



General Assembly

Amendment

January Session, 2015

LCO No. 9137



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 as a
91 result of such agreement 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 (4) of subsection (d) of section 16-245m of the
364 general statutes is repealed and the following is substituted in lieu
365 thereof (*Effective from passage*):

366 (4) The Commissioner of Energy and Environmental Protection
367 shall adopt an independent, comprehensive program evaluation,
368 measurement and verification process to ensure that the [Energy
369 Conservation Management Board's] programs in the plan developed
370 under subdivision (1) of this subsection are administered
371 appropriately and efficiently and [] comply with statutory

372 requirements. [] The Commissioner shall ensure that the costs and
373 benefits of programs and measures are measured and verified with the
374 goal of increasing cost [effective] effectiveness, evaluation reports are
375 accurate and issued in a timely manner, evaluation results are
376 appropriately and accurately taken into account in program
377 development and implementation, and information necessary to meet
378 any third-party evaluation requirements is provided. An annual
379 schedule and budget for evaluations as determined by [the board] the
380 commissioner, in consultation with the board, shall be included in the
381 plan filed [with the commissioner] pursuant to subdivision (1) of this
382 subsection. The electric distribution and gas company representatives
383 and the representative of a municipal electric energy cooperative may
384 not vote on board plans, budgets, recommendations, actions or
385 decisions regarding such process or its program evaluations and their
386 implementation. Program and measure evaluation, measurement and
387 verification shall be conducted on an ongoing basis, with emphasis on
388 impact and process evaluations, programs or measures that have not
389 been studied, and those that account for a relatively high percentage of
390 program spending. Evaluations shall use statistically valid monitoring
391 and data collection techniques appropriate for the programs or
392 measures being evaluated. All evaluations shall contain a description
393 of any problems encountered in the process of the evaluation,
394 including, but not limited to, data collection issues, and
395 recommendations regarding addressing those problems in future
396 evaluations. The board shall contract with one or more consultants not
397 affiliated with the board members to act as an evaluation
398 administrator, advising the commissioner and the board regarding
399 development of a schedule and plans for evaluations and overseeing
400 the program evaluation, measurement and verification process on
401 behalf of the [board] state. Consistent with board processes and
402 approvals and the Commissioner of Energy and Environmental
403 Protection's decisions and priorities regarding evaluation, such
404 evaluation administrator shall implement the evaluation process by
405 preparing requests for proposals and selecting evaluation contractors
406 to perform program and measure evaluations and by facilitating

407 communications between evaluation contractors and program
408 administrators to ensure accurate and independent evaluations. In the
409 evaluation administrator's discretion and at his or her request, the
410 electric distribution and gas companies shall communicate with the
411 evaluation administrator for purposes of data collection, vendor
412 contract administration, and providing necessary factual information
413 during the course of evaluations. The evaluation administrator shall
414 bring unresolved administrative issues or problems that arise during
415 the course of an evaluation to the [board] commissioner for resolution,
416 [, but shall have sole authority regarding substantive and
417 implementation decisions regarding any evaluation.] Board members,
418 including electric distribution and gas company representatives, may
419 [not] communicate with an evaluation contractor about an ongoing
420 evaluation [except with the express permission of the evaluation
421 administrator, which may only be granted] if the evaluation
422 administrator believes the communication will not compromise the
423 independence of the evaluation. The evaluation administrator shall file
424 evaluation reports with the board and with the Commissioner of
425 Energy and Environmental Protection in its most recent uncontested
426 proceeding pursuant to subdivision (1) of this subsection and the
427 board shall post a copy of each report on its Internet web site. The
428 board and its members, including electric distribution and gas
429 company representatives, may file written comments regarding any
430 evaluation with the commissioner or for posting on the board's
431 Internet web site. Within fourteen days of the filing of any evaluation
432 report, the commissioner, [members of the board or other interested
433 persons may request in writing, and the commissioner] shall conduct,
434 a [transcribed] technical meeting to review the methodology, results
435 and recommendations of any evaluation. Participants in any such
436 [transcribed] technical meeting shall include the evaluation
437 administrator, the evaluation contractor and the Office of Consumer
438 Counsel at its discretion. On or before November 1, 2011, and annually
439 thereafter by March first of each year, the board shall report to the joint
440 standing committee of the General Assembly having cognizance of
441 matters relating to energy, with the results and recommendations of

442 completed program evaluations.

443 Sec. 18. Subdivision (57) of section 12-81 of the general statutes is
444 amended by adding subparagraph (F) as follows (*Effective from*
445 *passage*):

446 (NEW) (F) For assessment years commencing on and after October
447 1, 2015, any municipality may, by vote of its legislative body or, in a
448 municipality where the legislative body is a town meeting, by vote of
449 the board of selectmen, abate up to one hundred per cent of the
450 property taxes due for any tax year, for not longer than the term of the
451 power purchase agreement, with respect to any Class I renewable
452 energy source, as defined in section 16-1, as amended by this act, that
453 is the subject of such power purchase agreement approved by the
454 Public Utilities Regulatory Authority pursuant to section 16a-3f.

455 Sec. 19. (NEW) (*Effective October 1, 2015*) As used in this section,
456 sections 16-19f and 16a-3e of the general statutes, as amended by this
457 act, and section 21 of this act:

458 (1) "Electric vehicle" means any vehicle that derives motive power
459 from electricity either stored in batteries or generated on-board the
460 vehicle and complies with all federal safety requirements necessary for
461 legal operation on a limited access highway as defined by 40 CFR
462 85.1703;

463 (2) "Electric vehicle service equipment" means an electric component
464 assembly or cluster of component assemblies designed specifically to
465 charge batteries within electric vehicles by permitting the transfer of
466 electric energy to a battery or other storage device in an electric
467 vehicle;

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

471 (4) "Electric vehicle charging station" means one or more facilities or

472 locations served by electric vehicle service equipment;

473 (5) "Public electric vehicle charging station" means one or more
474 publicly available facilities or locations served by electric vehicle
475 service equipment;

476 (6) "Fee-based electric vehicle charging station" means an electric
477 vehicle charging station where customers, other than the owner or
478 operator of the charging station, pay for electric vehicle charging
479 services; and

480 (7) "Fee-based public electric vehicle charging station" means an
481 electric vehicle charging station that is both a public electric vehicle
482 charging station and fee-based electric vehicle charging station.

483 Sec. 20. Section 16-19f of the general statutes is repealed and the
484 following is substituted in lieu thereof (*Effective October 1, 2015*):

485 (a) As used in this section:

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

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

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

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

498 (5) "Electric vehicle time of day rate" means an electric utility rate
499 for a class of consumer designed to reflect the cost to the utility of

500 providing electricity to such consumer charging an electric vehicle [at a
501 public electric vehicle charging station] at different times of the day,
502 but shall not include demand charges;

503 [(6) "Public electric vehicle charging station" means an electric
504 vehicle charging station, electric recharging point, charging point or
505 electric vehicle supply equipment, which is an element in an
506 infrastructure that supplies electricity for the recharging of plug-in
507 electric vehicles, including all-electric cars, neighborhood electric
508 vehicles and plug-in hybrids, and which allows any electric vehicle
509 owner or operator to access and use the charging station free of
510 charge;]

511 [(7)] (6) "Interruptible rate" means an electric utility rate designed to
512 reflect the cost to the utility in providing service to a consumer where
513 such consumer permits his service to be interrupted during periods of
514 peak electrical demand;

515 [(8)] (7) "Load management techniques" means cost-effective
516 techniques used by an electric utility to reduce the maximum kilowatt
517 demand on the utility.

518 (b) The Public Utilities Regulatory Authority, with respect to each
519 electric public service company and each municipal electric company,
520 shall (1) within two years, consider and determine whether it is
521 appropriate to implement any of the following rate design standards:
522 (A) Cost of service; (B) prohibition of declining block rates; (C) time of
523 day rates; (D) seasonal rates; (E) interruptible rates; and (F) load
524 management techniques, [and] (2) within one year, consider and
525 determine whether it is appropriate to implement electric vehicle time
526 of day rates for public electric vehicle charging stations, and (3) not
527 later than June 1, 2016, implement electric vehicle time of day rates for
528 residential customers. The consideration of said standards by the
529 authority and each municipal electric company shall be made after
530 public notice and hearing. Such hearing may be held concurrently with
531 a hearing required pursuant to subsection (b) of section 16-19e. The

532 authority and each municipal company shall make a determination on
533 whether it is appropriate to implement any of said standards. Said
534 determination shall be in writing, shall take into consideration the
535 evidence presented at the hearing and shall be available to the public.
536 A standard shall be deemed to be appropriate for implementation if
537 such implementation would encourage energy conservation, optimal
538 and efficient use of facilities and resources by an electric public service
539 company or municipal electric company and equitable rates for electric
540 consumers.

541 (c) The Public Utilities Regulatory Authority, with respect to each
542 electric public service company, and each municipal electric company
543 may implement any standard determined under subsection (b) of this
544 section to be appropriate or decline to implement any such standard. If
545 the authority or a municipal electric company declines to implement
546 any standard determined to be appropriate, it shall state in writing its
547 reasons for doing so and make such statement available to the public.

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

552 Sec. 21. (NEW) (*Effective October 1, 2015*) (a) Each electric
553 distribution company, as defined in section 16-1 of the general statutes,
554 as amended by this act, shall integrate electric vehicle charging load
555 projections into each company's distribution planning. Such
556 projections shall include available information regarding the number
557 of electric vehicles, as defined in section 19 of this act, registered in the
558 state and projected increases or decreases in sales of such vehicles.

559 (b) Not later than January 1, 2016, and annually thereafter, each
560 electric distribution company shall publish on such company's Internet
561 web site information explaining the incorporation of such company's
562 electric vehicle charging load projections for the company's
563 distribution planning.

564 Sec. 22. Section 16a-3e of the general statutes is repealed and the
565 following is substituted in lieu thereof (*Effective October 1, 2015*):

566 The Integrated Resources Plan to be adopted in 2012 and biennially
567 thereafter, shall (1) indicate specific options to reduce electric rates and
568 costs. Such options may include the procurement of new sources of
569 generation. In the review of new sources of generation, the Integrated
570 Resources Plan shall indicate whether the private wholesale market
571 can supply such additional sources or whether state financial
572 assistance, long-term purchasing of electricity contracts or other
573 interventions are needed to achieve the goal; (2) analyze in-state
574 renewable sources of electricity in comparison to transmission line
575 upgrades or new projects and out-of-state renewable energy sources,
576 provided such analysis also considers the benefits of additional jobs
577 and other economic impacts and how they are created and subsidized;
578 (3) include an examination of average consumption and other states'
579 best practices to determine why electricity rates are lower elsewhere in
580 the region; (4) assess and compare the cost of transmission line
581 projects, new power sources, renewable sources of electricity,
582 conservation and distributed generation projects to ensure the state
583 pursues only the least-cost alternative projects; (5) analyze the
584 potential for electric vehicles, as defined in section 19 of this act, to
585 provide energy storage and other services to the electric grid and
586 ensure that the grid is prepared to support increased electric vehicle
587 charging, based on projections of sales of electric vehicles; (6)
588 continually monitor supply and distribution systems to identify
589 potential need for transmission line projects early enough to identify
590 alternatives; and [(6)] (7) assess the least-cost alternative to address
591 reliability concerns, including, but not limited to, lowering electricity
592 demand through conservation and distributed generation projects
593 before an electric distribution company submits a proposal for
594 transmission lines or transmission line upgrades to the independent
595 system operator or the Federal Energy Regulatory Commission,
596 provided no provision of such plan shall be deemed to prohibit an
597 electric distribution company from making any filing required by law

598 or regulation.

599 Sec. 23. Subsection (o) of section 16-245o of the general statutes, as
600 amended by section 2 of substitute senate bill 573 of the current
601 session, as amended by Senate Amendment Schedule "A" is repealed
602 and the following is substituted in lieu thereof (*Effective from passage*):

603 (o) On or before October 1, 2015, the Public Utilities Regulatory
604 Authority shall initiate a proceeding to develop recommendations and
605 guidance regarding (1) what type of generation services rate structure
606 is best suited for residential customers who allow a fixed contract with
607 an electric supplier to expire and begin paying a month-to-month rate
608 for generation services from such supplier; and (2) what [rate increase
609 is just and reasonable if a generation services rate increase is necessary]
610 change to the generation services rate and to the terms and conditions
611 of such service that customers may experience after the expiration of a
612 fixed contract [and] when such [customer begins] customers begin
613 paying a month-to-month rate. The authority shall report, in
614 accordance with the provisions of section 11-4a, [of the general
615 statutes] the findings of such proceeding to the joint standing
616 committee of the General Assembly having cognizance of matters
617 relating to energy, on or before January 1, 2016.

618 Sec. 24. Subsection (b) of section 16a-4d of the general statutes is
619 repealed and the following is substituted in lieu thereof (*Effective from*
620 *passage*):

621 (b) Applicants interested in participating in such test program shall
622 submit an application to the commissioner on forms prescribed by the
623 commissioner. The commissioner shall review such application for
624 sufficiency within thirty days of receiving such application. Not later
625 than one hundred twenty days after receipt of such application the
626 commissioner shall make a determination as to whether the
627 technology, product or process meets the requirements of subsection
628 (a) of this section. If the commissioner finds that using such
629 technology, product or process would be feasible in the operations of a

630 state agency and would not have any detrimental effect on such
631 operations, the commissioner, notwithstanding the requirements of
632 chapter 58, may direct a state agency to accept delivery of such
633 technology, product or process and to undertake such a test program,
634 as prescribed by the commissioner. Any costs associated with the
635 acquisition and use of such technology, product or process by the
636 testing agency for the test period shall be borne by the manufacturer,
637 the marketer or any investor or participant in such business. The
638 acquisition of any technology, product or process for purposes of the
639 test program established pursuant to this section shall not be deemed
640 to be a purchase under the provisions of state procurement law. The
641 manufacturer, the marketer or any investor or participant in such
642 business shall maintain records related to such test program, as
643 required by the commissioner. All proprietary information derived
644 from such test program shall be exempt from the provisions of
645 subsection (a) of section 1-210.

646 Sec. 25. Section 7-222 of the general statutes is repealed and the
647 following is substituted in lieu thereof (*Effective October 1, 2015*):

648 (a) The price to be charged to persons or corporations for gas or
649 electricity shall be fixed and shall not be changed more often than once
650 in three months. Any change shall take effect on the first day of the
651 month, and the new price adopted shall, before the change takes effect,
652 be advertised at least one month in some newspaper published in the
653 municipality where the plant is located and, if none is published
654 therein, in some newspaper published in the county where the plant is
655 situated. Such price shall be fixed on a basis of not less than a net profit
656 per year of five per cent on the cost of the investment in plant made by
657 the municipality and also depreciation of the plant at not less than five
658 per cent per annum of its cost, and the price shall not be greater than to
659 allow a net profit of eight per cent per annum to the municipality on
660 such cost. In fixing such basis on which to establish the price to be
661 charged to persons and corporations, the gas and electricity used by
662 the municipality shall be charged to it at cost. A sufficient deposit to
663 cover the payment for gas or electricity for three months may be

664 required in advance from any taker, and the supply may be shut off
 665 from any premises until all arrearages for gas or electricity furnished
 666 thereon are paid. Such deposit may be made by cash, letter of credit or
 667 surety bond. After three months' default in payment of such
 668 arrearages, all appliances for distribution on such premises belonging
 669 to the municipality may be removed and after such removal shall not
 670 be restored, except on payment of all such arrearages and a sufficient
 671 sum to cover all expenses incurred by the removal and restoration,
 672 with the penalty which the municipality may impose in such cases.

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

675 (c) Each member municipal electric utility of a municipal electric
 676 energy cooperative, as defined in section 7-233b, may return fifty per
 677 cent of the deposit, as described in subsection (a) of this section, to
 678 each nonresidential electric customer if such customer's account
 679 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	<i>from passage</i>	4a-57(e)(2)
Sec. 16	<i>from passage</i>	16a-14
Sec. 17	<i>from passage</i>	16-245m(d)(4)
Sec. 18	<i>from passage</i>	12-81(57)
Sec. 19	<i>October 1, 2015</i>	New section
Sec. 20	<i>October 1, 2015</i>	16-19f
Sec. 21	<i>October 1, 2015</i>	New section
Sec. 22	<i>October 1, 2015</i>	16a-3e
Sec. 23	<i>from passage</i>	16-245o(o)
Sec. 24	<i>from passage</i>	16a-4d(b)
Sec. 25	<i>October 1, 2015</i>	7-222