



Senate

General Assembly

File No. 606

January Session, 2015

Substitute Senate Bill No. 565

Senate, April 13, 2015

The Committee on Energy and Technology reported through SEN. DOYLE of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING ENERGY AUDITS AND HEATING ASSISTANCE.

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

- 1 Section 1. (NEW) (*Effective July 1, 2015*) (a) As used in this section:
- 2 (1) "Energy assistance program" means a state or federally funded
3 program that provides homeowners and renters with heating and
4 energy assistance.
- 5 (2) "Energy conservation program" means an energy savings and
6 weatherization program funded by electric distribution company
7 ratepayers for eligible ratepayers.
- 8 (3) "Applicant" means a natural person or a household seeking
9 energy assistance, energy conservation or both.
- 10 (4) "Energy assistance and conservation application" means an
11 application that aggregates all energy assistance programs and energy
12 conservation programs on one application form.

13 (5) "Conservation and load management program charge" means an
14 electric distribution company or gas company customer charge, as
15 provided in section 16-245m of the general statutes, that is dedicated to
16 funding energy conservation programs.

17 (6) "Home Energy Solutions program" means a home energy
18 efficiency audit and energy conservation program funded by electric
19 distribution company ratepayers for eligible ratepayers.

20 (7) "Home Energy Solutions - Income Eligible program" means a
21 home energy efficiency audit and energy conservation program at no
22 cost to homeowners and renters whose income falls below a
23 designated level.

24 (8) "Tenant-applicant" means a tenant or household that rents a
25 home or dwelling unit from a landlord and completes an energy
26 assistance and conservation application.

27 (9) "Electric distribution company" has the same meaning as
28 provided in section 16-1 of the general statutes.

29 (10) "Gas company" has the same meaning as provided in section
30 16-1 of the general statutes.

31 (11) "Community action agency" has the same meaning as provided
32 in section 17b-885 of the general statutes.

33 (b) Not later than October 1, 2015, the Department of Social Services
34 shall, in consultation with the Energy Conservation Management
35 Board, established in section 16-245m of the general statutes, and the
36 Low-Income Energy Advisory Board, established in section 16a-41b of
37 the general statutes, create an energy assistance and conservation
38 application. Said application's purpose shall be to consolidate all
39 energy assistance programs and energy conservation programs into a
40 single application form and to enable applicants to apply for both
41 energy assistance programs and energy conservation programs
42 simultaneously. The energy assistance and conservation application
43 shall include, but not be limited to, the following programs: (1) The

44 Connecticut energy assistance program, pursuant to the Low Income
45 Home Energy Assistance Act of 1981, (2) the contingency heating
46 assistance program, (3) the state appropriated fuel assistance program,
47 (4) the Home Energy Solutions program, (5) the Home Energy
48 Solutions - Income Eligible program, (6) the Home Performance with
49 Energy Star program, and (7) the weatherization assistance program,
50 established in section 17b-801 of the general statutes.

51 (c) Not later than January 1, 2016, the Department of Social Services
52 shall, in consultation with electric distribution companies, gas
53 companies and community action agencies, create, develop and launch
54 an Internet web site that permits applicants to register and complete an
55 energy assistance and conservation application from any location that
56 has Internet access. A hyperlink to the energy assistance and
57 conservation application Internet web site shall be made available by
58 the Department of Social Services, the Department of Energy and
59 Environmental Protection, each electric distribution company, each gas
60 company and each community action agency, on their respective
61 Internet web sites.

62 (1) The back end of the energy assistance and conservation
63 application Internet web site is the portion of the web site that is only
64 accessible by the Department of Social Services, electric distribution
65 companies, gas companies and community action agencies. The back
66 end of such Internet web site shall serve as a database and an
67 electronic record and filing storage space where each registered energy
68 assistance and conservation applicant's application is stored.

69 (2) The back end of such Internet web site shall be programmed to
70 send out simultaneous application alerts (A) to the office or offices of
71 the Department of Social Services that screen and review energy
72 assistance program applications, and (B) to the office or offices of
73 electric distribution companies and gas companies that screen and
74 review energy conservation program applications, whenever a new
75 energy assistance and conservation application is received on the
76 database. A copy of each such application shall be sent to the

77 reviewing offices as an electronic attachment to the alert.

78 (3) Each electric distribution company and gas company that screens
79 and reviews energy conservation program applications shall verify
80 whether an applicant's home or dwelling unit has previously received
81 energy conservation services by means of an energy conservation
82 program. Applicant records on the energy assistance and conservation
83 application database shall indicate what energy conservation program
84 an applicant's home or dwelling unit has benefited from.

85 (4) Community action agencies shall accept hard copy and
86 electronic versions of energy assistance and conservation application
87 forms. Community action agencies shall scan each hard copy
88 application into the energy assistance and conservation application
89 database. After the application is scanned and submitted by the
90 community action agency, a simultaneous alert shall be sent to the
91 application screening and reviewing offices of the Department of
92 Social Services and the electric distribution companies and gas
93 companies, with an electronic version of such application attached.
94 Community action agencies shall not require that applicants complete
95 hard copy applications. Community action agencies shall promote and
96 encourage applicants to complete the energy assistance and
97 conservation application electronically on such Internet web site.

98 (5) Funding for the creation, development and launch of the energy
99 assistance and conservation application Internet web site and database
100 shall be made available through the conservation and load
101 management program charge on electric distribution company
102 customer electric bills, federal block grants and other funding when
103 available.

104 (d) Upon approval of an energy assistance and conservation
105 application, a tenant-applicant shall receive oral and written
106 explanations of his or her right to implement energy conservation
107 measures pursuant to section 47a-13a of the general statutes.

108 (1) Written notice shall be sent, at no expense to the tenant-

109 applicant, to the tenant-applicant's landlord pursuant to section 47a-
110 13a of the general statutes by the electric distribution company or gas
111 company administering the tenant-applicant's energy conservation
112 program. Such electric distribution company or gas company shall be
113 reimbursed through the conservation and load management program
114 charge.

115 (2) No community action agency, electric distribution company or
116 gas company shall require a tenant-applicant to have his or her
117 landlord complete an owner's permission statement prior to
118 participating in an energy conservation program.

119 (e) Each electric distribution company and gas company
120 administering, accepting, screening and reviewing applications for
121 energy conservation programs shall prioritize the facilitation and
122 performance of energy conservation audits and services for applicants
123 eligible for the Home Energy Solutions - Income Eligible program over
124 other energy conservation program applicants.

125 (f) Not later than January 1, 2016, the Department of Energy and
126 Environmental Protection shall, in consultation with the Energy
127 Conservation Management Board, determine what measures of
128 improvement can be made to eliminate the Home Energy Solutions -
129 Income Eligible program application backlog. Not later than July 1,
130 2016, the department shall submit a report, in accordance with the
131 provisions of section 11-4a of the general statutes, regarding such
132 measures to the joint standing committee of the General Assembly
133 having cognizance of matters relating to energy and technology.

134 Sec. 2. Section 16a-46k of the general statutes is repealed and the
135 following is substituted in lieu thereof (*Effective July 1, 2015*):

136 [On or before July 1, 2014] (a) Not later than October 1, 2015, the
137 Department of Energy and Environmental Protection shall, in
138 consultation with the Energy Conservation Management Board and
139 the Department of Housing, develop weatherization standards and
140 procedures for properties participating in the rental assistance

141 program, including, but not limited to, a consideration to expedite
 142 scheduling of an energy efficiency audit pursuant to this section. Not
 143 later than January 1, 2016, the Department of Energy and
 144 Environmental Protection shall submit a report, in accordance with the
 145 provisions of section 11-4a, regarding such weatherization standards
 146 and procedures to the joint standing committee of the General
 147 Assembly having cognizance of matters relating to energy and
 148 technology.

149 (b) When a tenant secures or renews a lease under the rental
 150 assistance program on or after [the effective date such weatherization
 151 standards and procedures are adopted] October 1, 2015, the landlord
 152 shall (1) schedule an energy efficiency audit administered by the Home
 153 Energy Solutions program or a program deemed comparable by the
 154 Commissioner of Energy and Environmental Protection for the
 155 property, and (2) complete the installation of free weatherization
 156 measures pursuant to a program described in subdivision (1) of this
 157 section.

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	16a-46k

Statement of Legislative Commissioners:

In Section 1(a)(8), the order of the words "unit" and "dwelling" was reversed for consistency, in Section 1(c)(1), a comma was added and the word "and" deleted for accuracy, and in Section 1(b) the word "is" was deleted and replaced with the phrase "shall be" for accuracy.

ET Joint Favorable Subst. -LCO

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:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Social Services, Dept.	GF - Cost	at least \$1 million	at least \$2 million

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in a cost of at least \$1 million in FY 16 and \$2 million in FY 17 associated with developing an electronic record and filing database. Costs are based on similar E-filing databases recently supported by the state. Additional costs would be associated with the administration of the online application process and website.

The bill requires the creation, development and launch of the website and database to be funded by the conservation and load management program charge on electric distribution company customer electric bills, as well as federal block grants and other funding when available.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 565*****AN ACT CONCERNING ENERGY AUDITS AND HEATING ASSISTANCE.*****SUMMARY:**

This bill modifies procedures for applying, and processing applications, for energy assistance and energy conservation. Energy assistance programs are state- or federally funded programs that provide homeowners and renters with heating and energy assistance; energy conservation programs are energy savings and weatherization programs funded by electric company ratepayers for eligible ratepayers.

The bill requires the Department of Social Services (DSS) to (1) create a single energy assistance and conservation application form, by October 1, 2015, in consultation with the Energy Conservation Management Board (ECMB) and the Low-Income Energy Advisory Board. It requires DSS to create, develop, and launch an Internet website and database, by January 1, 2016, in consultation with electric companies, gas companies, and community action agencies, to allow, among other things, applicants to register and complete the energy assistance and conservation application from any location with Internet access.

The bill requires the website to include a database and an electronic record and filing storage space to store applications and applicant records and send alerts to DSS and the electric and gas companies. Under the bill, the record and storage space is accessible only to DSS, the electric and gas companies, and the community action agencies.

The bill requires the Department of Energy and Environmental Protection (DEEP) to report to the Energy and Technology Committee

on (1) measures to eliminate the Home Energy Solutions - Income Eligible (HES-IE) program application backlog and (2) weatherization standards and procedures for properties participating in the rental assistance program.

EFFECTIVE DATE: July 1, 2015

ENERGY ASSISTANCE AND CONSERVATION APPLICATION

Under the bill, the energy assistance and conservation application must aggregate all energy assistance and energy conservation programs into a single application form, allowing applicants to apply for both types of programs simultaneously. The application must at least include the:

1. Connecticut Energy Assistance Program, which provides assistance to offset winter heating costs in lower-income households and is funded through the Low Income Home Energy Assistance Program (LIHEAP), a federal block grant;
2. Contingency Heating Assistance Program, which assists moderate income households and is also funded through LIHEAP;
3. State-appropriated fuel assistance program;
4. Home Energy Solutions (HES) program, a home energy efficiency audit and energy conservation program funded by electric distribution company ratepayers for eligible ratepayers;
5. HES-IE program, a home energy efficiency audit and energy conservation program that is free to homeowners and renters whose income falls below a designated level;
6. Home Performance with Energy Star program, a home energy efficiency audit and energy conservation program administered by the federal Department of Energy and the federal Environmental Protection Agency; and

7. weatherization assistance program, which assists low-and moderate-income households with retrofits and home improvement measures to minimize energy-related costs and fuel usage.

WEBSITE AND DATABASE

Program Outreach

The bill requires DSS, DEEP, electric companies, gas companies, and community action agencies (CAAs) to include, on their websites, a hyperlink to the energy assistance and conservation application Internet website.

CAAs are public or private nonprofit agencies previously authorized to accept funds from the federal Community Services Administration. Generally, CAAs serve defined geographic areas and provide services funded by federal block grants. They also provide weatherization services and market HES-IE to utility customers. The bill requires CAAs to also promote and encourage applicants to complete the energy assistance and conservation application electronically.

Scanning and Storing Applications and Records

The bill requires CAAs to accept applications electronically and as hard copies, and it prohibits them from requiring applicants to complete a hard copy application. The bill requires the portion of the website not publicly viewable (i.e., the back end) to serve as a database and an electronic record and filing and storage space. Under the bill, CAAs must scan each hard copy application into the energy assistance and conservation application database, which stores registered energy assistance and conservation applicants' applications.

The bill requires electric and gas companies to verify, when screening and reviewing energy conservation program applications, whether an applicant's home or dwelling unit has previously received energy conservation services. Under the bill, applicant records on the database must indicate what energy conservation programs have

provided services to an applicant's home or dwelling unit.

Alerts

Under the bill, the website must send alerts whenever the database receives a new application. It must simultaneously send such alerts to the (1) DSS offices that review and screen energy assistance program applications and (2) electric and gas company offices that screen and review energy conservation program applications. The alerts must include a copy of each application as an electronic attachment.

Funding

Under the bill, the creation, development, and launch of the website and database are funded through the conservation and load management program charge on electric company customer bills, federal block grants, and other funding when available.

RENTERS

The bill prohibits CAAs, electric companies, and gas companies from requiring that a tenant-applicant have a landlord complete an owner's permission statement before participating in an energy conservation program.

Under the bill, when an application is approved, a tenant-applicant must receive oral and written explanations of his or her legal right to implement energy conservation measures (see BACKGROUND). The bill defines "tenant-applicant" as a tenant or household that rents a home or dwelling unit from a landlord and completes an energy assistance and conservation application. (The bill does not specify who must provide the explanation.)

By law, before implementing energy conservation measures through energy conservation or weatherization programs, tenants or program administrators must send written notice to the landlord by certified mail with return receipt requested (see BACKGROUND). When an application is approved, the bill requires the electric or gas company administering the application to send such written notice to the tenant-applicant's landlord. The bill requires the utilities to be

reimbursed through the conservation and load management program charge, which is an electric distribution company or gas company customer charge dedicated to funding energy conservation programs.

HES-IE

The bill requires electric and gas companies, when administering, accepting, screening, and reviewing applications for energy conservation programs, to prioritize the facilitation and performance of energy conservation audits and services for applicants eligible for HES-IE.

The bill requires DEEP, in consultation with ECMB, to determine, by January 1, 2016, what improvements can be made to eliminate the HES-IE program application backlog. By July 1, 2016, DEEP must report on such measures to the Energy and Technology Committee.

WEATHERIZATION STANDARDS FOR THE RENTAL ASSISTANCE PROGRAM

Current law requires DEEP, in consultation with ECMB and the Department of Housing, to develop weatherization standards and procedures for buildings participating in the Rental Assistance Program (RAP), including considering expedited scheduling of an energy efficiency audit. The bill extends the deadline for the development of such standards and procedures from July 1, 2014 to October 1, 2015.

By law, when a tenant secures or renews a lease under RAP, once the standards and procedures become effective, the landlord must (1) schedule an energy audit under the Home Energy Solutions program or a program deemed comparable by the DEEP commissioner and (2) install free weatherization measures under the program. The bill specifies that this requirement begins October 1, 2015.

The bill requires DEEP to report on such weatherization standards and procedures to the Energy and Technology Committee by January 1, 2016.

BACKGROUND***Tenant Rights and Requirements***

By law, at no expense to the landlord, a tenant may implement or authorize the implementation of energy conservation measures in his or her rental unit or in any part of the building that affects his or her energy consumption level. The law requires the tenant to provide written notice of such intention to the landlord.

A tenant or the entity administering the energy conservation or weatherization program must give written notice of the intent to implement conservation measures to the landlord by certified mail, return receipt requested. Such measures may be implemented if the landlord does not provide a written notice of his or her disapproval by certified mail, return receipt requested, within 20 days of receipt of the tenant's notice of intent.

The law allows a tenant who meets the notice requirement to, regardless of a landlord's disapproval, install (1) removable weather-stripping around doors and windows, (2) removable interior storm windows, and (3) insulation wrap around hot water heating tanks. The law prohibits the tenant from making structural changes to the building (CGS § 47a-13a).

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 22 Nay 1 (03/24/2015)