



# House of Representatives

General Assembly

**File No. 192**

January Session, 2019

Substitute House Bill No. 7156

*House of Representatives, March 28, 2019*

The Committee on Energy and Technology reported through REP. ARCONTI of the 109th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE PROCUREMENT OF ENERGY DERIVED FROM OFFSHORE WIND.***

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

1 Section 1. (NEW) (*Effective July 1, 2019*) (a) The Commissioner of  
2 Energy and Environmental Protection, in consultation with the  
3 procurement manager identified in subsection (l) of section 16-2 of the  
4 general statutes and the Office of Consumer Counsel, may, in  
5 coordination with other states in the control area of the regional  
6 independent system operator, as defined in section 16-1 of the general  
7 statutes, or on behalf of Connecticut alone, solicit proposals, in one  
8 solicitation or multiple solicitations, from providers of energy derived  
9 from offshore wind facilities that are Class I renewable energy sources,  
10 as defined in section 16-1 of the general statutes. Any such solicitation  
11 or solicitations shall be for quantities of energy and within the timing  
12 and schedule determined by the commissioner, and shall be informed  
13 by the Integrated Resources Plan pursuant to subsection (j) of section  
14 16a-3a of the general statutes, as amended by this act. In developing

15 any solicitations pursuant to this section, the commissioner shall:

16 (1) Include requirements for contract commitments in selected bids  
17 that (A) require payment of not less than the prevailing wage, as  
18 described in section 31-53 of the general statutes, for laborers,  
19 workmen and mechanics performing construction activities within the  
20 United States with respect to the project, and (B) require selected  
21 bidders to engage in a good faith negotiation of a project labor  
22 agreement. Any solicitation issued pursuant to this section shall  
23 specify the minimum terms that such project labor agreements shall  
24 address.

25 (2) Include requirements in selected bids that require the inclusion  
26 of an explicit description of the best management practices that will be  
27 employed by the bidder and that are informed by the latest science at  
28 the time the proposal is made that will avoid, minimize and mitigate  
29 any impacts to wildlife, natural resources, ecosystems and traditional  
30 or existing water-dependent uses.

31 (3) Include requirements in selected bids that (A) require that wind  
32 turbines are installed in an east-west orientation and spaced at least  
33 two nautical miles apart to lessen any impacts to current fishing vessel  
34 operators, (B) identify necessary transit routes to accommodate fishing  
35 vessels so that such vessels may safely and efficiently traverse lease  
36 areas, (C) require an evaluation of the impacts of the proposal on ocean  
37 circulation patterns and water flow, (D) require the study of cable  
38 exposure to ensure the best location and depth of cables that will be  
39 installed to limit exposure risk, (E) require an analysis of impacts from  
40 underwater noise, (F) require protections for fisheries that are at a  
41 minimum equivalent to any protections adopted by the state of New  
42 York, (G) require selected bidders to make contributions to regional  
43 science and monitoring activities, provided any studies conducted  
44 pursuant to such activities shall be approved or conducted by the  
45 National Marine Fisheries Service, (H) require the submission of a  
46 fisheries mitigation plan that selected bidders will adhere to for  
47 Connecticut fishermen that focuses on the avoidance and minimization

48 of impacts to fisheries and fishermen, and (I) require the development  
49 of a compensation fund that will be funded at a level that is  
50 determined to be sufficient by economic studies to compensate  
51 fishermen and fishing communities affected by the project.

52 (b) In making any selection of such proposals, the commissioner  
53 shall consider factors, including, but not limited to, (1) whether the  
54 proposal is in the best interest of ratepayers, including, but not limited  
55 to, the delivered price of such sources, (2) whether the proposal  
56 promotes electric distribution system reliability, including during  
57 winter peak demand, (3) any positive impacts on the state's economic  
58 development, (4) whether the proposal is consistent with the  
59 requirements to reduce greenhouse gas emissions in accordance with  
60 section 22a-200a of the general statutes, (5) whether the proposal is  
61 consistent with the policy goals outlined in the Comprehensive Energy  
62 Strategy adopted pursuant to section 16a-3d of the general statutes and  
63 the Integrated Resources Plan adopted pursuant to section 16a-3a of  
64 the general statutes, as amended by this act, (6) whether the proposal is  
65 consistent with the goals and policies set forth in sections 22a-92 and  
66 25-157t of the general statutes, and (7) whether the proposal uses  
67 practices to avoid, minimize and mitigate impacts to wildlife, natural  
68 resources, ecosystems and traditional or existing water-dependent  
69 uses. In considering whether a proposal has any positive impacts on  
70 the state's economic development, the commissioner shall consult with  
71 the Commissioner of Economic and Community Development. The  
72 commissioner may select proposals from such resources that have a  
73 total nameplate capacity rating of not more than two thousand  
74 megawatts in the aggregate.

75 (c) The commissioner may direct the electric distribution companies  
76 to enter into power purchase agreements for energy, capacity and  
77 environmental attributes, or any combination thereof, for periods of  
78 not more than twenty years on behalf of all customers of the state's  
79 electric distribution companies. Certificates issued by the New  
80 England Power Pool Generation Information System for any Class I  
81 renewable energy sources procured by an electric distribution

82 company pursuant to this section may be: (1) Sold into the New  
83 England Power Pool Generation Information System renewable energy  
84 credit market to be used by any electric supplier or electric distribution  
85 company to meet the requirements of section 16-245a of the general  
86 statutes, as amended by this act, provided the revenues from such sale  
87 are credited to electric distribution company customers as described in  
88 this section; or (2) retained by the electric distribution company to  
89 meet the requirements of section 16-245a of the general statutes, as  
90 amended by this act. In considering whether to sell or retain such  
91 certificates, the company shall select the option that is in the best  
92 interest of such company's ratepayers.

93 (d) Any agreement entered into pursuant to this section shall be  
94 subject to review and approval by the Public Utilities Regulatory  
95 Authority, which review shall be completed not later than one  
96 hundred twenty days after the date on which such agreement is filed  
97 with the authority. The authority shall approve agreements that it  
98 determines (1) provide for the delivery of adequate and reliable  
99 products and services, for which there is a clear public need, at a just  
100 and reasonable price, (2) are prudent and cost effective, and (3) are  
101 between an electric distribution company and a respondent to the  
102 solicitation that has the technical, financial and managerial capabilities  
103 to perform pursuant to such agreement. The net costs of any such  
104 agreement, including costs incurred by the electric distribution  
105 companies under the agreement and reasonable costs incurred by the  
106 electric distribution companies in connection with the agreement, shall  
107 be recovered through a fully reconciling component of electric rates for  
108 all customers of electric distribution companies. Any net revenues  
109 from the sale of products purchased in accordance with long-term  
110 contracts entered into pursuant to this section shall be credited to  
111 customers through the same fully reconciling rate component for all  
112 customers of the contracting electric distribution company.

113 Sec. 2. Section 16a-3a of the general statutes is amended by adding  
114 subsection (j) as follows (*Effective from passage*):

115 (NEW) (j) For the Integrated Resources Plan next approved after  
116 January 1, 2019, the department shall determine (1) the quantity of  
117 energy the Commissioner of Energy and Environmental Protection  
118 may seek in any solicitation or solicitations of proposals made  
119 pursuant to section 1 of this act, provided the quantity of energy  
120 sought in any such solicitations in the aggregate shall be from  
121 resources that have a total nameplate capacity rating of not more than  
122 two thousand megawatts in the aggregate; and (2) the timing and  
123 schedule of any solicitation or solicitations of proposals made pursuant  
124 to section 1 of this act. Such determinations shall be based on factors  
125 including, but not limited to, electricity system needs identified by the  
126 Integrated Resources Plan, including, but not limited to, capacity,  
127 winter reliability, progress in meeting the goals in the Global Warming  
128 Solutions Act pursuant to section 22a-200a, the priorities of the  
129 Comprehensive Energy Strategy adopted pursuant to section 16a-3d,  
130 positive impacts on the state's economic development, opportunities to  
131 coordinate procurement with other states, forecasted trends in  
132 technology costs and impacts on the state's ratepayers.

133 Sec. 3. Subsection (a) of section 16-245a of the general statutes is  
134 repealed and the following is substituted in lieu thereof (*Effective July*  
135 *1, 2019*):

136 (a) Subject to any modifications required by the Public Utilities  
137 Regulatory Authority for retiring renewable energy certificates on  
138 behalf of all electric ratepayers pursuant to subsection (h) of this  
139 section and sections 16a-3f, 16a-3g, 16a-3h, 16a-3i, 16a-3j, [and] 16a-3m  
140 and section 1 of this act, an electric supplier and an electric distribution  
141 company providing standard service or supplier of last resort service,  
142 pursuant to section 16-244c, shall demonstrate:

143 (1) On and after January 1, 2006, that not less than two per cent of  
144 the total output or services of any such supplier or distribution  
145 company shall be generated from Class I renewable energy sources  
146 and an additional three per cent of the total output or services shall be  
147 from Class I or Class II renewable energy sources;

148 (2) On and after January 1, 2007, not less than three and one-half per  
149 cent of the total output or services of any such supplier or distribution  
150 company shall be generated from Class I renewable energy sources  
151 and an additional three per cent of the total output or services shall be  
152 from Class I or Class II renewable energy sources;

153 (3) On and after January 1, 2008, not less than five per cent of the  
154 total output or services of any such supplier or distribution company  
155 shall be generated from Class I renewable energy sources and an  
156 additional three per cent of the total output or services shall be from  
157 Class I or Class II renewable energy sources;

158 (4) On and after January 1, 2009, not less than six per cent of the  
159 total output or services of any such supplier or distribution company  
160 shall be generated from Class I renewable energy sources and an  
161 additional three per cent of the total output or services shall be from  
162 Class I or Class II renewable energy sources;

163 (5) On and after January 1, 2010, not less than seven per cent of the  
164 total output or services of any such supplier or distribution company  
165 shall be generated from Class I renewable energy sources and an  
166 additional three per cent of the total output or services shall be from  
167 Class I or Class II renewable energy sources;

168 (6) On and after January 1, 2011, not less than eight per cent of the  
169 total output or services of any such supplier or distribution company  
170 shall be generated from Class I renewable energy sources and an  
171 additional three per cent of the total output or services shall be from  
172 Class I or Class II renewable energy sources;

173 (7) On and after January 1, 2012, not less than nine per cent of the  
174 total output or services of any such supplier or distribution company  
175 shall be generated from Class I renewable energy sources and an  
176 additional three per cent of the total output or services shall be from  
177 Class I or Class II renewable energy sources;

178 (8) On and after January 1, 2013, not less than ten per cent of the

179 total output or services of any such supplier or distribution company  
180 shall be generated from Class I renewable energy sources and an  
181 additional three per cent of the total output or services shall be from  
182 Class I or Class II renewable energy sources;

183 (9) On and after January 1, 2014, not less than eleven per cent of the  
184 total output or services of any such supplier or distribution company  
185 shall be generated from Class I renewable energy sources and an  
186 additional three per cent of the total output or services shall be from  
187 Class I or Class II renewable energy sources;

188 (10) On and after January 1, 2015, not less than twelve and one-half  
189 per cent of the total output or services of any such supplier or  
190 distribution company shall be generated from Class I renewable  
191 energy sources and an additional three per cent of the total output or  
192 services shall be from Class I or Class II renewable energy sources;

193 (11) On and after January 1, 2016, not less than fourteen per cent of  
194 the total output or services of any such supplier or distribution  
195 company shall be generated from Class I renewable energy sources  
196 and an additional three per cent of the total output or services shall be  
197 from Class I or Class II renewable energy sources;

198 (12) On and after January 1, 2017, not less than fifteen and one-half  
199 per cent of the total output or services of any such supplier or  
200 distribution company shall be generated from Class I renewable  
201 energy sources and an additional three per cent of the total output or  
202 services shall be from Class I or Class II renewable energy sources;

203 (13) On and after January 1, 2018, not less than seventeen per cent of  
204 the total output or services of any such supplier or distribution  
205 company shall be generated from Class I renewable energy sources  
206 and an additional four per cent of the total output or services shall be  
207 from Class I or Class II renewable energy sources;

208 (14) On and after January 1, 2019, not less than nineteen and one-  
209 half per cent of the total output or services of any such supplier or

210 distribution company shall be generated from Class I renewable  
211 energy sources and an additional four per cent of the total output or  
212 services shall be from Class I or Class II renewable energy sources;

213 (15) On and after January 1, 2020, not less than twenty-one per cent  
214 of the total output or services of any such supplier or distribution  
215 company shall be generated from Class I renewable energy sources  
216 and an additional four per cent of the total output or services shall be  
217 from Class I or Class II renewable energy sources, except that for any  
218 electric supplier that has entered into or renewed a retail electric  
219 supply contract on or before May 24, 2018, on and after January 1,  
220 2020, not less than twenty per cent of the total output or services of any  
221 such electric supplier shall be generated from Class I renewable energy  
222 sources;

223 (16) On and after January 1, 2021, not less than twenty-two and one-  
224 half per cent of the total output or services of any such supplier or  
225 distribution company shall be generated from Class I renewable  
226 energy sources and an additional four per cent of the total output or  
227 services shall be from Class I or Class II renewable energy sources;

228 (17) On and after January 1, 2022, not less than twenty-four per cent  
229 of the total output or services of any such supplier or distribution  
230 company shall be generated from Class I renewable energy sources  
231 and an additional four per cent of the total output or services shall be  
232 from Class I or Class II renewable energy sources;

233 (18) On and after January 1, 2023, not less than twenty-six per cent  
234 of the total output or services of any such supplier or distribution  
235 company shall be generated from Class I renewable energy sources  
236 and an additional four per cent of the total output or services shall be  
237 from Class I or Class II renewable energy sources;

238 (19) On and after January 1, 2024, not less than twenty-eight per cent  
239 of the total output or services of any such supplier or distribution  
240 company shall be generated from Class I renewable energy sources  
241 and an additional four per cent of the total output or services shall be



242 from Class I or Class II renewable energy sources;

243 (20) On and after January 1, 2025, not less than thirty per cent of the  
244 total output or services of any such supplier or distribution company  
245 shall be generated from Class I renewable energy sources and an  
246 additional four per cent of the total output or services shall be from  
247 Class I or Class II renewable energy sources;

248 (21) On and after January 1, 2026, not less than thirty-two per cent of  
249 the total output or services of any such supplier or distribution  
250 company shall be generated from Class I renewable energy sources  
251 and an additional four per cent of the total output or services shall be  
252 from Class I or Class II renewable energy sources;

253 (22) On and after January 1, 2027, not less than thirty-four per cent  
254 of the total output or services of any such supplier or distribution  
255 company shall be generated from Class I renewable energy sources  
256 and an additional four per cent of the total output or services shall be  
257 from Class I or Class II renewable energy sources;

258 (23) On and after January 1, 2028, not less than thirty-six per cent of  
259 the total output or services of any such supplier or distribution  
260 company shall be generated from Class I renewable energy sources  
261 and an additional four per cent of the total output or services shall be  
262 from Class I or Class II renewable energy sources;

263 (24) On and after January 1, 2029, not less than thirty-eight per cent  
264 of the total output or services of any such supplier or distribution  
265 company shall be generated from Class I renewable energy sources  
266 and an additional four per cent of the total output or services shall be  
267 from Class I or Class II renewable energy sources;

268 (25) On and after January 1, 2030, not less than forty per cent of the  
269 total output or services of any such supplier or distribution company  
270 shall be generated from Class I renewable energy sources and an  
271 additional four per cent of the total output or services shall be from  
272 Class I or Class II renewable energy sources.

|   |                     |             |
|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: |                     |             |
| Section 1   | <i>July 1, 2019</i> | New section |
| Sec. 2  | <i>from passage</i> | 16a-3a      |
| Sec. 3  | <i>July 1, 2019</i> | 16-245a(a)  |

**ET**      *Joint Favorable Subst.*

*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.*

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**OFA Fiscal Note****State Impact:** None**Municipal Impact:** None**Explanation**

There is no fiscal impact resulting from the bill, which directs the Department of Energy and Environmental Protection to solicit proposals from offshore wind energy developers.

**The Out Years****State Impact:** None**Municipal Impact:** None

**OLR Bill Analysis**

**sHB 7156**

***AN ACT CONCERNING THE PROCUREMENT OF ENERGY DERIVED FROM OFFSHORE WIND.***

**SUMMARY**

This bill allows the Department of Energy and Environmental Protection (DEEP) commissioner, in consultation with certain other state officials, to solicit proposals from developers of facilities that generate electricity using offshore wind. In developing the solicitations, the commissioner must require any selected proposals to include:

1. contractual commitments to (a) pay at least the prevailing wage to construction workers on the project and (b) engage in good faith negotiations over a project labor agreement (PLA) for the project (see BACKGROUND);
2. an explicit description of the best management practices that will be used to avoid, minimize, and mitigate any impacts on wildlife, natural resources, ecosystems, and traditional or existing water-dependent uses; and
3. certain requirements related to protecting fishing vessels and commercial fishing.

If the commissioner determines that a responding proposal meets certain criteria, such as being in ratepayers' best interests and having a positive impact on the state's economic development, the bill allows the commissioner to direct the electric distribution companies (EDCs; i.e., Eversource and United Illuminating) to enter into up to 20-year power purchase agreements (PPAs) to buy energy, capacity, or environmental attributes (e.g., renewable energy certificates) under the

proposal. Under the bill, the commissioner may select proposals that have a total nameplate (i.e., generating) capacity rating of 2,000 megawatts (MW) or less.

The bill requires any resulting PPA to be subject to review by the Public Utilities Regulatory Authority (PURA). PURA must approve the PPA if it meets certain criteria specified in the bill, such as meeting a clear public need at a just and reasonable price. The bill requires that the EDCs recover the PPA's net costs from ratepayers through a fully reconciling component of electric rates for all EDC customers. Any net revenues from selling products purchased under the PPAs must be credited to ratepayers through the same electric rate component.

The bill requires the next Integrated Resources Plan (IRP) to determine (1) how much energy the DEEP commissioner may seek in the solicitations, which must be from resources that have, in the aggregate, a total nameplate capacity rating of 2,000 MW or less, and (2) the timing and schedule of solicitations. By law, DEEP, in consultation with the EDCs, must prepare an IRP which contains, among other things, a comprehensive plan for procuring energy resources.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2019, except the provision regarding the next IRP is effective upon passage.

## **OFFSHORE WIND PROCUREMENT**

### ***DEEP Solicitation of Proposals***

The bill allows the DEEP commissioner, in consultation with the state's electric procurement manager and the Office of Consumer Counsel, to issue one or more solicitations for proposals from providers of energy derived from offshore wind facilities that are Class I renewable energy sources. The solicitations must be (1) for quantities of energy and within the timing and schedule determined by the commissioner and (2) informed by the IRP, as amended by the bill (see below). The commissioner may issue the solicitations on behalf of

Connecticut alone or in coordination with other states in the regional electric grid's control area (i.e., the other New England states).

**Prevailing Wage & PLAs.** The bill requires the commissioner, in developing the solicitations, to include requirements for selected bids to contain contract commitments that require (1) the payment of at least the prevailing wage, as described in the state's prevailing wage law, to any laborers, workmen, and mechanics performing construction activities for the project within the country and (2) selected bidders to engage in good faith negotiations over a project labor agreement. Any of these solicitations must specify the minimum terms that the PLA must address.

**Best Practices.** The bill requires the commissioner, in developing the solicitations, to include requirements for selected bids to include an explicit description of the best management practices, informed by the latest science when the proposal is made, that the bidder will use to avoid, minimize, and mitigate any impacts to wildlife, natural resources, ecosystems, and traditional or existing water-dependent uses.

**Commercial Fishing Protections.** The bill requires the commissioner, in developing the solicitations, to include requirements for selected bids to:

1. require that wind turbines be installed in an east-west orientation and spaced at least two nautical miles apart to lessen any impact to current fishing vessel operators;
2. identify necessary transit routes to accommodate fishing vessels so they may safely and efficiently traverse lease areas;
3. require an evaluation of the proposal's impacts on ocean circulation patterns and water flow;
4. require a study of cable exposure to ensure the best location and depth of cables that will be installed to limit risk exposure;

5. require an analysis of underwater noise impacts;
6. require protections for fisheries that are at least equal to any protections adopted by New York;
7. require selected bidders to contribute to regional science and monitoring activities, as long as any studies conducted for these activities are conducted or approved by the National Marine Fisheries Service;
8. require bidders to submit a fisheries mitigation plan, to which the bidder must adhere, that focuses on avoiding and minimizing the impacts to the state's fisheries and fishermen; and
9. require the development of a compensation fund that will be funded at a level to sufficiently compensate fishermen and fishing communities affected by the project, as determined by economic studies.

***Proposal Selection***

The bill requires the commissioner, when selecting any proposals that respond to the solicitations, to consider whether the proposal:

1. is in ratepayers' best interests, including the energy source's delivered price;
2. promotes electric distribution system reliability, including during winter peak demand;
3. has any positive impacts on the state's economic development;
4. is consistent with the state's (a) statutory requirements to reduce greenhouse gas emissions, (b) policy goals outlined in the state's Comprehensive Energy Strategy and IRP, and (c) goals and policies set in the Coastal Management Act and Long Island Sound Blue Plan; and

5. uses practices to avoid, minimize, and mitigate impacts to wildlife, natural resources, ecosystems, and traditional or existing water-dependent uses.

In considering whether a proposal has any positive impacts on the state's economic development, the commissioner must consult with the Department of Economic and Community Development commissioner.

The bill allows the DEEP commissioner to select proposals that, in the aggregate, have a total nameplate capacity rating of 2,000 MW or less.

### ***Contracts with EDCs***

For the selected proposals, the bill allows the DEEP commissioner to direct the EDCs to enter into PPAs to purchase energy, capacity, and environmental attributes (e.g., renewable energy certificates (RECs)), or any combination of them, for up to 20-year terms, on behalf of all EDC customers in the state.

Under the bill, Class I RECs issued by the New England Power Pool Generation Information System and procured by the EDCs under a PPA may be (1) sold into the system's REC market to be used by any electric supplier or EDC to meet the state's Renewable Portfolio Standard (RPS) requirements, as long as revenues from the sale are credited to EDC customers, or (2) kept by the EDC to meet its own RPS requirements.

When considering whether to sell or keep the RECs, the EDC must pick the option that is in the best interest of its ratepayers. In general, the RPS requires the EDCs and retail electric suppliers to procure an increasing portion of their power from certain renewable and other clean energy resources. They may meet the requirement by buying RECs created by these resources when they generate power.

### ***PURA Review & EDC Cost Recovery***

The bill requires any resulting PPA to be subject to PURA's review



and approval, which must be completed within 120 days after it is filed with PURA. The authority must approve a PPA if it determines that the agreement:

1. provides for the delivery of adequate and reliable products and services, for which there is a clear public need, at a just and reasonable price;
2. is prudent and cost effective; and
3. is between an EDC and a solicitation respondent that has the technical, financial, and managerial capabilities to perform under the PPA.

The bill requires that the EDCs recover the net costs of a PPA, including costs incurred under the PPA and reasonable costs incurred in connection with it, through a fully reconciling component of electric rates for all EDC customers. Any net revenues from selling products purchased under long-term contracts entered into under the bill's procurement process must be credited to customers through the same electric rate component.

## **IRP**

The bill requires DEEP, in the next IRP approved after January 1, 2019, to determine (1) how much energy the DEEP commissioner may seek in the bill's solicitations, as long as it is not from resources that have a total nameplate capacity rating of more than 2,000 MW in the aggregate, and (2) the timing and schedule of any of the bill's solicitations.

These determinations must be based on factors that include the electricity system needs identified in the IRP, including capacity, winter reliability, progress in meeting the state Global Warming Solutions Act's goals, the Comprehensive Energy Strategy's priorities, positive impacts on the state's economic development, opportunities to coordinate procurement with other states, forecasted trends in technology costs, and impacts on state ratepayers.

**BACKGROUND*****Prevailing Wage***

The state's prevailing wage law (CGS § 31-53) requires employers on certain public works projects to pay their construction workers wages and benefits equal to those that are customary or prevailing for the same work, in the same trade or occupation, in the same town (i.e., the "prevailing wage"). The law allows the state Department of Labor (DOL) to (1) hold hearings to gather data and calculate prevailing wage rates or (2) use the prevailing wage rates for Connecticut calculated by the federal Department of Labor. In practice, DOL uses the federally calculated rates.

***Project Labor Agreements***

In general, a project labor agreement is a pre-hire agreement covering the terms and conditions for all people working on a specific construction project (e.g., a collective bargaining agreement that applies to a specific construction project and lasts only for the duration of the project, but guarantees the project will only use union labor).

***Related Bill***

SB 875, reported favorably by the Energy and Technology Committee, also allows the DEEP commissioner to solicit proposals from offshore wind developers, but it (1) allows her to select proposals that meet, in the aggregate, up to 15% of the load distributed by the EDCs and (2) does not contain the same provisions regarding best practices and commercial fishing protections.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 20 Nay 3 (03/14/2019)