



General Assembly

Amendment

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LCO No. 10278



Offered by:
SEN. NEEDLEMAN, 33rd Dist.

To: Subst. Senate Bill No. 960

File No. 374

Cal. No. 188

"AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY'S REVIEW OF CLAIMS ARISING FROM CONTRACTS PREVIOUSLY APPROVED BY THE AUTHORITY, PERSONS INVOLVED IN THE TRANSPORTATION OF NATURAL GAS AND REQUIREMENTS FOR OPERATOR QUALIFICATION OF INDIVIDUALS PERFORMING COVERED TASKS ON A PIPELINE FACILITY, CALL BEFORE YOU DIG PROGRAM VIOLATIONS AND FINES AND THE PUBLIC UTILITIES REGULATORY POLICIES ACT."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 16-35 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective from passage*):

5 (a) Any person, including, but not limited to, a company, town, city,
6 borough or corporation aggrieved by any order, authorization or
7 decision of the Public Utilities Regulatory Authority, except an order,
8 authorization or decision of the authority approving the taking of land,
9 in any matter to which such person was or ought to have been made a

10 party or intervenor, may appeal therefrom in accordance with the
11 provisions of section 4-183, provided any person who is party to a
12 contract described in subsection (d) of this section shall first bring their
13 claim to the authority pursuant to said subsection. Such person so
14 appealing shall give bond to the state, with sufficient surety, for the
15 benefit of the adverse party, in such sum as the authority fixes, to pay
16 all costs in case such person fails to sustain such appeal. No
17 municipality or political subdivision shall be determined not to be
18 aggrieved solely because there are other persons who are similarly
19 affected by the order, authorization or decision of the authority.

20 (b) Any person who may appeal an order, authorization or decision
21 of the authority under subsection (a) of this section who was an
22 intervenor or, after timely application, was denied intervenor status to
23 the authority proceeding, shall be limited to raise on appeal only those
24 issues that (1) such person addressed during the proceeding or were
25 addressed in the final decision, or (2) such person raised in his request
26 for intervenor status if he was denied intervenor status.

27 (c) Notwithstanding any provision of this title and title 16a,
28 proceedings in which the Public Utilities Regulatory Authority
29 conducts a request for proposals or any other procurement process for
30 the purpose of acquiring electricity products or services for the benefit
31 of ratepayers shall be uncontested.

32 (d) (1) The first dispute arising from a contract that is approved by
33 the Public Utilities Regulatory Authority on or after the effective date
34 of this section where (A) the contract was approved by the authority
35 pursuant to section 16-19hh, 16-243m, 16-243u, 16-244r, 16-244s, 16-
36 244t, 16-244y, 16a-3b, 16a-3f, 16a-3g, 16a-3h, 16a-3i, 16a-3j, 16a-3k, 16a-
37 3l or 16a-3m, (B) a public service company is a party to the contract, (C)
38 the contract price is funded by ratepayers, and (D) the purpose of the
39 contract is for the public service company to purchase products and
40 services for the benefit of ratepayers, shall be brought by a party to
41 such contract to the authority. A party may petition the authority for a
42 declaratory ruling or make an application for review pursuant to this

43 subsection or the section of the general statutes that governs such
44 contract. Notwithstanding subsection (a) of section 4-176, the authority
45 may not on its own motion initiate a proceeding to review a contract
46 described in this subsection.

47 (2) The authority shall review such contract claims brought
48 pursuant to subdivision (1) of this subsection. The authority shall
49 decide such contract claims by issuing a declaratory ruling or a final
50 decision in a contested case proceeding, including ordering legal and
51 equitable contract remedies. Any party to such contract shall have the
52 right to appeal to the Superior Court from any such declaratory ruling
53 or final decision adjudicating such contract claims pursuant to
54 subsection (a) of this section.

55 Sec. 2. Section 16-7 of the general statutes is repealed and the
56 following is substituted in lieu thereof (*Effective from passage*):

57 The utility commissioners of the Public Utilities Regulatory
58 Authority, or their designees, while engaged in the performance of
59 their duties may, at all reasonable times, enter any premises, buildings,
60 cars, plants or other places belonging to or controlled by any public
61 service company, [or] electric supplier or person involved in the
62 transportation of gas, as such terms are defined in section 16-280a, and
63 any person obstructing or in any way causing to be obstructed or
64 hindered any utility commissioner of the Public Utilities Regulatory
65 Authority or employee of the Public Utilities Regulatory Authority in
66 the performance of his or her duties shall be fined not more than two
67 hundred dollars or imprisoned not more than six months, or both.

68 Sec. 3. Section 16-8a of the general statutes is repealed and the
69 following is substituted in lieu thereof (*Effective from passage*):

70 (a) No public service company, as defined in section 16-1, as
71 amended by this act, holding company, as defined in section 16-47,
72 person involved in the transportation of gas, as such terms are defined
73 in section 16-280a, or Nuclear Regulatory Commission licensee
74 operating a nuclear power generating facility in this state, or person,

75 firm, corporation, contractor or subcontractor directly or indirectly
76 providing goods or services to such public service company, holding
77 company, person involved in the transportation of gas, as such terms
78 are defined in section 16-280a, or licensee, may take or threaten to take
79 any retaliatory action against an employee for the employee's
80 disclosure of (1) any matter involving the substantial misfeasance,
81 malfeasance or nonfeasance in the management of such public service
82 company, holding company, person involved in the transportation of
83 gas, as such terms are defined in section 16-280a, or licensee, or (2)
84 information pursuant to section 31-51m. Any employee found to have
85 knowingly made a false disclosure shall be subject to disciplinary
86 action by the employee's employer, up to and including dismissal.

87 (b) Any employee of such a public service company, holding
88 company, person involved in the transportation of gas, as such terms
89 are defined in section 16-280a, or licensee, or of any person, firm,
90 corporation, contractor or subcontractor directly or indirectly
91 providing goods or services to such a public service company, holding
92 company, person involved in the transportation of gas, as such terms
93 are defined in section 16-280a, or licensee, having knowledge of any of
94 the following may transmit all facts and information in the employee's
95 possession to the Public Utilities Regulatory Authority: (1) Any matter
96 involving substantial misfeasance, malfeasance or nonfeasance in the
97 management of such public service company, holding company,
98 person involved in the transportation of gas, as such terms are defined
99 in section 16-280a, or licensee; or (2) any matter involving retaliatory
100 action or the threat of retaliatory action taken against an employee
101 who has reported the misfeasance, malfeasance or nonfeasance, in the
102 management of such public service company, holding company,
103 person involved in the transportation of gas, as such terms are defined
104 in section 16-280a, or licensee. With regard to any matter described in
105 subdivision (1) of this subsection, the authority shall investigate such
106 matter in accordance with the provisions of section 16-8 and shall not
107 disclose the identity of such employee without the employee's consent
108 unless it determines that such disclosure is unavoidable during the

109 course of the investigation. With regard to any matter described in
110 subdivision (2) of this subsection, the matter shall be handled in
111 accordance with the procedures set forth in subsections (c) and (d) of
112 this section.

113 (c) (1) Not more than ninety business days after receipt of a written
114 complaint, in a form prescribed by the authority, by an employee
115 alleging the employee's employer has retaliated against an employee
116 in violation of subsection (a) of this section, the authority shall make a
117 preliminary finding in accordance with this subsection.

118 (2) Not more than five business days after receiving a written
119 complaint, in a form prescribed by the authority, the authority shall
120 notify the employer by certified mail. Such notification shall include a
121 description of the nature of the charges and the substance of any
122 relevant supporting evidence. The employer may submit a written
123 response and both the employer and the employee may present
124 rebuttal statements in the form of affidavits from witnesses and
125 supporting documents and may meet with the authority informally to
126 respond verbally about the nature of the employee's charges. The
127 authority shall consider in making its preliminary finding as provided
128 in subdivision (3) of this subsection any such written and verbal
129 responses, including affidavits and supporting documents, received by
130 the authority not more than twenty business days after the employer
131 receives such notice. Any such response received after twenty business
132 days shall be considered by the authority only upon a showing of good
133 cause and at the discretion of the authority. The authority shall make
134 its preliminary finding as provided in subdivision (3) of this subsection
135 based on information described in this subdivision, without a public
136 hearing.

137 (3) Unless the authority finds by clear and convincing evidence that
138 the adverse employment action was taken for a reason unconnected
139 with the employee's report of substantial misfeasance, malfeasance or
140 nonfeasance, there shall be a rebuttable presumption that an employee
141 was retaliated against in violation of subsection (a) of this section if the

142 authority finds that: (A) The employee had reported substantial
143 misfeasance, malfeasance or nonfeasance in the management of the
144 public service company, holding company, person involved in the
145 transportation of gas, as such terms are defined in section 16-280a, or
146 licensee; (B) the employee was subsequently discharged, suspended,
147 demoted or otherwise penalized by having the employee's status of
148 employment changed by the employee's employer; and (C) the
149 subsequent discharge, suspension, demotion or other penalty followed
150 the employee's report closely in time.

151 (4) If such findings are made, the authority shall issue an order
152 requiring the employer to immediately return the employee to the
153 employee's previous position of employment or an equivalent position
154 pending the completion of the authority's full investigatory proceeding
155 pursuant to subsection (d) of this section.

156 (d) Not later than thirty days after making a preliminary finding in
157 accordance with the provisions of subsection (c) of this section, the
158 authority shall initiate a full investigatory proceeding in accordance
159 with the provisions of section 16-8, at which time the employer shall
160 have the opportunity to rebut the presumption. The authority may
161 issue orders, impose civil penalties, order payment of back pay or
162 award attorneys' fees in a manner that conforms with the notice and
163 hearing provisions in section 16-41, as amended by this act, against a
164 public service company, holding company, person involved in the
165 transportation of gas, as such terms are defined in section 16-280a, or
166 licensee or a person, firm, corporation, contractor or subcontractor
167 directly or indirectly providing goods or services to such public service
168 company, holding company, person involved in the transportation of
169 gas, as such terms are defined in section 16-280a, or licensee, in order
170 to enforce the provisions of this section.

171 (e) If an employee or former employee of such a public service
172 company, holding company, person involved in the transportation of
173 gas, as such terms are defined in section 16-280a, or licensee, or of a
174 person, firm, corporation, contractor or subcontractor directly or

175 indirectly providing goods or services to such a public service
176 company, holding company, person involved in the transportation of
177 gas, as such terms are defined in section 16-280a, or licensee, having
178 knowledge of any matter involving the substantial misfeasance,
179 malfeasance or nonfeasance in the management of such public service
180 company, holding company, person involved in the transportation of
181 gas, as such terms are defined in section 16-280a, or licensee, enters
182 into an agreement with the employee's employer that contains a
183 provision directly or indirectly discouraging the employee from
184 presenting a written complaint or testimony concerning such
185 misfeasance, malfeasance or nonfeasance in any legislative,
186 administrative or judicial proceeding, such provision shall be void as
187 against public policy.

188 (f) The Public Utilities Regulatory Authority shall adopt regulations,
189 in accordance with chapter 54, to carry out the provisions of this
190 section. Such regulations shall include the following: (1) The
191 procedures by which a complaint may be brought pursuant to
192 subsection (a) of this section; (2) the time period in which such a
193 complaint may be brought; (3) the time period by which the authority
194 shall render a decision pursuant to subsection (d) of this section; (4) the
195 form on which written complaints shall be submitted to the authority
196 by an employee pursuant to subsection (c) of this section; and (5) the
197 requirement that a notice be posted in the workplace informing all
198 employees of any public service company, holding company, person
199 involved in the transportation of gas, as such terms are defined in
200 section 16-280a, and licensee and of any person, firm, corporation,
201 contractor or subcontractor directly or indirectly providing goods or
202 services to a company or licensee, as defined in subsection (b) of this
203 section, of their rights under this section, including the right to be
204 reinstated in accordance with subsection (c) of this section.

205 Sec. 4. Section 16-11 of the general statutes is repealed and the
206 following is substituted in lieu thereof (*Effective from passage*):

207 The Public Utilities Regulatory Authority shall, so far as is

208 practicable, keep fully informed as to the condition of the plant,
209 equipment and manner of operation of all public service companies
210 and persons involved in the transportation of gas, as such terms are
211 defined in section 16-280a, in respect to their adequacy and suitability
212 to accomplish the duties imposed upon such companies by law and in
213 respect to their relation to the safety of the public and of the employees
214 of such companies. The authority may order such reasonable
215 improvements, repairs or alterations in such plant or equipment, or
216 such changes in the manner of operation, as may be reasonably
217 necessary in the public interest. The general purposes of this section
218 and sections 16-19, 16-25, 16-43 and 16-47 are to assure to the state of
219 Connecticut its full powers to regulate its public service companies, to
220 increase the powers of the Public Utilities Regulatory Authority and to
221 promote local control of the public service companies of this state, and
222 said sections shall be so construed as to effectuate these purposes.

223 Sec. 5. Section 16-16 of the general statutes is repealed and the
224 following is substituted in lieu thereof (*Effective from passage*):

225 Each public service company, [and] electric supplier and person
226 involved in the transportation of gas, as such terms are defined in
227 section 16-280a, subject to regulation by the Public Utilities Regulatory
228 Authority shall, in the event of any accident attended with personal
229 injury or involving public safety, which was or may have been
230 connected with or due to the operation of its or his property, or caused
231 by contact with the wires of any public service company or electric
232 supplier, notify the authority thereof, by telephone or otherwise, as
233 soon as may be reasonably possible after the occurrence of such
234 accident, unless such accident is a minor accident, as defined by
235 regulations of the authority. Each such person, company or electric
236 supplier shall report such minor accidents to the authority in writing,
237 in summary form, once each month. If notice of such accident, other
238 than a minor accident, is given otherwise than in writing, it shall be
239 confirmed in writing within five days after the occurrence of such
240 accident. Any person, company or electric supplier failing to comply
241 with the provisions of this section shall be fined not more than five

242 hundred dollars for each offense.

243 Sec. 6. Subsection (a) of section 16-41 of the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective from*
245 *passage*):

246 (a) Each (1) public service company and its officers, agents and
247 employees, (2) electric supplier or person providing electric generation
248 services without a license in violation of section 16-245, and its officers,
249 agents and employees, (3) certified telecommunications provider or
250 person providing telecommunications services without authorization
251 pursuant to sections 16-247f to 16-247h, inclusive, and its officers,
252 agents and employees, (4) person, public agency or public utility, as
253 such terms are defined in section 16-345, subject to the requirements of
254 chapter 293, (5) person subject to the registration requirements under
255 section 16-258a, (6) cellular mobile telephone carrier, as described in
256 section 16-250b, (7) Connecticut electric efficiency partner, as defined
257 in section 16-243v, (8) company, as defined in section 16-49, as
258 amended by this act, [and] (9) entity approved to submeter pursuant to
259 section 16-19ff, and (10) person involved in the transportation of gas,
260 as such terms are defined in section 16-280a, shall obey, observe and
261 comply with all applicable provisions of this title and each applicable
262 order made or applicable regulations adopted by the Public Utilities
263 Regulatory Authority by virtue of this title as long as the same remains
264 in force. Any such company, electric supplier, certified
265 telecommunications provider, cellular mobile telephone carrier,
266 Connecticut electric efficiency partner, entity approved to submeter,
267 person, any officer, agent or employee thereof, public agency or public
268 utility which the authority finds has failed to obey or comply with any
269 such provision of this title, order or regulation shall be fined by order
270 of the authority in accordance with the penalty prescribed for the
271 violated provision of this title or, if no penalty is prescribed, not more
272 than ten thousand dollars for each offense, except that the penalty shall
273 be a fine of not more than forty thousand dollars for failure to comply
274 with an order of the authority made in accordance with the provisions
275 of section 16-19 or 16-247k or within thirty days of such order or

276 within any specific time period for compliance specified in such order.
277 Each distinct violation of any such provision of this title, order or
278 regulation shall be a separate offense and, in case of a continued
279 violation, each day thereof shall be deemed a separate offense. Each
280 such penalty and any interest charged pursuant to subsection (g) or (h)
281 of section 16-49, as amended by this act, shall be excluded from
282 operating expenses for purposes of rate-making.

283 Sec. 7. Section 16-280e of the general statutes is repealed and the
284 following is substituted in lieu thereof (*Effective from passage*):

285 (a) Any person that violates any provision of the federal act, any
286 regulation issued under the federal act, any provision of this chapter or
287 any regulation adopted by the authority pursuant to subsection (b) or
288 (c) of section 16-280b, shall be subject to a civil penalty not to exceed
289 the higher of the maximum civil penalty provided under 49 USC
290 60122(a), as amended, or 49 CFR 190.223(a), as amended from time to
291 time.

292 (b) Any such civil penalty may be compromised by the Public
293 Utilities Regulatory Authority. In determining the amount of such
294 penalty, or the amount agreed upon in compromise, the authority shall
295 consider the criteria set forth in 49 USC 60122(b), as amended.

296 (c) Nothing in this section shall be construed to limit the penalties
297 available under section 16-33.

298 Sec. 8. (NEW) (*Effective from passage*) (a) For purposes of this section:

299 (1) "Covered task" means an activity that is performed on a pipeline
300 facility and that affects the safety or integrity of the pipeline; and

301 (2) "Evaluation" means a process, established and documented by
302 the operator, to determine an individual's ability to perform a covered
303 task by a (A) a written or oral examination, and (B) observation during
304 performance on the job or simulations.

305 (b) In addition to the minimum requirements for operator

306 qualification of individuals performing covered tasks on a pipeline
307 facility pursuant to 49 CFR 192, Subpart N, the requirements of this
308 section shall be applicable to such operators in the state.

309 (c) Each operator shall:

310 (1) Evaluate an individual if the operator has reason to believe that
311 the individual did not correctly perform a covered task;

312 (2) Train all individuals to ensure that individuals performing
313 covered tasks have the necessary knowledge and skills to perform
314 covered tasks in a manner that ensures the safe operation of pipeline
315 facilities;

316 (3) Document in a plan the training requirements, including, but not
317 limited to, the minimum training time for each covered task;

318 (4) Conduct evaluations more than forty-eight hours after training;

319 (5) Ensure that the evaluation process is performed by operator
320 personnel or independent third-party contractors;

321 (6) Ensure that the evaluation process evaluates task-specific
322 abnormal operating conditions;

323 (7) Ensure that inspectors are qualified for the covered tasks they
324 are inspecting;

325 (8) Ensure that the training and evaluation process is specific to the
326 operator's plans, procedures and standards; and

327 (9) Ensure that the written qualification program includes a training
328 and evaluation process for personnel performing engineering tasks.

329 Sec. 9. (NEW) (*Effective from passage*) (a) Any person involved in the
330 transportation of gas, as such terms are defined in section 16-280a of
331 the general statutes, except persons involved in the transportation of
332 propane, shall utilize geographic information systems to map all of
333 such person's pipeline facilities, as defined in section 16-280a of the

334 general statutes.

335 (b) Any person involved in the transportation of gas, as such terms
336 are defined in section 16-280a of the general statutes, except persons
337 involved in the transportation of propane, shall provide remote real-
338 time, read-only access to all of such person's electronic systems, if the
339 authority determines that such access will be beneficial in keeping the
340 authority fully informed as to the condition of a plant, equipment and
341 manner of operation pursuant to section 16-11 of the general statutes,
342 as amended by this act.

343 Sec. 10. (NEW) (*Effective from passage*) On or before October 1, 2019,
344 and on or before October first of each year thereafter, any person
345 involved in the transportation of gas, as such terms are defined in
346 section 16-280a of the general statutes, except persons involved in the
347 transportation of natural gas, shall submit to the authority, on a form
348 prescribed by the authority, information the authority deems relevant
349 about such person's propane distribution systems that are subject to
350 the jurisdiction of the authority. Any changes to such information
351 submitted shall be submitted to the authority within thirty days of
352 such change.

353 Sec. 11. Section 16-356 of the general statutes is repealed and the
354 following is substituted in lieu thereof (*Effective from passage*):

355 Any person, public agency or public utility which the Public
356 Utilities Regulatory Authority determines, after notice and
357 opportunity for a hearing as provided in section 16-41, as amended by
358 this act, to have failed to comply with any provision of this chapter or
359 any regulation adopted under section 16-357 shall forfeit and pay to
360 the state a civil penalty of not more than forty thousand dollars,
361 provided any violation involving the failure of a public utility to mark
362 any approximate location of an underground utility facility correctly
363 or within the time frames prescribed by regulation, which violation
364 did not result in any property damage or personal injury and was not
365 the result of an act of gross negligence on the part of the public utility,

366 shall not result in a civil penalty of more than one thousand dollars.
367 Any civil penalty assessed for any violation involving the failure of a
368 public utility to properly or timely mark any approximate location of
369 an underground facility shall be paid by the person, public agency or
370 public utility to whom the notice is addressed. If any such person,
371 public agency or public utility recovers any portion of the penalty from
372 any person, the authority may direct such person, public agency or
373 public utility to forfeit such recovered penalty, as provided in such
374 notice. Notwithstanding the provisions contained in subsection (d) of
375 section 16-41, the person, public agency or public utility receiving a
376 notice of violation pursuant to subsection (c) of section 16-41 shall have
377 thirty days from the date of receipt of the notice in which to deliver to
378 the authority a written application for a hearing.

379 Sec. 12. Section 16-243a of the general statutes is repealed and the
380 following is substituted in lieu thereof (*Effective from passage*):

381 [(a) As used in this section, "avoided costs" means the incremental
382 costs to an electric public service company, municipal electric energy
383 cooperative organized under chapter 101a or municipal electric utility
384 organized under chapter 101, of electric energy or capacity or both
385 which, but for the purchase from a private power producer, as defined
386 in section 16-243b, such company, cooperative or utility would
387 generate itself or purchase from another source.

388 (b) Each electric public service company, municipal electric energy
389 cooperative and municipal electric utility shall: (1) Purchase any
390 electrical energy and capacity made available, directly by a private
391 power producer or indirectly under subdivision (4) of this subsection;
392 (2) sell backup electricity to any private power producer in its service
393 territory; (3) make such interconnections in accordance with the
394 regulations adopted pursuant to subsection (h) of this section
395 necessary to accomplish such purchases and sales; (4) upon approval
396 by the Public Utilities Regulatory Authority of an application filed by a
397 willing private power producer, transmit energy or capacity from the
398 private power producer to any other such company, cooperative or

399 utility or to another facility operated by the private power producer;
400 and (5) offer to operate in parallel with a private power producer. In
401 making a decision on an application filed under subdivision (4) of this
402 subsection, the authority shall consider whether such transmission
403 would (A) adversely impact the customers of the company,
404 cooperative or utility which would transmit energy or capacity to the
405 private power producer, (B) result in an uncompensated loss for, or
406 unduly burden, such company, cooperative, utility or private power
407 producer, (C) impair the reliability of service of such company,
408 cooperative or utility, or (D) impair the ability of the company,
409 cooperative or utility to provide adequate service to its customers. The
410 authority shall issue a decision on such an application not later than
411 one hundred twenty days after the application is filed, provided, the
412 authority may, before the end of such period and upon notifying all
413 parties and intervenors to the proceeding, extend the period by thirty
414 days. If the authority does not issue a decision within one hundred
415 twenty days after receiving such an application, or within one hundred
416 fifty days if the authority extends the period in accordance with the
417 provisions of this subsection, the application shall be deemed to have
418 been approved. The requirements under subdivisions (3), (4) and (5) of
419 this subsection shall be subject to reasonable standards for operating
420 safety and reliability and the nondiscriminatory assessment of costs
421 against private power producers, approved by the Public Utilities
422 Regulatory Authority with respect to electric public service companies
423 or determined by municipal electric energy cooperatives and
424 municipal electric utilities.

425 (c) The Public Utilities Regulatory Authority, with respect to electric
426 public service companies, and each municipal electric energy
427 cooperative and municipal electric utility shall establish rates and
428 conditions of service for: (1) The purchase of electrical energy and
429 capacity made available by a private power producer; and (2) the sale
430 of backup electricity to a private power producer. The rates for
431 electricity purchased from a private power producer shall be based on
432 the full avoided costs of the electric public service company, municipal

433 electric energy cooperative or municipal electric utility, regardless of
434 whether the purchaser is simultaneously making sales to the private
435 power producer. Payment for energy and capacity purchased from a
436 private power producer by any such company, cooperative or utility
437 shall be pursuant to such rates and conditions or the terms of a
438 contract between the parties. The rates and conditions of service for the
439 purchase of energy and capacity established by the authority pursuant
440 to this subsection shall include specific schedules for pricing in long-
441 term contracts for the sale of electricity from small renewable power
442 projects to electric public service companies by private power
443 producers. Such schedules shall not exceed the present worth of the
444 projected avoided costs of the electric public service company over the
445 term of the contract. The authority shall apply to a proposed contract
446 filed with the authority after January 1, 1992, by a private power
447 producer for a small renewable power project the rates and conditions
448 of service, including the pricing schedule, in effect on the date the
449 private power producer submits its proposed contract to the authority,
450 regardless of the subsequent creation of differing schedules or the
451 subsequent amendment of existing schedules.

452 (d) When any person, firm or corporation proposes to enter into a
453 contract to sell energy and capacity as a private power producer, an
454 electric public service company, municipal electric energy cooperative
455 or municipal electric utility shall respond promptly to all requests and
456 offers and negotiate in good faith to arrive at a contract which fairly
457 reflects the provisions of this section and the anticipated avoided costs
458 over the life of the contract. Upon application by a private power
459 producer, the authority may approve a contract which provides for
460 payment of less than the anticipated avoided costs if, considering all of
461 the provisions, the contract is at least as favorable to the private power
462 producer as a contract providing for the full avoided costs. The
463 contract may extend for a period of not more than thirty years at the
464 option of the private power producer if it has a generating facility with
465 a capacity of at least one hundred kilowatts.

466 (e) The authority shall consider generating capacity available from

467 cogeneration technology and renewable energy resources in its
468 periodic reviews of electric public service companies and shall require
469 the companies to include the availability of such capacity in
470 applications for rate relief filed in accordance with section 16-19a.

471 (f) If a private power producer believes that an electric distribution
472 company has violated any provision of this section it may submit a
473 written petition alleging such violation to the authority. Upon receipt
474 of the petition, the authority shall fix a time and place for a hearing
475 and mail notice of the hearing to the parties in interest at least one
476 week in advance. Upon the hearing, the authority may, if it finds the
477 company has violated any such provision, prescribe the manner in
478 which it shall comply.

479 (g) After January 1, 1992, the authority shall approve each proposed
480 contract submitted by a private power producer for a small renewable
481 power project, with any modifications agreed to by the parties to the
482 contract, if the filing meets the standards for exemption from the
483 proposal process and for an approvable contract established pursuant
484 to section 16-6b, and is consistent with the pricing schedules adopted
485 pursuant to subsection (c) of this section. Nothing in this section shall
486 preclude a modification of such a contract if the parties to the contract
487 agree to the modification. Any such modification shall be approved by
488 the authority. The authority shall reconsider each decision issued
489 pursuant to this section between January 1, 1992, and June 29, 1993,
490 regarding such contracts and shall make any modifications to each
491 such decision necessary to ensure that each such decision conforms
492 with the provisions of this section.

493 (h) Not later than January 1, 2008, the Public Utilities Regulatory
494 Authority shall issue a final decision approving interconnection
495 standards that meet or exceed national standards of interconnectivity.
496 If the authority does not issue a final decision by October 1, 2008, each
497 electric distribution company, municipal electric energy cooperative
498 and municipal electric utility shall meet the standards set forth in Title
499 4, Chapter 4, Subchapter 9, "Net Metering and Interconnection

500 Standards for Class I Renewable Energy Systems" of the New Jersey
501 Administrative Code.]

502 (a) As used in this title, "PURPA" means the Public Utilities
503 Regulatory Policies Act of 1978, codified at 18 USC 824a-3, and its
504 implementing regulations, 18 CFR 292, as amended from time to time,
505 and "Qualifying Facilities" or "QF" has the same meaning as provided
506 in 18 CFR 292.101(b)(1).

507 (b) As used in section 16-243b, as amended by this act, "avoided
508 costs" means the costs avoided by an electric distribution company as a
509 result of purchasing power or capacity from a qualifying facility, as
510 approved by the Public Utilities Regulatory Authority in accordance
511 with section 16-243b, as amended by this act, and that do not result in
512 costs greater than those which the purchasing electric distribution
513 company would incur if such electric distribution company did not
514 make such purchases and instead purchased electricity or capacity
515 from the regional wholesale electricity markets.

516 Sec. 13. Section 16-243b of the general statutes is repealed and the
517 following is substituted in lieu thereof (*Effective from passage*):

518 [(a) As used in this title:

519 (1) "Private power production facility" means a facility which
520 generates electricity in the state (A) solely through the use of
521 cogeneration technology, provided the average useful thermal energy
522 output of the facility is at least twenty per cent of the total energy
523 output of the facility, (B) solely through the use of renewable energy
524 sources, or (C) through both only;

525 (2) "Useful thermal energy output" means the thermal energy made
526 available for use in any industrial or commercial process, or used in
527 any heating or cooling application;

528 (3) "Private power producer" means (A) a subsidiary of a gas public
529 service company which is not affiliated with an electric public service

530 company, or a subsidiary of a holding company controlling, directly or
531 indirectly, a gas public service company but not an electric public
532 service company, which generates electricity solely through ownership
533 of fifty per cent or less of a private power production facility or, with
534 the approval of the Public Utilities Regulatory Authority, through
535 ownership of one hundred per cent of a private power production
536 facility which (i) uses a source of energy other than gas as the primary
537 energy source of the facility, or (ii) uses gas as the primary energy
538 source of the facility and uses an improved and innovative technology
539 which furthers the state energy policy as set forth in section 16a-35k,
540 (B) a subsidiary of any other public service company or a subsidiary of
541 a holding company controlling, directly or indirectly, such a public
542 service company, which generates electricity solely through ownership
543 of fifty per cent or less of a private power production facility, (C) the
544 state, a political subdivision of the state or any other person, firm or
545 corporation other than a public service company or any corporation
546 which was a public service company, prior to July 1, 1981, and which
547 consents to be regulated as a public service company or a holding
548 company for a public service company, which generates electricity
549 solely through ownership of one hundred per cent or less of a private
550 power production facility, or (D) any combination thereof;

551 (4) "Private power provider" means any person, firm, corporation,
552 nonprofit corporation, limited liability company, governmental entity,
553 or other entity, including any public service company, holding
554 company, or subsidiary, which provides energy conservation or
555 demand management measures pursuant to section 16-243f and
556 regulations and orders issued hereunder, which replace the need for
557 electricity generating capacity that electric public service companies
558 would otherwise require;

559 (5) "Electricity conservation or demand management measures"
560 means the provision pursuant to this section and section 16-243f and
561 regulations and orders adopted hereunder by a private power
562 provider to an electric public service company or its customers of
563 equipment or services or both designed to conserve electricity or to

564 manage electricity load; and

565 (6) "Small renewable power project" means any private power
566 production facility which has a capacity of five megawatts or less and
567 is fueled by a renewable resource, as defined in section 16a-2, other
568 than wood.

569 (b) No provision of this section shall limit the jurisdiction of the
570 Public Utilities Regulatory Authority with regard to the effects on a
571 public service company of a private power producer which is an
572 affiliate or a subsidiary of the public service company.]

573 (a) Each electric distribution company shall file with the Public
574 Utilities Regulatory Authority for review and approval three pro
575 forma tariffs for the purchase of energy and capacity from eligible
576 qualifying facilities from which the electric distribution company is
577 obligated to purchase energy or capacity pursuant to 18 CFR 292.303.
578 Tariffs required pursuant to this section shall address each of the
579 following types of PURPA transactions: (1) Energy-only qualifying
580 facility sales; (2) capacity-only qualifying facility sales; and (3) energy
581 and capacity qualifying facility sales.

582 (b) The Public Utilities Regulatory Authority shall conduct an
583 uncontested proceeding to review tariffs submitted pursuant to
584 subsection (a) of this section. The authority shall approve tariffs that it
585 determines satisfy the requirements of PURPA and any other
586 requirements the authority deems appropriate.

587 (c) Each tariff submitted pursuant to subsection (a) of this section
588 shall establish a process by which qualifying facilities may elect to be
589 compensated either: (1) Based on avoided costs calculated at the time
590 of delivery; or (2) based on avoided costs forecasted at the time an
591 obligation to purchase arises pursuant to 18 CFR 292.303.

592 Sec. 14. Subdivision (24) of subsection (b) of section 7-233e of the
593 general statutes is repealed and the following is substituted in lieu
594 thereof (*Effective from passage*):

595 (24) To contract for the purchase or exchange of electricity produced
596 by a [person using cogeneration technology or renewable fuel
597 resources] Qualifying Facility, as defined in [section 16-1] 18 CFR
598 292.101(b)(1), or for the sale or exchange of electricity produced by the
599 municipal cooperative to such person, provided such purchase, sale or
600 exchange [is subject to the rates and conditions of service established
601 in accordance with section 16-243a] complies with the rates and
602 conditions of service established in 18 CFR 292;

603 Sec. 15. Section 12-408b of the general statutes is repealed and the
604 following is substituted in lieu thereof (*Effective from passage*):

605 On and after July 1, 1991, any person, firm or corporation who pays
606 a sales and use tax, which tax would not have been due prior to July 1,
607 1991, pursuant to subdivision (39) of section 12-412 of the general
608 statutes, revision of 1958, revised to January 1991, shall recover the tax
609 paid by (1) adding such tax to any amounts otherwise payable [under
610 a sales contract] pursuant to a tariff approved by the Public Utilities
611 Regulatory Authority pursuant to [subsection (d) of] section 16-243a,
612 as amended by this act, and (2) amortizing such tax, together with
613 interest at the rate paid on front-loaded payments, over the life of a
614 sales contract approved by the department pursuant to said
615 [subsection (d)] section.

616 Sec. 16. Subdivision (3) of subsection (a) of section 16-1 of the
617 general statutes is repealed and the following is substituted in lieu
618 thereof (*Effective from passage*):

619 (3) "Public service company" includes electric distribution, gas,
620 telephone, pipeline, sewage, water and community antenna television
621 companies and holders of a certificate of cable franchise authority,
622 owning, leasing, maintaining, operating, managing or controlling
623 plants or parts of plants or equipment, but shall not include towns,
624 cities, boroughs, any municipal corporation or department thereof,
625 whether separately incorporated or not, a [private power producer]
626 producer Qualifying Facility, as defined in [section 16-243b] 18 CFR

627 292.101(b)(1), or an exempt wholesale generator, as defined in 15 USC
628 79z-5a;

629 Sec. 17. Subdivision (23) of subsection (a) of section 16-1 of the
630 general statutes is repealed and the following is substituted in lieu
631 thereof (*Effective from passage*):

632 (23) "Electric distribution company" or "distribution company"
633 means any person providing electric transmission or distribution
634 services within the state, but does not include: (A) A [private power
635 producer] Qualifying Facility, as defined in [section 16-243b] 18 CFR
636 292.101(b)(1); (B) a municipal electric utility established under chapter
637 101, other than a participating municipal electric utility; (C) a
638 municipal electric energy cooperative established under chapter 101a;
639 (D) an electric cooperative established under chapter 597; (E) any other
640 electric utility owned, leased, maintained, operated, managed or
641 controlled by any unit of local government under any general statute
642 or special act; (F) an electric supplier; (G) an entity approved to
643 submeter pursuant to section 16-19ff; or (H) a municipality, state or
644 federal governmental entity authorized to distribute electricity across a
645 public highway or street pursuant to section 16-243aa;

646 Sec. 18. Subsection (a) of section 16-50i of the general statutes is
647 repealed and the following is substituted in lieu thereof (*Effective from*
648 *passage*):

649 (a) "Facility" means: (1) An electric transmission line of a design
650 capacity of sixty-nine kilovolts or more, including associated
651 equipment but not including a transmission line tap, as defined in
652 subsection (e) of this section; (2) a fuel transmission facility, except a
653 gas transmission line having a design capability of less than two
654 hundred pounds per square inch gauge pressure or having a design
655 capacity of less than twenty per cent of its specified minimum yield
656 strength; (3) any electric generating or storage facility using any fuel,
657 including nuclear materials, including associated equipment for
658 furnishing electricity but not including an emergency generating

659 device, as defined in subsection (f) of this section or a facility (A)
660 [owned and operated by a private power producer, as defined in
661 section 16-243b, (B) which is a qualifying small power production
662 facility or a qualifying cogeneration facility under the Public Utility
663 Regulatory Policies Act of 1978, as amended] which is a Qualifying
664 Facility, as defined in 18 CFR 292.101(b)(1), or a facility determined by
665 the council to be primarily for a producer's own use, and [(C)] (B)
666 which has, in the case of a [facility] Qualifying Facility utilizing
667 renewable energy sources, a generating capacity of one megawatt of
668 electricity or less and, in the case of a [facility] Qualifying Facility
669 utilizing cogeneration technology, a generating capacity of twenty-five
670 megawatts of electricity or less; (4) any electric substation or
671 switchyard designed to change or regulate the voltage of electricity at
672 sixty-nine kilovolts or more or to connect two or more electric circuits
673 at such voltage, which substation or switchyard may have a substantial
674 adverse environmental effect, as determined by the council established
675 under section 16-50j, and other facilities which may have a substantial
676 adverse environmental effect as the council may, by regulation,
677 prescribe; (5) such community antenna television towers and head-end
678 structures, including associated equipment, which may have a
679 substantial adverse environmental effect, as said council shall, by
680 regulation, prescribe; and (6) such telecommunication towers,
681 including associated telecommunications equipment, owned or
682 operated by the state, a public service company or a certified
683 telecommunications provider or used in a cellular system, as defined
684 in [the Code of Federal Regulations Title 47, Part 22] 47 CFR 22, as
685 amended, which may have a substantial adverse environmental effect,
686 as said council shall, by regulation, prescribe;

687 Sec. 19. Section 16a-49 of the general statutes is repealed and the
688 following is substituted in lieu thereof (*Effective from passage*):

689 [(a)] The Public Utilities Regulatory Authority shall require each gas
690 and electric public service company to implement a cost effective
691 conservation and load management program consistent with
692 integrated resource planning principles. As part of each conservation

693 and load management program, the authority shall require specific
694 programs to target the needs of manufacturers. The authority shall
695 allow the gas or electric public service company either: (1) To earn a
696 return on prudently incurred multiyear conservation and load
697 management expenditures on programs and measures approved by
698 the authority included in the company's rate base and successfully
699 implemented by the company at a rate at least one percentage point
700 but no more than five percentage points higher than such company's
701 rate of return otherwise found to be reasonable; or (2) authorize a
702 return of at least one percentage point but no more than five
703 percentage points on the company's prudently incurred conservation
704 and load management expenditures treated as operating costs on
705 programs and measures approved by the authority and successfully
706 implemented by the company. For the purposes of this section,
707 "conservation and load management expenditures" shall include all
708 prudent expenditures, approved by the authority by gas or electric
709 public service companies designed to conserve energy or manage gas
710 or energy load.

711 [(b) The authority may authorize an electric public service company
712 a return on such company's expenditures in acquiring energy
713 conservation or load management measures, approved by the
714 authority, from private power providers, as defined in section 16-
715 243b.]

716 Sec. 20. Section 49-4c of the general statutes is repealed and the
717 following is substituted in lieu thereof (*Effective from passage*):

718 Any mortgage entered into subsequent to July 1, 1986, between a
719 [private power producer, as defined in section 16-243b, or the owner or
720 operator of a qualifying facility] Qualifying Facility, as defined in [Part
721 292 of Title 18 of the Code of Federal Regulations] 18 CFR 292, or a
722 guarantor of any of their respective obligations, as mortgagor, and an
723 electric distribution company, as defined in section 16-1, as amended
724 by this act, as mortgagee, shall be valid to secure all obligations then
725 existing or thereafter arising of the mortgagor to the mortgagee under

726 an electricity purchase [agreement] tariff, including, without
727 limitation, recovery of amounts paid to [the private power producer
728 or] the owner or operator of a [qualifying facility] Qualifying Facility
729 by the mortgagee in excess of the mortgagee's avoided costs, as
730 defined in accordance with tariffs approved by the Public Utilities
731 Regulatory Authority pursuant to section 16-243a, as amended by this
732 act, and all other damages for failure to deliver electric energy or
733 capacity or other breach of an electricity purchase agreement,
734 including, without limitation, the net replacement cost of the capacity
735 being secured by such mortgage, together with accrued interest, if any,
736 as computed in accordance with the terms of the electricity purchase
737 agreement or the mortgage, and under a guarantee of such obligations
738 or obligations created by the mortgage, and shall have priority over the
739 rights of others who shall acquire any rights in the property covered
740 by such mortgage subsequent to the recording of the mortgage in the
741 land records of the town in which the mortgaged property is situated
742 provided: (1) The electricity purchase [agreement] tariff is substantially
743 in the form approved by the Public Utilities Regulatory Authority
744 pursuant to section 16-243a, as amended by this act, and shall have
745 been entered into by the mortgagor and mortgagee prior to or
746 simultaneously with or subsequent to the execution and delivery of the
747 mortgage, (2) the caption to the mortgage shall contain the words
748 "Open-End Mortgage" and ["Electricity Purchase Agreement"]
749 "Electricity Purchase Tariff", (3) the mortgage shall state that it is
750 entered into to secure the mortgagor's obligations to the mortgagee
751 under an electricity purchase [agreement] tariff or under a guarantee
752 of any electricity purchase [agreement] tariff obligations and shall
753 recite either the address of an office of the mortgagee or its assignee in
754 the state at which a copy of the electricity purchase [agreement] tariff
755 is on file and may be inspected by the public during normal business
756 hours or that the electricity purchase [agreement] tariff has been
757 recorded, as an exhibit to the mortgage or otherwise, on or before the
758 date the mortgage is recorded, in the land records of the town in which
759 the mortgaged property is situated, provided the electricity purchase
760 [agreement] tariff shall be so recorded, (4) the amount of the obligation

761 from time to time secured by the mortgage may be determined or
762 reasonably approximated on the basis of records maintained by the
763 mortgagee or its assignee in the state, which records and an estimate of
764 the amount claimed by the mortgagee to be secured are made available
765 to the public with reasonable promptness upon written request, and
766 (5) the mortgage states the maximum amount which it shall secure.
767 Nothing in this section shall invalidate any mortgage which would be
768 valid without this section. For purposes of this section, ["electricity
769 purchase agreement"] "electricity purchase tariff" means [a contract or]
770 an agreement to purchase and sell electric energy or capacity by and
771 between [a private power producer, as defined in section 16-243b, or]
772 the owner or operator of a [qualifying facility] Qualifying Facility, as
773 defined in [Part 292 of Title 18 of the Code of Federal Regulations] 18
774 CFR 292.101(b)(1), and an electric distribution company, as defined in
775 section 16-1, as amended by this act.

776 Sec. 21. Subsection (d) of section 16-245n of the general statutes is
777 repealed and the following is substituted in lieu thereof (*Effective from*
778 *passage*):

779 (d) (1) (A) The Connecticut Green Bank is hereby established and
780 created as a body politic and corporate, constituting a public
781 instrumentality and political subdivision of the state of Connecticut
782 established and created for the performance of an essential public and
783 governmental function. The Connecticut Green Bank shall not be
784 construed to be a department, institution or agency of the state.

785 (B) The Connecticut Green Bank shall (i) develop separate programs
786 to finance and otherwise support clean energy investment in
787 residential, municipal, small business and larger commercial projects
788 and such others as the Connecticut Green Bank may determine; (ii)
789 support financing or other expenditures that promote investment in
790 clean energy sources in accordance with a comprehensive plan
791 developed by it to foster the growth, development and
792 commercialization of clean energy sources and related enterprises; and
793 (iii) stimulate demand for clean energy and the deployment of clean

794 energy sources within the state that serve end use customers in the
795 state.

796 (C) The Clean Energy Finance and Investment Authority shall
797 constitute a successor agency to Connecticut Innovations,
798 Incorporated, for the purposes of administering the Clean Energy
799 Fund in accordance with section 4-38d. The Connecticut Green Bank
800 shall constitute a successor agency to the Clean Energy Finance and
801 Investment Authority for purposes of administering the Clean Energy
802 Fund in accordance with section 4-38d. The Connecticut Green Bank
803 shall have all the privileges, immunities, tax exemptions and other
804 exemptions of Connecticut Innovations, Incorporated, with respect to
805 said fund. The Connecticut Green Bank shall be subject to suit and
806 liability solely from the assets, revenues and resources of said bank
807 and without recourse to the general funds, revenues, resources or
808 other assets of Connecticut Innovations, Incorporated. The Connecticut
809 Green Bank may provide financial assistance in the form of grants,
810 loans, loan guarantees or debt and equity investments, as approved in
811 accordance with written procedures adopted pursuant to section 1-121.
812 The Connecticut Green Bank may assume or take title to any real
813 property, convey or dispose of its assets and pledge its revenues to
814 secure any borrowing, convey or dispose of its assets and pledge its
815 revenues to secure any borrowing, for the purpose of developing,
816 acquiring, constructing, refinancing, rehabilitating or improving its
817 assets or supporting its programs, provided each such borrowing or
818 mortgage, unless otherwise provided by the board or said bank, shall
819 be a special obligation of said bank, which obligation may be in the
820 form of bonds, bond anticipation notes or other obligations which
821 evidence an indebtedness to the extent permitted under this chapter to
822 fund, refinance and refund the same and provide for the rights of
823 holders thereof, and to secure the same by pledge of revenues, notes
824 and mortgages of others, and which shall be payable solely from the
825 assets, revenues and other resources of said bank and such bonds may
826 be secured by a special capital reserve fund contributed to by the state.
827 The Connecticut Green Bank shall have the purposes as provided by

828 resolution of said bank's board of directors, which purposes shall be
829 consistent with this section. No further action is required for the
830 establishment of the Connecticut Green Bank, except the adoption of a
831 resolution for said bank.

832 (D) In addition to, and not in limitation of, any other power of the
833 Connecticut Green Bank set forth in this section or any other provision
834 of the general statutes, said bank shall have and may exercise the
835 following powers in furtherance of or in carrying out its purposes:

836 (i) To have perpetual succession as a body corporate and to adopt
837 bylaws, policies and procedures for the regulation of its affairs and the
838 conduct of its business;

839 (ii) To make and enter into all contracts and agreements that are
840 necessary or incidental to the conduct of its business;

841 (iii) To invest in, acquire, lease, purchase, own, manage, hold, sell
842 and dispose of real or personal property or any interest therein;

843 (iv) To borrow money or guarantee a return to investors or lenders;

844 (v) To hold patents, copyrights, trademarks, marketing rights,
845 licenses or other rights in intellectual property;

846 (vi) To employ such assistants, agents and employees as may be
847 necessary or desirable, who shall be exempt from the classified service
848 and shall not be employees, as defined in subsection (b) of section 5-
849 270; establish all necessary or appropriate personnel practices and
850 policies, including those relating to hiring, promotion, compensation
851 and retirement, and said bank shall not be an employer, as defined in
852 subsection (a) of section 5-270; and engage consultants, attorneys,
853 financial advisers, appraisers and other professional advisers as may
854 be necessary or desirable;

855 (vii) To invest any funds not needed for immediate use or
856 disbursement pursuant to investment policies adopted by said bank's
857 board of directors;

858 (viii) To procure insurance against any loss or liability with respect
859 to its property or business of such types, in such amounts and from
860 such insurers as it deems desirable;

861 (ix) To enter into joint ventures and invest in, and participate with
862 any person, including, without limitation, government entities and
863 private corporations, in the formation, ownership, management and
864 operation of business entities, including stock and nonstock
865 corporations, limited liability companies and general or limited
866 partnerships, formed to advance the purposes of said bank, provided
867 members of the board of directors or officers or employees of said
868 bank may serve as directors, members or officers of any such business
869 entity, and such service shall be deemed to be in the discharge of the
870 duties or within the scope of the employment of any such director,
871 officer or employee, as the case may be, so long as such director, officer
872 or employee does not receive any compensation or financial benefit as
873 a result of serving in such role;

874 (x) To enter into a memorandum of understanding or other
875 arrangements with Connecticut Innovations, Incorporated, with
876 respect to the provision or sharing of space, office systems or staff
877 administrative support, on such terms as may be agreed to between
878 said bank and Connecticut Innovations, Incorporated; and

879 (xi) To do all other acts and things necessary or convenient to carry
880 out the purposes of said bank.

881 (E) (i) The Connecticut Green Bank may form one or more
882 subsidiaries to carry out the purposes of said bank, as described in
883 subparagraph (B) of subdivision (1) of this subsection and
884 subparagraph (A)(ii) of subdivision (2) of this subsection, and may
885 transfer to any such subsidiary any moneys and real or personal
886 property of any kind or nature. Any subsidiary may be organized as a
887 stock or nonstock corporation or a limited liability company. Each such
888 subsidiary shall have and may exercise such powers of said bank, as
889 set forth in the resolution of the board of directors of said bank

890 prescribing the purposes for which such subsidiary is formed, and
891 such other powers provided to it by law.

892 (ii) No such subsidiary of said bank shall be deemed a quasi-public
893 agency for purposes of chapter 12 and no such subsidiary shall have all
894 the privileges, immunities, tax exemptions and other exemptions of
895 said bank. In no event shall any such subsidiary have the power to hire
896 or otherwise retain employees. The governing documents of any such
897 subsidiary shall provide for the dissolution of such subsidiary upon
898 the completion of the purpose for which such subsidiary was formed.
899 Each such subsidiary may sue and shall be subject to suit, provided its
900 liability shall be limited solely to the assets, revenues and resources of
901 the subsidiary and without recourse to the general funds, revenues,
902 resources or any other assets of said bank. Each such subsidiary is
903 authorized to assume or take title to property subject to any existing
904 lien, encumbrance or mortgage and to mortgage, convey or dispose of
905 its assets and pledge its revenues to secure any borrowing, provided
906 each such borrowing or mortgage shall be a special obligation of the
907 subsidiary, which obligation may be in the form of bonds, bond
908 anticipation notes and other obligations, to fund and refund the same
909 and provide for the rights of the holders thereof, and to secure the
910 same by a pledge of revenues, notes and other assets and which shall
911 be payable solely from the revenues, assets and other resources of the
912 subsidiary. The Connecticut Green Bank may assign to a subsidiary
913 any rights, moneys or other assets it has under any governmental
914 program. No subsidiary of said bank shall borrow without the
915 approval of the board of directors of said bank.

916 (iii) Each such subsidiary shall act through its board of directors or
917 managing members, at least one-half of which shall be members of the
918 board of directors of said bank or their designees or officers or
919 employees of said bank.

920 (iv) The provisions of section 1-125 and this subsection shall apply
921 to any officer, director, designee or employee appointed as a member,
922 director or officer of any such subsidiary. Any such person so

923 appointed shall not be personally liable for the debts, obligations or
924 liabilities of any such subsidiary as provided in section 1-125. The
925 subsidiary shall, and said bank may, save harmless and indemnify
926 such officer, director, designee or employee as provided by section 1-
927 125.

928 (v) The Connecticut Green Bank, or such subsidiary, may take such
929 actions as are necessary to comply with the provisions of the Internal
930 Revenue Code of 1986, or any subsequent corresponding internal
931 revenue code of the United States, as amended from time to time, to
932 qualify and maintain any such subsidiary as a corporation exempt
933 from taxation under said code.

934 (vi) The Connecticut Green Bank may make loans to each such
935 subsidiary from its assets and the proceeds of its bonds, notes and
936 other obligations, provided the source and security for the repayment
937 of such loans is derived from the assets, revenues and resources of the
938 subsidiary.

939 (2) (A) (i) The Connecticut Green Bank may seek to qualify as a
940 Community Development Financial Institution under Section 4702 of
941 the United States Code. If approved as a Community Development
942 Financial Institution, said bank would be treated as a qualified
943 community development entity for purposes of Section 45D and
944 Section 1400N(m) of the Internal Revenue Code.

945 (ii) The Connecticut Green Bank through one or more of its
946 subsidiaries may seek to qualify as an eligible borrower of federal
947 funding or a recipient of benefits under federal programs, including,
948 but not limited to, funding or credit enhancement benefits from the
949 United States Department of Agriculture pursuant to the Rural
950 Electrification Act of 1936 and subsequent amendments.

951 (B) Before making any loan, loan guarantee, or such other form of
952 financing support or risk management for a clean energy project, the
953 Connecticut Green Bank shall develop standards to govern the
954 administration of said bank through rules, policies and procedures that

955 specify borrower eligibility, terms and conditions of support, and other
956 relevant criteria, standards or procedures.

957 (C) Funding sources specifically authorized include, but are not
958 limited to:

959 (i) Funds repurposed from existing programs providing financing
960 support for clean energy projects, provided any transfer of funds from
961 such existing programs shall be subject to approval by the General
962 Assembly and shall be used for expenses of financing, grants and
963 loans;

964 (ii) Any federal funds that can be used for the purposes specified in
965 subsection (c) of this section;

966 (iii) Charitable gifts, grants, contributions as well as loans from
967 individuals, corporations, university endowments and philanthropic
968 foundations;

969 (iv) Earnings and interest derived from financing support activities
970 for clean energy projects backed by the Connecticut Green Bank;

971 (v) If and to the extent that the Connecticut Green Bank qualifies as
972 a Community Development Financial Institution under Section 4702 of
973 the United States Code, funding from the Community Development
974 Financial Institution Fund administered by the United States
975 Department of Treasury, as well as loans from and investments by
976 depository institutions seeking to comply with their obligations under
977 the United States Community Reinvestment Act of 1977; and

978 (vi) The Connecticut Green Bank may enter into contracts with
979 private sources to raise capital. The average rate of return on such debt
980 or equity shall be set by the board of directors of said bank.

981 (D) The Connecticut Green Bank may provide financing support
982 under this subsection if said bank determines that the amount to be
983 financed by said bank and other nonequity financing sources do not
984 exceed eighty per cent of the cost to develop and deploy a clean energy

985 project or up to one hundred per cent of the cost of financing an energy
986 efficiency project.

987 (E) The Connecticut Green Bank may assess reasonable fees on its
988 financing activities to cover its reasonable costs and expenses, as
989 determined by the board.

990 (F) The Connecticut Green Bank shall make information regarding
991 the rates, terms and conditions for all of its financing support
992 transactions available to the public for inspection, including formal
993 annual reviews by both a private auditor conducted pursuant to
994 subdivision (2) of subsection (f) of this section and the Comptroller,
995 and providing details to the public on the Internet, provided public
996 disclosure shall be restricted for patentable ideas, trade secrets,
997 proprietary or confidential commercial or financial information,
998 disclosure of which may cause commercial harm to a
999 nongovernmental recipient of such financing support and for other
1000 information exempt from public records disclosure pursuant to section
1001 1-210.

1002 (3) No director, officer, employee or agent of the Connecticut Green
1003 Bank, while acting within the scope of his or her authority, shall be
1004 subject to any personal liability resulting from exercising or carrying
1005 out any of the Connecticut Green Bank's purposes or powers.

1006 Sec. 22. Subdivision (1) of subsection (e) of section 16-245n of the
1007 general statutes is repealed and the following is substituted in lieu
1008 thereof (*Effective October 1, 2019*):

1009 (e) (1) The powers of the Connecticut Green Bank shall be vested in
1010 and exercised by a board of directors, which shall consist of eleven
1011 voting members and [two] one nonvoting [members] member each
1012 with knowledge and expertise in matters related to the purpose and
1013 activities of said bank appointed as follows: The Treasurer or the
1014 Treasurer's designee, the Commissioner of Energy and Environmental
1015 Protection or the commissioner's designee and the Commissioner of
1016 Economic and Community Development or the commissioner's

1017 designee, each serving ex officio, one member who shall represent a
1018 residential or low-income group appointed by the speaker of the
1019 House of Representatives for a term of four years, one member who
1020 shall have experience in investment fund management appointed by
1021 the minority leader of the House of Representatives for a term of three
1022 years, one member who shall represent an environmental organization
1023 appointed by the president pro tempore of the Senate for a term of four
1024 years, and one member who shall have experience in the finance or
1025 deployment of renewable energy appointed by the minority leader of
1026 the Senate for a term of four years. Thereafter, such members of the
1027 General Assembly shall appoint members of the board to succeed such
1028 appointees whose terms expire and each member so appointed shall
1029 hold office for a period of four years from the first day of July in the
1030 year of his or her appointment. The Governor shall appoint four
1031 members to the board as follows: Two for two years who shall have
1032 experience in the finance of renewable energy; one for four years who
1033 shall be a representative of a labor organization; and one for four years
1034 who shall have experience in research and development or
1035 manufacturing of clean energy. Thereafter, the Governor shall appoint
1036 members of the board to succeed such appointees whose terms expire
1037 and each member so appointed shall hold office for a period of four
1038 years from the first day of July in the year of his or her appointment.
1039 The president of the Connecticut Green Bank shall be elected by the
1040 members of the board. The president of the Connecticut Green Bank
1041 shall serve on the board in an ex-officio, nonvoting capacity. The
1042 Governor shall appoint the chairperson of the board. The board shall
1043 elect from its members a vice chairperson and such other officers as it
1044 deems necessary and shall adopt such bylaws and procedures it deems
1045 necessary to carry out its functions. The board may establish
1046 committees and subcommittees as necessary to conduct its business.

1047 Sec. 23. Sections 16-243d, 16-243f and 16-243g of the general statutes
1048 are repealed. (*Effective from passage*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-35
Sec. 2	<i>from passage</i>	16-7
Sec. 3	<i>from passage</i>	16-8a
Sec. 4	<i>from passage</i>	16-11
Sec. 5	<i>from passage</i>	16-16
Sec. 6	<i>from passage</i>	16-41(a)
Sec. 7	<i>from passage</i>	16-280e
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	16-356
Sec. 12	<i>from passage</i>	16-243a
Sec. 13	<i>from passage</i>	16-243b
Sec. 14	<i>from passage</i>	7-233e(b)(24)
Sec. 15	<i>from passage</i>	12-408b
Sec. 16	<i>from passage</i>	16-1(a)(3)
Sec. 17	<i>from passage</i>	16-1(a)(23)
Sec. 18	<i>from passage</i>	16-50i(a)
Sec. 19	<i>from passage</i>	16a-49
Sec. 20	<i>from passage</i>	49-4c
Sec. 21	<i>from passage</i>	16-245n(d)
Sec. 22	October 1, 2019	16-245n(e)(1)
Sec. 23	<i>from passage</i>	Repealer section