



General Assembly

Amendment

January Session, 2015

LCO No. 9457



Offered by:

REP. HENNESSY, 127th Dist.
REP. SANCHEZ, 25th Dist.
REP. STALLWORTH, 126th Dist.

REP. ROSARIO, 128th Dist.
REP. BAKER, 124th Dist.
REP. STAFSTROM, 129th Dist.

To: Subst. House Bill No. 6989

File No. 589

Cal. No. 379

"AN ACT CONCERNING DISTRIBUTED ENERGY RESOURCES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective July 1, 2015*) (a) As used in this section:

4 (1) "District heating system" means a thermal loop natural gas
5 demand reduction system that is located in a designated area and is
6 designed to capture an annual minimum of thirty million British
7 thermal units of waste heat and transmits and distributes at least
8 seventy-five per cent of such waste heat directly to the premises of end
9 use customers that are located in such system's service area.

10 (2) "Gas company" has the same meaning as provided in section 16-
11 1 of the general statutes.

12 (b) After the effective date of this section, each gas company shall

13 develop an incentive program for district heating systems for the
14 purpose of reducing natural gas demand in the state. As part of the
15 conservation and load management plan, pursuant to section 16-245m
16 of the general statutes, each gas company shall submit such program
17 plan for approval to the Energy Conservation Management Board and
18 the Department of Energy and Environmental Protection. The board
19 and the department have discretion to approve or disapprove such
20 plan. Such program shall, on or after March 1, 2016, provide a one-time
21 incentive payment to end use customers who connect on or after
22 March 1, 2016, to a district heating system for heating purposes. Such
23 incentive payment shall be based on such customer's projected natural
24 gas demand reduction for the period of time that such customer
25 commits to utilize the services of such heating system. The projected
26 natural gas demand reduction shall be based on such customer's
27 weather adjusted historical usage data from the previous three years.
28 The amount of the incentive payment made to such end use customer
29 shall not exceed the incentive payment made for equivalent natural
30 gas demand reductions through the state's conservation and load
31 management plan.

32 (c) An owner or operator of a district heating system may charge
33 each end use customer a connection charge up to an amount equal to
34 the incentive payment received by such end use customer.

35 (d) The Public Utilities Regulatory Authority shall ensure that the
36 revenues required to fund such incentive payments made pursuant to
37 this section are provided through a fully reconciling conservation
38 adjustment mechanism, which shall not exceed more than nine million
39 dollars in total for the program established under this section,
40 provided such revenues shall be in addition to the revenues
41 authorized to fund the conservation and load management fund
42 pursuant to section 16-245m of the general statutes. Such revenues
43 shall only be collected from the gas customers of the company in
44 whose service area such district heating system is located."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>July 1, 2015</i>	New section