

Energy and Technology Committee JOINT FAVORABLE REPORT

Bill No.: HB-7114

AN ACT CONCERNING MUNICIPAL COMPETITIVE PROCUREMENT OF ELECTRICITY, NATURAL GAS, RENEWABLE ENERGY AND OTHER ENERGY-RELATED PRODUCTS BY NONPROFIT ENERGY BUYING

Title: CONSORTIA.

Vote Date: 3/14/2019

Vote Action: Joint Favorable

PH Date: 2/21/2019

File No.: 144

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Energy and Technology Committee

REASONS FOR THE BILL

The bill was introduced to streamline energy purchases and help allow municipalities to buy this energy through a nonprofit energy buying consortium. It also helps to clarify that if the community is currently served by a municipal electric utility that it is restricted from purchasing through a nonprofit energy buying consortia.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Offered

NATURE AND SOURCES OF SUPPORT:

[Cynthia A. Arcate – Power Options](#): Power Options is in support of the proposed bill and believe it will streamline the energy buying process for CT's municipalities. They also feel it will help save money for these municipalities and strongly encourage passage.

[Claire Coleman – Connecticut Fund for the Environment \(CFE\)](#): The CFE states that it is in support of the proposed bill if certain amendments take place regarding the expansion of the authority to participate in Community Choice Aggregation (CCA) programs. They reference the surrounding states success in participating in CCAs and how they able to regulate competitive electricity rates, reduce greenhouse gas emissions, and grow their current

electric grid into a more “greener” system. They feel a CCA provision would offer cleaner and more affordable energy options to residents of municipalities.

[Peter Rothstein – Northeast Clean Energy Council \(NECEC\)](#): The NECEC states that they are in support of the bill which will allow towns to save money and time in acquiring energy related products. NECEC feels the bill will help expand competition and save municipalities in the long run. NECEC is in support of the chance to have all public bodies gain benefits from participating in the purchasing of energy through an nonprofit consortia groups. They also support how the bill allows municipalities to participate and does not force them to participate.

NATURE AND SOURCES OF OPPOSITION:

[Vincent Pace – Eversource](#): Eversource is in opposition to the proposal because they feel the language of the bill is vague particularly when discussing a town's competitive energy purchasing agreements. Eversource also feels the bill is unclear in whether or not Eversource will have to serve as a backstop in the event the other electric supplier is unable to meet the municipality's power requirement.

[Donna Carroccia – Connecticut Conference of Municipalities \(CCM\)](#): CCM shares its concerns around the bill believing it may unnecessary as the language currently is written. CCM states there is nothing presently preventing municipalities from being involved with purchasing associations and the bill only proposes changes to allow an institution to avoid the local bidding process and gain unfair market access. CCM feels we should not impose on the current competitive bidding process. CCM feels the committee and legislators should consider the purpose of HB 7114 before moving forward.

Joined by

[Daniel Knudsen](#):

Reported by: Ethan J. Meskill

Date: 4/1/19