heating assistance programs, particularly those created to benefit low-
263 income households, through coordination and optimization of existing
264 energy efficiency and energy assistance programs. Such
265 recommendations shall consider: (1) How the Department of Energy
266 and Environmental Protection, Department of Social Services,
267 community action agencies, as defined by section 17b-885, electric
268 distribution companies, as defined by section 16-1, and municipal
269 electric utilities, as defined by section 7-233b, can securely share

270 heating assistance program applicant data, with respect to customer
271 energy usage levels, past participation and eligibility for energy
272 assistance and energy efficiency programs and other data deemed
273 relevant to improve coordination among such programs and program
274 administrators; (2) the costs and benefits of current energy assistance
275 and energy efficiency programs and how to maximize customer
276 benefits through such customers' participation in any combination of
277 energy assistance and energy efficiency programs; (3) how to
278 streamline the application process for energy assistance and energy
279 efficiency program applicants and the possible development of joint
280 electronic applications; (4) how to make energy assistance and energy
281 efficiency programs more accessible and feasible for tenants in rental
282 housing units, including, but not limited to, how to best secure
283 landlord permission for such services; and (5) coordination efforts to
284 best improve boiler and furnace replacement programs. Not later than
285 January 1, 2016, the Low-Income Energy Advisory Board shall report
286 such recommendations, in accordance with section 11-4a, to the joint
287 standing committees of the General Assembly having cognizance of
288 matters relating to energy, appropriations and human services.

289 Sec. 13. Section 16-2 of the general statutes is amended by adding
290 subsection (n) as follows (*Effective from passage*):

291 (NEW) (n) Two or more utility commissioners serving on a panel
292 established pursuant to subsection (c) of this section may confer or
293 communicate regarding the matter before such panel. Any such
294 conference or communication that does not occur before the public at a
295 hearing or proceeding shall not constitute a meeting as defined in
296 section 1-200.

297 Sec. 14. (NEW) (*Effective from passage*) The Commissioner of Energy
298 and Environmental Protection shall administer a federally
299 appropriated weatherization assistance program to provide, within
300 available appropriations, weatherization assistance in accordance with
301 the provisions of the state plan implementing the weatherization
302 assistance block grant program authorized by the federal Low-Income

303 Home Energy Assistance Act of 1981 and programs of weatherization
304 assistance with funds authorized by the federal Low-Income Home
305 Energy Assistance Act of 1981 and by the United States Department of
306 Energy in accordance with 10 CFR 440 promulgated under The Energy
307 Conservation and Production Act, 42 USC 6801, as amended from time
308 to time.

309 Sec. 15. Subdivision (2) of subsection (e) of section 4a-57 of the
310 general statutes is repealed and following is substituted in lieu thereof
311 (*Effective from passage*):

312 (2) Any purchase of or contract by the department for electric
313 generation services that are subject to competitive bidding and
314 competitive negotiations shall be conducted in cooperation with the
315 [Office of Policy and Management] Department of Energy and
316 Environmental Protection pursuant to section 16a-14e.

317 Sec. 16. Section 16a-14 of the general statutes is repealed and the
318 following is submitted in lieu thereof (*Effective from passage*):

319 In addition to the duties set forth in any other law, the
320 Commissioner of Energy and Environmental Protection may: (1) Be
321 designated as the state official to implement and execute any federal
322 program, law, order, rule or regulation related to the allocation,
323 rationing, conservation, distribution or consumption of energy
324 resources, (2) investigate any complaint concerning the violation of
325 any federal or state statute, rule, regulation or order pertaining to
326 pricing, allocation, rationing, conservation, distribution or
327 consumption of energy resources and shall transmit any evidence
328 gathered by such investigation to the proper federal or state
329 authorities, (3) coordinate all state and local government programs for
330 the allocation, rationing, conservation, distribution and consumption
331 of energy resources, (4) cooperate with the appropriate authorities of
332 the United States government, or other state or interstate agencies with
333 respect to allocation, rationing, conservation, distribution and
334 consumption of energy resources, (5) conduct programs of public

335 education regarding energy conservation, (6) represent the state's
336 energy policy interest before any appropriate federal agency, which
337 shall include, but not be limited to, supporting or opposing
338 transmission projects to meet public policy needs before the Federal
339 Energy Regulatory Commission, (7) carry out a program of studies,
340 hearings, inquiries, surveys and analyses necessary to carry out the
341 purposes of this chapter and sections 4-124i, 4-124l, 4-124p, 8-3b, 8-35a
342 and 8-189, subsection (b) of section 8-206 and sections 16a-20, 16a-102,
343 22a-352 and 22a-353, provided if an individual or business furnishing
344 commercial or financial information concerning such individual or
345 business requests in writing at the time such information is furnished
346 that it be treated as confidential proprietary information, such
347 information, to the extent that it is limited to (A) volume of sales,
348 shipments, receipts and exchanges of energy resources, (B) inventories
349 of energy resources, and (C) local distribution patterns of energy
350 resources, shall be exempt from the provisions of subsection (a) of
351 section 1-210, [(7)] (8) enter into contracts with any person to do all
352 things necessary or convenient to carry out the functions, powers and
353 duties of the commissioner and the Department of Energy and
354 Environmental Protection under this chapter and sections 4-5, 4-124l,
355 4-124p, 8-3b, 8-35a and 8-189, subsection (b) of section 8-206 and
356 sections 16a-20, 16a-102, 22a-352 and 22a-353, [(8)] (9) adopt
357 regulations, in accordance with chapter 54, to establish standards for
358 solar energy systems, including experimental systems, which offer
359 practical alternatives to the use of conventional energy with regard to
360 current technological feasibility and the climate of this state, and [(9)]
361 (10) undertake such other duties and responsibilities as may be
362 delegated by other state statutes or by the Governor.

363 Sec. 17. Subdivision (57) of section 12-81 of the general statutes is
364 amended by adding subparagraph (F) as follows (*Effective from*
365 *passage*):

366 (NEW) (F) For assessment years commencing on and after October
367 1, 2015, any municipality may, by vote of its legislative body or, in a

368 municipality where the legislative body is a town meeting, by vote of
369 the board of selectmen, abate up to one hundred per cent of the
370 property taxes due for any tax year, for not longer than the term of the
371 power purchase agreement, with respect to any Class I renewable
372 energy source, as defined in section 16-1, as amended by this act, that
373 is the subject of such power purchase agreement approved by the
374 Public Utilities Regulatory Authority pursuant to section 16a-3f.

375 Sec. 18. (NEW) (*Effective October 1, 2015*) As used in this section,
376 sections 16-19f and 16a-3e of the general statutes, as amended by this
377 act, and section 20 of this act:

378 (1) "Electric vehicle" means any vehicle that derives motive power
379 from electricity either stored in batteries or generated on-board the
380 vehicle and complies with all federal safety requirements necessary for
381 legal operation on a limited access highway as defined by 40 CFR
382 85.1703;

383 (2) "Electric vehicle service equipment" means an electric component
384 assembly or cluster of component assemblies designed specifically to
385 charge batteries within electric vehicles by permitting the transfer of
386 electric energy to a battery or other storage device in an electric
387 vehicle;

388 (3) "Electric vehicle charging services" means the transfer of electric
389 energy from electric vehicle service equipment to a battery or other
390 storage device in an electric vehicle;

391 (4) "Electric vehicle charging station" means one or more facilities or
392 locations served by electric vehicle service equipment;

393 (5) "Public electric vehicle charging station" means one or more
394 publicly available facilities or locations served by electric vehicle
395 service equipment;

396 (6) "Fee-based electric vehicle charging station" means an electric
397 vehicle charging station where customers, other than the owner or

398 operator of the charging station, pay for electric vehicle charging
399 services; and

400 (7) "Fee-based public electric vehicle charging station" means an
401 electric vehicle charging station that is both a public electric vehicle
402 charging station and fee-based electric vehicle charging station.

403 Sec. 19. Section 16-19f of the general statutes is repealed and the
404 following is substituted in lieu thereof (*Effective October 1, 2015*):

405 (a) As used in this section:

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

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

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

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

418 (5) "Electric vehicle time of day rate" means an electric utility rate
419 for a class of consumer designed to reflect the cost to the utility of
420 providing electricity to such consumer charging an electric vehicle [at a
421 public electric vehicle charging station] at different times of the day,
422 but shall not include demand charges;

423 [(6) "Public electric vehicle charging station" means an electric
424 vehicle charging station, electric recharging point, charging point or
425 electric vehicle supply equipment, which is an element in an

426 infrastructure that supplies electricity for the recharging of plug-in
427 electric vehicles, including all-electric cars, neighborhood electric
428 vehicles and plug-in hybrids, and which allows any electric vehicle
429 owner or operator to access and use the charging station free of
430 charge;]

431 [(7)] (6) "Interruptible rate" means an electric utility rate designed to
432 reflect the cost to the utility in providing service to a consumer where
433 such consumer permits his service to be interrupted during periods of
434 peak electrical demand;

435 [(8)] (7) "Load management techniques" means cost-effective
436 techniques used by an electric utility to reduce the maximum kilowatt
437 demand on the utility.

438 (b) The Public Utilities Regulatory Authority, with respect to each
439 electric public service company and each municipal electric company,
440 shall (1) within two years, consider and determine whether it is
441 appropriate to implement any of the following rate design standards:
442 (A) Cost of service; (B) prohibition of declining block rates; (C) time of
443 day rates; (D) seasonal rates; (E) interruptible rates; and (F) load
444 management techniques, [and] (2) within one year, consider and
445 determine whether it is appropriate to implement electric vehicle time
446 of day rates for public electric vehicle charging stations, and (3) not
447 later than June 1, 2016, implement electric vehicle time of day rates for
448 residential customers of electric public service companies. The
449 consideration of said standards by the authority and each municipal
450 electric company shall be made after public notice and hearing. Such
451 hearing may be held concurrently with a hearing required pursuant to
452 subsection (b) of section 16-19e. The authority and each municipal
453 company shall make a determination on whether it is appropriate to
454 implement any of said standards. Said determination shall be in
455 writing, shall take into consideration the evidence presented at the
456 hearing and shall be available to the public. A standard shall be
457 deemed to be appropriate for implementation if such implementation
458 would encourage energy conservation, optimal and efficient use of

459 facilities and resources by an electric public service company or
460 municipal electric company and equitable rates for electric consumers.

461 (c) The Public Utilities Regulatory Authority, with respect to each
462 electric public service company, and each municipal electric company
463 may implement any standard determined under subsection (b) of this
464 section to be appropriate or decline to implement any such standard. If
465 the authority or a municipal electric company declines to implement
466 any standard determined to be appropriate, it shall state in writing its
467 reasons for doing so and make such statement available to the public.

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

472 Sec. 20. (NEW) (*Effective October 1, 2015*) (a) Each electric
473 distribution company, as defined in section 16-1 of the general statutes,
474 as amended by this act, shall integrate electric vehicle charging load
475 projections into each company's distribution planning. Such
476 projections shall include available information regarding the number
477 of electric vehicles, as defined in section 18 of this act, registered in the
478 state and projected increases or decreases in sales of such vehicles.

479 (b) Not later than January 1, 2016, and annually thereafter, each
480 electric distribution company shall publish on such company's Internet
481 web site information explaining the incorporation of such company's
482 electric vehicle charging load projections for the company's
483 distribution planning.

484 Sec. 21. Section 16a-3e of the general statutes is repealed and the
485 following is substituted in lieu thereof (*Effective October 1, 2015*):

486 The Integrated Resources Plan to be adopted in 2012 and biennially
487 thereafter, shall (1) indicate specific options to reduce electric rates and
488 costs. Such options may include the procurement of new sources of
489 generation. In the review of new sources of generation, the Integrated

490 Resources Plan shall indicate whether the private wholesale market
491 can supply such additional sources or whether state financial
492 assistance, long-term purchasing of electricity contracts or other
493 interventions are needed to achieve the goal; (2) analyze in-state
494 renewable sources of electricity in comparison to transmission line
495 upgrades or new projects and out-of-state renewable energy sources,
496 provided such analysis also considers the benefits of additional jobs
497 and other economic impacts and how they are created and subsidized;
498 (3) include an examination of average consumption and other states'
499 best practices to determine why electricity rates are lower elsewhere in
500 the region; (4) assess and compare the cost of transmission line
501 projects, new power sources, renewable sources of electricity,
502 conservation and distributed generation projects to ensure the state
503 pursues only the least-cost alternative projects; (5) analyze the
504 potential for electric vehicles, as defined in section 18 of this act, to
505 provide energy storage and other services to the electric grid and
506 ensure that the grid is prepared to support increased electric vehicle
507 charging, based on projections of sales of electric vehicles; (6)
508 continually monitor supply and distribution systems to identify
509 potential need for transmission line projects early enough to identify
510 alternatives; and [(6)] (7) assess the least-cost alternative to address
511 reliability concerns, including, but not limited to, lowering electricity
512 demand through conservation and distributed generation projects
513 before an electric distribution company submits a proposal for
514 transmission lines or transmission line upgrades to the independent
515 system operator or the Federal Energy Regulatory Commission,
516 provided no provision of such plan shall be deemed to prohibit an
517 electric distribution company from making any filing required by law
518 or regulation.

519 Sec. 22. Subsection (o) of section 16-245o of the general statutes, as
520 amended by section 2 of substitute senate bill 573 of the current
521 session, as amended by Senate Amendment Schedule "A", is repealed
522 and the following is substituted in lieu thereof (*Effective from passage*):

523 (o) On or before October 1, 2015, the Public Utilities Regulatory
524 Authority shall initiate a proceeding to develop recommendations and
525 guidance regarding (1) what type of generation services rate structure
526 is best suited for residential customers who allow a fixed contract with
527 an electric supplier to expire and begin paying a month-to-month rate
528 for generation services from such supplier; and (2) what [rate increase
529 is just and reasonable if a generation services rate increase is necessary]
530 change to the generation services rate and to the terms and conditions
531 of such service that customers may experience after the expiration of a
532 fixed contract [and] when such [customer begins] customers begin
533 paying a month-to-month rate. The authority shall report, in
534 accordance with the provisions of section 11-4a, [of the general
535 statutes] the findings of such proceeding to the joint standing
536 committee of the General Assembly having cognizance of matters
537 relating to energy, on or before January 1, 2016.

538 Sec. 23. Section 16a-4d of the general statutes is repealed and the
539 following is substituted in lieu thereof (*Effective October 1, 2015*):

540 (a) If, in the exercise of the Commissioner of Energy and
541 Environmental Protection's powers pursuant to this title, the
542 commissioner finds that the use of a certain technology, product or
543 process would promote energy conservation, energy efficiency or
544 renewable energy technology, the commissioner may direct a state
545 agency to test such technology, product or process by using it in the
546 operations of such agency on a trial basis. The purpose of such test
547 program shall be to validate the effectiveness of such technology,
548 product or process in reducing energy usage and costs or reducing
549 dependence on fossil fuels or [green house] greenhouse gas emissions.
550 As used in this section "process" means any series of actions or
551 operations that produce or manufacture a product or that lead to a
552 particular result.

553 (b) (1) The Commissioner of Energy and Environmental Protection
554 shall administer pilot test programs at state agencies for the use of
555 technologies, products or processes that promote energy conservation,

556 energy efficiency or renewable energy. The purpose of such test
557 programs shall be to validate the effectiveness of such technologies,
558 products or processes in reducing energy usage and costs or reducing
559 dependence on fossil fuels or greenhouse gas emissions.

560 (2) Applicants interested in participating in such program shall
561 submit an application to the commissioner on forms prescribed by the
562 commissioner. The commissioner shall review such application for
563 completeness within thirty days of receiving such application. The
564 commissioner shall make a determination on whether the application
565 meets the requirements of this section within ninety days of receiving
566 such application.

567 (c) (1) The Commissioner of Energy and Environmental Protection
568 may direct a state agency to test any such technology, product or
569 process identified by the commissioner. Alternatively, the
570 commissioner of a state agency may file a request with the
571 Commissioner of Energy and Environmental Protection for approval
572 to test any such technology, product or process identified by such state
573 agency commissioner. Not later than thirty days after receipt of any
574 such request, the Commissioner of Energy and Environmental
575 Protection shall evaluate the technology, product or process and
576 approve or disapprove the state agency commissioner's request. A
577 state agency that is directed to test, or receives approval to test, any
578 such technology, product or process shall use it in the operations of
579 such agency on a trial basis as prescribed by the commissioner.

580 (2) No agency shall undertake such testing of any technology,
581 product or process unless the business manufacturing or marketing the
582 technology, product or process demonstrates that [(1)] (A) the use of
583 such technology, product or process by the state agency will not
584 adversely affect safety, [(2)] (B) a certified independent third party or
585 accredited laboratory has found that the technology, product or
586 process reduces energy consumption and cost, and [(3)] (C) the
587 technology, product or process is presently available for commercial
588 sale and distribution or has potential for commercialization not later

589 than two years following the completion of any test program by a state
590 agency pursuant to this section.

591 (3) If the commissioner of the state agency testing such technology,
592 product or process determines that the test program sufficiently
593 demonstrates that the technology, product or process reduces energy
594 usage and costs or reduces dependence on fossil fuels or greenhouse
595 gas emissions, such testing agency may request that the Commissioner
596 of Administrative Services (A) procure such technology for use by any
597 or all state agencies, and (B) make such procurement pursuant to
598 subsection (b) of section 4a-58.

599 [(b)] (d) If the commissioner finds that using such technology,
600 product or process would be feasible in the operations of a state
601 agency and would not have any detrimental effect on such operations,
602 the commissioner, notwithstanding the requirements of chapter 58,
603 may direct a state agency to accept delivery of such technology,
604 product or process and to undertake such a test program. Any costs
605 associated with the acquisition and use of such technology, product or
606 process by the testing agency for the test period shall be borne by the
607 manufacturer, the marketer or any investor or participant in such
608 business. The acquisition of any technology, product or process for
609 purposes of the test program established pursuant to this section shall
610 not be deemed to be a purchase under the provisions of state
611 procurement law. The manufacturer, the marketer or any investor or
612 participant in such business shall maintain records related to such test
613 program, as required by the commissioner. All proprietary
614 information derived from such test program shall be exempt from the
615 provisions of subsection (a) of section 1-210.

616 [(c) If the commissioner determines that the test program
617 sufficiently demonstrates that the technology, product or process
618 reduces energy usage and costs or reduces dependence on fossil fuels
619 or green house gas emissions, the testing agency may request that the
620 Commissioner of Administrative Services (1) procure such technology
621 for use by any or all state agencies, and (2) make such procurement

622 pursuant to subsection (b) of section 4a-58.]

623 (e) The commissioner of a state agency may identify a technology,
624 product or process that is procured, installed and tested by a
625 municipality that meets the requirements of subsection (b) of this
626 section. Such commissioner may file a request with the Commissioner
627 of Energy and Environmental Protection. Not later than thirty days
628 after receipt of such request, the commissioner shall evaluate such
629 technology, product or process pursuant to subsection (b) of this
630 section.

631 Sec. 24. Section 7-222 of the general statutes is repealed and the
632 following is substituted in lieu thereof (*Effective October 1, 2015*):

633 (a) The price to be charged to persons or corporations for gas or
634 electricity shall be fixed and shall not be changed more often than once
635 in three months. Any change shall take effect on the first day of the
636 month, and the new price adopted shall, before the change takes effect,
637 be advertised at least one month in some newspaper published in the
638 municipality where the plant is located and, if none is published
639 therein, in some newspaper published in the county where the plant is
640 situated. Such price shall be fixed on a basis of not less than a net profit
641 per year of five per cent on the cost of the investment in plant made by
642 the municipality and also depreciation of the plant at not less than five
643 per cent per annum of its cost, and the price shall not be greater than to
644 allow a net profit of eight per cent per annum to the municipality on
645 such cost. In fixing such basis on which to establish the price to be
646 charged to persons and corporations, the gas and electricity used by
647 the municipality shall be charged to it at cost. A sufficient deposit to
648 cover the payment for gas or electricity for three months may be
649 required in advance from any taker, and the supply may be shut off
650 from any premises until all arrearages for gas or electricity furnished
651 thereon are paid. Such deposit may be made by cash, letter of credit or
652 surety bond. After three months' default in payment of such
653 arrearages, all appliances for distribution on such premises belonging
654 to the municipality may be removed and after such removal shall not

655 be restored, except on payment of all such arrearages and a sufficient
 656 sum to cover all expenses incurred by the removal and restoration,
 657 with the penalty which the municipality may impose in such cases.

658 (b) The provisions of this section shall not apply to the sale of
 659 compressed natural gas.

660 (c) Each member municipal electric utility of a municipal electric
 661 energy cooperative, as defined in section 7-233b, may return fifty per
 662 cent of the deposit, as described in subsection (a) of this section, to
 663 each nonresidential electric customer if such customer's account
 664 remains in good standing for two years."

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2015	New section
Sec. 2	July 1, 2015	16-1(a)
Sec. 3	July 1, 2015	New section
Sec. 4	July 1, 2015	New section
Sec. 5	July 1, 2015	New section
Sec. 6	July 1, 2015	New section
Sec. 7	July 1, 2015	16-245a
Sec. 8	July 1, 2015	16-243y(c)
Sec. 9	July 1, 2015	16-244u(g)
Sec. 10	July 1, 2015, and applicable to assessment years commencing on or after October 1, 2015	New section
Sec. 11	July 1, 2015	16-244u(a)(3)
Sec. 12	October 1, 2015	16a-41b
Sec. 13	from passage	16-2
Sec. 14	from passage	New section
Sec. 15	from passage	4a-57(e)(2)
Sec. 16	from passage	16a-14
Sec. 17	from passage	12-81(57)
Sec. 18	October 1, 2015	New section
Sec. 19	October 1, 2015	16-19f
Sec. 20	October 1, 2015	New section

Sec. 21	<i>October 1, 2015</i>	16a-3e
Sec. 22	<i>from passage</i>	16-245o(o)
Sec. 23	<i>October 1, 2015</i>	16a-4d
Sec. 24	<i>October 1, 2015</i>	7-222