



General Assembly

**Amendment**

February Session, 2016

LCO No. 5136



Offered by:

SEN. DOYLE, 9<sup>th</sup> Dist.  
REP. REED, 102<sup>nd</sup> Dist.  
SEN. FORMICA, 20<sup>th</sup> Dist.  
REP. ACKERT, 8<sup>th</sup> Dist.

To: Subst. Senate Bill No. 272

File No. 471

Cal. No. 316

**"AN ACT CONCERNING THE USE OF MICROGRID GRANTS AND  
LOANS FOR CERTAIN DISTRIBUTED ENERGY GENERATION  
PROJECTS."**

1 In line 11, after "for" insert "an energy storage system or systems, as  
2 defined in section 16-1, or"

3 In line 13, after "2016," insert "provided such generation is derived  
4 from a Class I renewable energy source, as defined in section 16-1, or a  
5 Class III energy source, as defined in section 16-1,"

6 After the last section, add the following and renumber sections and  
7 internal references accordingly:

8 "Sec. 501. Subsection (c) of section 16-244r of the general statutes is  
9 repealed and the following is substituted in lieu thereof (*Effective July*  
10 *1, 2016*):

11 (c) (1) The aggregate procurement of renewable energy credits by  
12 electric distribution companies pursuant to this section shall (A) be  
13 eight million dollars in the first year, and (B) increase by an additional  
14 eight million dollars per year in years two to four, inclusive.

15 (2) After year four, the authority shall review contracts entered into  
16 pursuant to this section and if the cost of the technologies included in  
17 such contracts have been reduced, the authority shall seek to enter new  
18 contracts for the total of six years.

19 (A) [If the authority determines such costs have been reduced, the]  
20 The aggregate procurement of renewable energy credits by electric  
21 distribution companies pursuant to this subdivision shall (i) increase  
22 by an additional eight million dollars per year in years five and six, (ii)  
23 be forty-eight million dollars in years seven to fifteen, inclusive, and  
24 (iii) decline by eight million dollars per year in years sixteen to twenty-  
25 one, inclusive, provided any money not allocated in any given year  
26 may roll into the next year's available funds.

27 (B) [If the authority determines such costs have not been reduced,  
28 the aggregate procurement of renewable energy credits by electric  
29 distribution companies pursuant to this subdivision shall (i) be thirty-  
30 two million dollars in years five to thirteen, inclusive, and (ii) decline  
31 by eight million dollars per year in years fourteen to nineteen,  
32 inclusive, provided any money not allocated in any given year may  
33 roll into the next year's available funds.] For the sixth year solicitation,  
34 each electric distribution company shall solicit and file with the Public  
35 Utilities Regulatory Authority for its approval one or more long-term  
36 contracts with owners or developers of Class I generation projects that:  
37 (i) Emit no pollutants and that are less than one thousand kilowatts in  
38 size, located on the customer side of the revenue meter and serve the  
39 distribution system of the electric distribution company, provided such  
40 contracts do not exceed fifty per cent of the dollar amount established  
41 for year six under subparagraph (A) of this subdivision; and (ii) are  
42 less than two megawatts in size, located on the customer side of the  
43 revenue meter, serve the distribution system of the electric distribution

44 company, and use Class I technologies that have no emissions of no  
45 more than 0.07 pounds per megawatt-hour of nitrogen oxides, 0.10  
46 pounds per megawatt-hour of carbon monoxide, 0.02 pounds per  
47 megawatt-hour of volatile organic compounds, and one grain per one  
48 hundred standard cubic feet, provided such contracts do not exceed  
49 fifty per cent of the dollar amount established for year six under  
50 subparagraph (A) of this subdivision. The authority may give a  
51 preference to contracts for technologies manufactured, researched or  
52 developed in the state.

53 (3) The production of a megawatt hour of electricity from a Class I  
54 renewable energy source first placed in service on or after July 1, 2011,  
55 shall create one renewable energy credit. A renewable energy credit  
56 shall have an effective life covering the year in which the credit was  
57 created and the following calendar year. The obligation to purchase  
58 renewable energy credits shall be apportioned to electric distribution  
59 companies based on their respective distribution system loads at the  
60 commencement of the procurement period, as determined by the  
61 authority. For contracts entered into in calendar year 2012, an electric  
62 distribution company shall not be required to enter into a contract that  
63 provides a payment of more than three hundred fifty dollars, per  
64 renewable energy credit in any year over the term of the contract. For  
65 contracts entered into in calendar years 2013 to 2017, inclusive, at least  
66 ninety days before each annual electric distribution company  
67 solicitation, the Public Utilities Regulatory Authority may lower the  
68 renewable energy credit price cap specified in this subsection by three  
69 to seven per cent annually, during each of the six years of the program  
70 over the term of the contract. In the course of lowering such price cap  
71 applicable to each annual solicitation, the authority shall, after notice  
72 and opportunity for public comment, consider such factors as the  
73 actual bid results from the most recent electric distribution company  
74 solicitation and reasonably foreseeable reductions in the cost of eligible  
75 technologies."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>July 1, 2016</i>	16-244r(c)