



General Assembly

**Amendment**

January Session, 2019

LCO No. 9748



Offered by:

REP. ARCONTI, 109<sup>th</sup> Dist.  
REP. FERRARO, 117<sup>th</sup> Dist.  
SEN. NEEDLEMAN, 33<sup>rd</sup> Dist.  
SEN. FORMICA, 20<sup>th</sup> Dist.

To: House Bill No. 5002

File No. 385

Cal. No. 238

**"AN ACT CONCERNING A GREEN ECONOMY AND ENVIRONMENTAL PROTECTION."**

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

3 "Section 1. Section 16-243h of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective from passage*):

5 On and after January 1, 2000, and until [(1) for residential  
6 customers, the expiration of the residential solar investment program  
7 pursuant to subsection (b) of section 16-245ff, and (2) for all other  
8 customers not covered in subdivision (1) of this section, the date the  
9 Public Utilities Regulatory Authority approves the procurement plan  
10 pursuant to subsection (a) of section 16-244z] December 31, 2021, each  
11 electric supplier or any electric distribution company providing  
12 standard offer, transitional standard offer, standard service or back-up

13 electric generation service, pursuant to section 16-244c, shall give a  
14 credit for any electricity generated by a customer from a Class I  
15 renewable energy source or a hydropower facility that has a nameplate  
16 capacity rating of two megawatts or less for a term ending on  
17 December 31, [2039] 2041, provided any customer that has a contract  
18 approved by the Public Utilities Regulatory Authority pursuant to  
19 section 16-244r, as amended by this act, on or before December 31,  
20 2021, shall be eligible for such credit. The electric distribution company  
21 providing electric distribution services to such a customer shall make  
22 such interconnections necessary to accomplish such purpose. An  
23 electric distribution company, at the request of any residential  
24 customer served by such company and if necessary to implement the  
25 provisions of this section, shall provide for the installation of metering  
26 equipment that [(A)] (1) measures electricity consumed by such  
27 customer from the facilities of the electric distribution company, [(B)]  
28 (2) deducts from the measurement the amount of electricity produced  
29 by the customer and not consumed by the customer, and [(C)] (3)  
30 registers, for each billing period, the net amount of electricity either  
31 [(i)] (A) consumed and produced by the customer, or [(ii)] (B) the net  
32 amount of electricity produced by the customer. If, in a given monthly  
33 billing period, a customer-generator supplies more electricity to the  
34 electric distribution system than the electric distribution company or  
35 electric supplier delivers to the customer-generator, the electric  
36 distribution company or electric supplier shall credit the customer-  
37 generator for the excess by reducing the customer-generator's bill for  
38 the next monthly billing period to compensate for the excess electricity  
39 from the customer-generator in the previous billing period at a rate of  
40 one kilowatt-hour for one kilowatt-hour produced. The electric  
41 distribution company or electric supplier shall carry over the credits  
42 earned from monthly billing period to monthly billing period, and the  
43 credits shall accumulate until the end of the annualized period. At the  
44 end of each annualized period, the electric distribution company or  
45 electric supplier shall compensate the customer-generator for any  
46 excess kilowatt-hours generated, at the avoided cost of wholesale  
47 power. A customer who generates electricity from a generating unit

48 with a nameplate capacity of more than ten kilowatts of electricity  
49 pursuant to the provisions of this section shall be assessed for the  
50 competitive transition assessment, pursuant to section 16-245g and the  
51 systems benefits charge, pursuant to section 16-245l, based on the  
52 amount of electricity consumed by the customer from the facilities of  
53 the electric distribution company without netting any electricity  
54 produced by the customer. For purposes of this section, "residential  
55 customer" means a customer of a single-family dwelling or  
56 multifamily dwelling consisting of two to four units. The Public  
57 Utilities Regulatory Authority shall establish a rate on a cents-per-  
58 kilowatt-hour basis for the electric distribution company to purchase  
59 the electricity generated by a customer pursuant to this section after  
60 December 31, [2039] 2041.

61 Sec. 2. Subsection (c) of section 16-244r of the general statutes is  
62 repealed and the following is substituted in lieu thereof (*Effective from*  
63 *passage*):

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

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

72 (3) After year six, the authority shall seek to enter new contracts for  
73 the total of [eight] ten years.

74 (A) The aggregate procurement of renewable energy credits by  
75 electric distribution companies pursuant to this subdivision shall (i)  
76 increase by an additional eight million dollars per year in years five to  
77 [eight] ten, inclusive, (ii) be [sixty-four] eighty million dollars in years  
78 [nine] eleven to fifteen, inclusive, and (iii) decline by eight million  
79 dollars per year in years sixteen to [twenty-three] twenty-five,

80 inclusive, provided any money not allocated in any given year may  
81 roll into the next year's available funds. On the date of approval of the  
82 procurement plan by the authority pursuant to subsection (a) of  
83 section 16-244z, as amended by this act, any money not yet allocated  
84 pursuant to this section shall expire.

85 (B) For the sixth, seventh, ~~[and] eighth,~~ ninth and tenth year  
86 solicitations, each electric distribution company shall solicit and file  
87 with the Public Utilities Regulatory Authority for its approval one or  
88 more long-term contracts with owners or developers of Class I  
89 generation projects that: (i) Emit no pollutants and that are less than  
90 one thousand kilowatts in size, located on the customer side of the  
91 revenue meter and serve the distribution system of the electric  
92 distribution company, provided such contracts do not exceed fifty per  
93 cent of the dollar amount established for years six, seven, ~~[and] eight,~~  
94 nine and ten under subparagraph (A) of this subdivision; and (ii) are  
95 less than two megawatts in size, located on the customer side of the  
96 revenue meter, serve the distribution system of the electric distribution  
97 company, and use Class I technologies that either (I) use anaerobic  
98 digestion, or (II) have no emissions of no more than 0.07 pounds per  
99 megawatt-hour of nitrogen oxides, 0.10 pounds per megawatt-hour of  
100 carbon monoxide, 0.02 pounds per megawatt-hour of volatile organic  
101 compounds, and one grain per one hundred standard cubic feet,  
102 provided such contracts do not exceed fifty per cent of the dollar  
103 amount established for years six, seven, ~~[and] eight,~~ nine and ten  
104 under subparagraph (A) of this subdivision. The authority may give a  
105 preference to contracts for technologies manufactured, researched or  
106 developed in the state.

107 (4) The production of a megawatt hour of electricity from a Class I  
108 renewable energy source first placed in service on or after July 1, 2011,  
109 shall create one renewable energy credit. A renewable energy credit  
110 shall have an effective life covering the year in which the credit was  
111 created and the following calendar year. The obligation to purchase  
112 renewable energy credits shall be apportioned to electric distribution  
113 companies based on their respective distribution system loads at the

114 commencement of the procurement period, as determined by the  
115 authority. For contracts entered into in calendar year 2012, an electric  
116 distribution company shall not be required to enter into a contract that  
117 provides a payment of more than three hundred fifty dollars, per  
118 renewable energy credit in any year over the term of the contract. For  
119 contracts entered into in calendar years 2013 to 2017, inclusive, at least  
120 ninety days before each annual electric distribution company  
121 solicitation, the Public Utilities Regulatory Authority may lower the  
122 renewable energy credit price cap specified in this subsection by three  
123 to seven per cent annually, during each of the six years of the program  
124 over the term of the contract. For contracts entered into in calendar  
125 year 2018, at least ninety days before the electric distribution company  
126 solicitation, the Public Utilities Regulatory Authority may lower the  
127 renewable energy credit price cap specified in this subsection by sixty-  
128 four per cent, during year seven of the program over the term of the  
129 contract. For contracts entered into in calendar year 2019, at least  
130 ninety days before the electric distribution company solicitation, the  
131 Public Utilities Regulatory Authority may lower the renewable energy  
132 credit price cap specified in this subsection by sixty-four per cent,  
133 during year eight of the program over the term of the contract. For  
134 contracts entered into in calendar year 2020, at least ninety days before  
135 the electric distribution company solicitation, the Public Utilities  
136 Regulatory Authority may lower the renewable energy credit price cap  
137 specified in this subsection by sixty-four per cent, during year nine of  
138 the program over the term of the contract. For contracts entered into in  
139 calendar year 2021, at least ninety days before the electric distribution  
140 company solicitation, the Public Utilities Regulatory Authority may  
141 lower the renewable energy credit price cap specified in this subsection  
142 by sixty-four per cent, during year ten of the program over the term of  
143 the contract. In the course of lowering such price cap applicable to each  
144 annual solicitation, the authority shall, after notice and opportunity for  
145 public comment, consider such factors as the actual bid results from  
146 the most recent electric distribution company solicitation and  
147 reasonably foreseeable reductions in the cost of eligible technologies.

148 Sec. 3. Section 16-244z of the general statutes is repealed and the  
149 following is substituted in lieu thereof (*Effective from passage*):

150 (a) (1) (A) On or before September 1, 2018, the Public Utilities  
151 Regulatory Authority shall initiate a proceeding to establish a  
152 procurement plan for each electric distribution company pursuant to  
153 this subsection and may give a preference to technologies  
154 manufactured, researched or developed in the state, provided such  
155 procurement plan is consistent with and contributes to the  
156 requirements to reduce greenhouse gas emissions in accordance with  
157 section 22a-200a. Each electric distribution company shall develop  
158 such procurement plan in consultation with the Department of Energy  
159 and Environmental Protection and shall submit such procurement plan  
160 to the authority not later than sixty days after the authority initiates the  
161 proceeding pursuant to this subdivision, provided the department  
162 shall submit the program requirements pursuant to subparagraph (C)  
163 of this subdivision on or before July 1, 2019. The authority may require  
164 such electric distribution companies to conduct separate solicitations  
165 pursuant to subdivision (4) of this subsection for the resources in  
166 subparagraphs (A), (B) and (C) of said subdivision, including separate  
167 solicitations based upon the size of such resources to allow for a  
168 diversity of selected projects.

169 (B) On or before September 1, 2018, the authority shall initiate a  
170 proceeding to establish tariffs that provide for twenty-year terms of  
171 service described in subdivision (3) of this subsection for each electric  
172 distribution company pursuant to subparagraphs (A) and (B) of  
173 subdivision (2) of this subsection. In such proceeding, the authority  
174 shall establish the period of time that will be used for calculating the  
175 net amount of energy produced by a facility and not consumed,  
176 provided the authority shall assess whether to incorporate time-of-use  
177 rates or other dynamic pricing and such period of time shall be either  
178 (i) in real time, (ii) in one day, [or] (iii) in any fraction of a day not to  
179 exceed one day, or (iv) in any period of time greater than one day up  
180 to and including one month. In such proceeding, the authority shall  
181 consider the findings of the study of the value of distributed energy

182 resources conducted pursuant to section 6 of this act. The rate for such  
183 tariffs shall be established by the solicitation pursuant to subdivision  
184 (2) of this subsection.

185 (C) On or before September 1, 2018, the Department of Energy and  
186 Environmental Protection shall (i) initiate a proceeding to develop  
187 program requirements and tariff proposals for shared clean energy  
188 facilities eligible pursuant to subparagraph (C) of subdivision (2) of  
189 this subsection, including, but not limited to, the requirements in  
190 subdivision (6) of this subsection, and (ii) establish either or both of the  
191 following tariff proposals: (I) A tariff proposal that includes a price cap  
192 on a cents-per-kilowatt-hour basis for any procurement for such  
193 resources based on the procurement results of any other procurement  
194 issued pursuant to this subsection, and (II) a tariff proposal that  
195 includes a tariff rate for customers eligible under subparagraph (C) of  
196 subdivision (2) of this subsection based on energy policy goals  
197 identified by the department in the Comprehensive Energy Strategy  
198 pursuant to section 16a-3d. On or before July 1, 2019, the department  
199 shall submit any such program requirements and tariff proposals to  
200 the authority for review and approval. On or before January 1, 2020,  
201 the authority shall approve or modify such program requirements and  
202 tariff proposals submitted by the department. If the authority approves  
203 two tariff proposals pursuant to this subparagraph, the authority shall  
204 determine how much of the total compensation authorized for  
205 customers eligible under this subparagraph pursuant to subparagraph  
206 (A) of subdivision (1) of subsection (c) of this section shall be available  
207 under each tariff.

208 (2) Not later than ~~July 1, 2020~~ July 1, 2022, and annually thereafter,  
209 each electric distribution company shall solicit and file with the Public  
210 Utilities Regulatory Authority for its approval one or more projects  
211 selected resulting from any procurement issued pursuant to  
212 subdivision (1) of this subsection that are consistent with the tariffs  
213 approved by the authority pursuant to subparagraphs (B) and (C) of  
214 subdivision (1) of this subsection and that are applicable to (A)  
215 customers that own or develop new generation projects on a

216 customer's own premises that are less than two megawatts in size,  
217 serve the distribution system of the electric distribution company, are  
218 constructed after the solicitation conducted pursuant to subdivision (4)  
219 of this subsection to which the customer is responding, and use a Class  
220 I renewable energy source that either (i) uses anaerobic digestion, or  
221 (ii) has emissions of no more than 0.07 pounds per megawatt-hour of  
222 nitrogen oxides, 0.10 pounds per megawatt-hour of carbon monoxide,  
223 0.02 pounds per megawatt-hour of volatile organic compounds and  
224 one grain per one hundred standard cubic feet, (B) customers that own  
225 or develop new generation projects on a customer's own premises that  
226 are less than two megawatts in size, serve the distribution system of  
227 the electric distribution company, are constructed after the solicitation  
228 conducted pursuant to subdivision (4) of this subsection to which the  
229 customer is responding, and use a Class I renewable energy source  
230 that emits no pollutants, and (C) customers that own or develop new  
231 generation projects that are a shared clean energy facility, as defined in  
232 section 16-244x, and subscriptions, as defined in such section,  
233 associated with such facility, consistent with the program  
234 requirements developed pursuant to subparagraph (C) of subdivision  
235 (1) of this subsection. Any project that is eligible pursuant to  
236 subparagraph (C) of this subdivision shall not be eligible pursuant to  
237 subparagraph (A) or (B) of this subdivision.

238 (3) A customer that is eligible pursuant to subparagraph (A) or (B)  
239 of subdivision (2) of this subsection may elect in any such solicitation  
240 to utilize either (A) a tariff for the purchase of all energy and  
241 renewable energy certificates on a cents-per-kilowatt-hour basis, or (B)  
242 a tariff for the purchase of any energy produced by a facility and not  
243 consumed in the period of time established by the authority pursuant  
244 to subparagraph (B) of subdivision (1) of this subsection and all  
245 renewable energy certificates generated by such facility on a cents-per-  
246 kilowatt-hour basis.

247 (4) Each electric distribution company shall conduct an annual  
248 solicitation or solicitations, as determined by the authority, for the  
249 purchase of energy and renewable energy certificates produced by



250 eligible generation projects under this subsection over the duration of  
251 each applicable tariff. Generation projects eligible pursuant to  
252 subparagraphs (A) and (B) of subdivision (2) of this subsection shall be  
253 sized so as not to exceed the load at the customer's individual electric  
254 meter or a set of electric meters, when such meters are combined for  
255 billing purposes, from the electric distribution company providing  
256 service to such customer, as determined by such electric distribution  
257 company, unless such customer is a state, municipal or agricultural  
258 customer, then such generation project shall be sized so as not to  
259 exceed the load at such customer's individual electric meter or a set of  
260 electric meters at the same customer premises, when such meters are  
261 combined for billing purposes, and the load of up to five state,  
262 municipal or agricultural beneficial accounts, as defined in section 16-  
263 244u, as amended by this act, identified by such state, municipal or  
264 agricultural customer, and such state, municipal or agricultural  
265 customer may include the load of up to five additional nonstate or  
266 municipal beneficial accounts, as defined in section 16-244u, as  
267 amended by this act, when sizing such generation project, provided  
268 such accounts are critical facilities, as defined in subdivision (2) of  
269 subsection (a) of section 16-243y, and are connected to a microgrid.

270 (5) The maximum selected purchase price of energy and renewable  
271 energy certificates on a cents-per-kilowatt-hour basis in any given  
272 solicitation shall not exceed such maximum selected purchase price for  
273 the same resources in the prior year's solicitation, unless the authority  
274 makes a determination that there are changed circumstances in any  
275 given year. For the first year solicitation issued pursuant to this  
276 subsection, the authority shall establish a cap for the selected purchase  
277 price for energy and renewable energy certificates on a cents-per-  
278 kilowatt-hour basis for any resources authorized under this subsection.

279 (6) The program requirements for shared clean energy facilities  
280 developed pursuant to subparagraph (C) of subdivision (1) of this  
281 subsection shall include, but not be limited to, the following:

282 (A) The department shall allow cost-effective projects of various

283 nameplate capacities that may allow for the construction of multiple  
284 projects in the service area of each electric distribution company that  
285 operates within the state.

286 (B) The department shall determine the billing credit for any  
287 subscriber of a shared clean energy facility that may be issued through  
288 the electric distribution companies' monthly billing systems, and  
289 establish consumer protections for subscribers and potential  
290 subscribers of such a facility, including, but not limited to, disclosures  
291 to be made when selling or reselling a subscription.

292 (C) Such program shall utilize one or more tariff mechanisms with  
293 the electric distribution companies for a term not to exceed twenty  
294 years, subject to approval by the Public Utilities Regulatory Authority,  
295 to pay for the purchase of any energy products and renewable energy  
296 certificates produced by any eligible shared clean energy facility, or to  
297 deliver any billing credit of any such facility.

298 (D) The department shall limit subscribers to (i) low-income  
299 customers, (ii) moderate-income customers, (iii) small business  
300 customers, (iv) state or municipal customers, (v) commercial  
301 customers, and (vi) residential customers who can demonstrate,  
302 pursuant to criteria determined by the department in the program  
303 requirements recommended by the department and approved by the  
304 authority, that they are unable to utilize the tariffs offered pursuant to  
305 subsection (b) of this section.

306 (E) The department shall require that (i) not less than ten per cent of  
307 the total capacity of each shared clean energy facility is sold, given or  
308 provided to low-income customers, and (ii) in addition to the  
309 requirement of clause (i) of this subparagraph, not less than ten per  
310 cent of the total capacity of each shared clean energy facility is sold,  
311 given or provided to low-income customers, moderate-income  
312 customers or low-income service organizations.

313 (F) The department may allow preferences to projects that serve  
314 low-income customers and shared clean energy facilities that benefit

315 customers who reside in environmental justice communities.

316 (G) The department may create incentives or other financing  
317 mechanisms to encourage participation by low-income customers.

318 (H) The department may require that not more than fifty per cent of  
319 the total capacity of each shared clean energy facility is sold to  
320 commercial customers.

321 (7) For purposes of this subsection:

322 (A) "Environmental justice community" has the same meaning as  
323 provided in subsection (a) of section 22a-20a;

324 (B) "Low-income customer" means an in-state retail end user of an  
325 electric distribution company (i) whose income does not exceed eighty  
326 per cent of the area median income as defined by the United States  
327 Department of Housing and Urban Development, adjusted for family  
328 size, or (ii) that is an affordable housing facility as defined in section 8-  
329 39a;

330 (C) "Low-income service organization" means a for-profit or  
331 nonprofit organization that provides service or assistance to low-  
332 income individuals;

333 (D) "Moderate-income customer" means an in-state retail end user  
334 of an electric distribution company whose income is between eighty  
335 per cent and one hundred per cent of the area median income as  
336 defined by the United States Department of Housing and Urban  
337 Development, adjusted for family size.

338 (b) (1) On or before [September 1, 2019] July 1, 2020, the authority  
339 shall initiate a proceeding to establish (A) tariffs for each electric  
340 distribution company pursuant to subdivision (2) of this subsection,  
341 (B) a rate for such tariffs, which may be based upon the results of one  
342 or more competitive solicitations issued pursuant to subsection (a) of  
343 this section, or on the average cost of installing the generation project  
344 and a reasonable rate of return that is just, reasonable and adequate, as

345 determined by the authority, and shall be guided by the  
346 Comprehensive Energy Strategy prepared pursuant to section 16a-3d,  
347 and (C) the period of time that will be used for calculating the net  
348 amount of energy produced by a facility and not consumed, provided  
349 the authority shall assess whether to incorporate time-of-use rates or  
350 other dynamic pricing and such period of time shall be either (i) in real  
351 time, (ii) in one day, [or] (iii) in any fraction of a day not to exceed one  
352 day, or (iv) in any period of time greater than one day up to and  
353 including one month. In such proceeding, the authority shall consider  
354 the findings of the study of the value of distributed energy resources  
355 conducted pursuant to section 6 of this act. The authority shall issue a  
356 final decision in such proceeding on or before July 1, 2021. The  
357 authority may modify such rate for new customers under this  
358 subsection based on changed circumstances and may establish an  
359 interim tariff rate prior to the expiration of the residential solar  
360 investment program pursuant to subsection (b) of section 16-245ff, as  
361 amended by this act, as an alternative to such program, provided any  
362 residential customer utilizing a tariff pursuant to this subsection at  
363 such customer's electric meter shall not be eligible for any incentives  
364 offered pursuant to section 16-245ff, as amended by this act, at the  
365 same such electric meter and any residential customer utilizing any  
366 incentives offered pursuant to section 16-245ff, as amended by this act,  
367 at such customer's electric meter shall not be eligible for a tariff  
368 pursuant to this subsection at the same such electric meter.

369 (2) [At the expiration of the residential solar investment program  
370 pursuant to subsection (b) of section 16-245ff] On and after January 1,  
371 2022, each electric distribution company shall offer the following  
372 options to residential customers for the purchase of products  
373 generated from a Class I renewable energy source that is located on a  
374 customer's own premises and has a nameplate capacity rating of  
375 twenty-five kilowatts or less for a term not to exceed twenty years: (A)  
376 A tariff for the purchase of all energy and renewable energy certificates  
377 on a cents-per-kilowatt-hour basis; and (B) a tariff for the purchase of  
378 any energy produced and not consumed in the period of time

379 established by the authority pursuant to subparagraph (C) of  
380 subdivision (1) of this subsection and all renewable energy certificates  
381 generated by such facility on a cents-per-kilowatt-hour basis. A  
382 residential customer shall select either option authorized pursuant to  
383 subparagraph (A) or (B) of this subdivision, consistent with the  
384 requirements of this section. Such generation projects shall be sized so  
385 as not to exceed the load at the customer's individual electric meter  
386 from the electric distribution company providing service to such  
387 customer, as determined by such electric distribution company. For  
388 purposes of this section, "residential customer" means a customer of a  
389 single-family dwelling or a multifamily dwelling consisting of two to  
390 four units.

391 (c) (1) (A) The aggregate total megawatts available to all customers  
392 utilizing a procurement and tariff offered by electric distribution  
393 companies pursuant to subsection (a) of this section shall be up to  
394 eighty-five megawatts in year one and increase by up to an additional  
395 eighty-five megawatts per year in each of the years two through six of  
396 such a tariff, provided the total megawatts available to customers  
397 eligible under subparagraph (A) of subdivision (2) of subsection (a) of  
398 this section shall not exceed ten megawatts per year, the total  
399 megawatts available to customers eligible under subparagraph (B) of  
400 subdivision (2) of subsection (a) of this section shall not exceed fifty  
401 megawatts per year and the total megawatts available to customers  
402 eligible under subparagraph (C) of subdivision (2) of subsection (a) of  
403 this section shall not exceed twenty-five megawatts per year. The  
404 authority shall monitor the competitiveness of any procurements  
405 authorized pursuant to subsection (a) of this section and may adjust  
406 the annual purchase amount established in this subsection or other  
407 procurement parameters to maintain competitiveness. Any megawatts  
408 not allocated in any given year shall not roll into the next year's  
409 available megawatts. The obligation to purchase energy and renewable  
410 energy certificates shall be apportioned to electric distribution  
411 companies based on their respective distribution system loads, as  
412 determined by the authority.

413 (B) The electric distribution companies shall offer any tariffs  
414 developed pursuant to subsection (b) of this section for six years. At  
415 the end of the tariff term pursuant to subparagraph (B) of subdivision  
416 (2) of subsection (b) of this section, residential customers that elected  
417 the option pursuant to said subparagraph shall be credited all cents-  
418 per-kilowatt-hour charges pursuant to the tariff rate for such customer  
419 for energy produced by the Class I renewable energy source against  
420 any energy that is consumed in real time by such residential customer.

421 (C) The authority shall establish tariffs for the purchase of energy on  
422 a cents-per-kilowatt-hour basis at the expiration of any tariff terms  
423 authorized pursuant to this section.

424 (2) At the beginning of year six of the procurements authorized  
425 pursuant to this subsection, the department, in consultation with the  
426 authority, shall assess the tariff offerings pursuant to this section and  
427 determine if such offerings are competitive compared to the cost of the  
428 technologies. The department shall report, in accordance with section  
429 11-4a, the results of such determination to the General Assembly.

430 (3) For any tariff established pursuant to this section, the authority  
431 shall examine how to incorporate the following energy system benefits  
432 into the rate established for any such tariff: (A) Energy storage systems  
433 that provide electric distribution benefits, (B) location of a facility on  
434 the distribution system, (C) time-of-use rates or other dynamic pricing,  
435 and (D) other energy policy benefits identified in the Comprehensive  
436 Energy Strategy prepared pursuant to section 16a-3d.

437 (d) In accordance with subsection (h) of section 16-245a, the  
438 authority shall determine which of the following two options is in the  
439 best interest of ratepayers and shall direct each electric distribution  
440 company to either (1) retire the renewable energy certificates it  
441 purchases pursuant to subsections (a) and (b) of this section on behalf  
442 of all ratepayers to satisfy the obligations of all electric suppliers and  
443 electric distribution companies providing standard service or supplier  
444 of last resort service pursuant to section 16-245a, or (2) sell such

445 renewable energy certificates into the New England Power Pool  
446 Generation information system renewable energy credit market. The  
447 authority shall establish procedures for the retirement of such  
448 renewable energy certificates. Any net revenues from the sale of  
449 products purchased in accordance with this section shall be credited to  
450 customers through a nonbypassable fully reconciling component of  
451 electric rates for all customers of the electric distribution company.

452 (e) The costs incurred by an electric distribution company pursuant  
453 to this section shall be recovered on a timely basis through a  
454 nonbypassable fully reconciling component of electric rates for all  
455 customers of the electric distribution company. Any net revenues from  
456 the sale of products purchased in accordance with any tariff offered  
457 pursuant to this section shall be credited to customers through the  
458 same fully reconciling rate component for all customers of such electric  
459 distribution company.

460 Sec. 4. Subsection (b) of section 16-245ff of the general statutes is  
461 repealed and the following is substituted in lieu thereof (*Effective from*  
462 *passage*):

463 (b) The Connecticut Green Bank, established pursuant to section 16-  
464 245n, shall structure and implement a residential solar investment  
465 program established pursuant to this section that shall support the  
466 deployment of not more than [three hundred] three hundred fifty  
467 megawatts of new residential solar photovoltaic installations located in  
468 this state on or before (1) December 31, 2022, or (2) the deployment of  
469 [three hundred] three hundred fifty megawatts of residential solar  
470 photovoltaic installation, in the aggregate, whichever occurs sooner,  
471 provided the bank shall not approve direct financial incentives under  
472 this section for more than one hundred megawatts of new qualifying  
473 residential solar photovoltaic systems, in the aggregate, between July  
474 2, 2015, and April 1, 2016. The procurement and cost of such program  
475 shall be determined by the bank in accordance with this section.

476 Sec. 5. Subsection (a) of section 16-245gg of the general statutes is

477 repealed and the following is substituted in lieu thereof (*Effective from*  
478 *passage*):

479 (a) Not later than July 1, 2016, the Connecticut Green Bank shall  
480 negotiate and develop master purchase agreements with each electric  
481 distribution company. Each such agreement shall require the electric  
482 distribution company to purchase, annually, fifteen-year tranches of  
483 solar home renewable energy credits produced by qualifying  
484 residential solar photovoltaic systems. Each electric distribution  
485 company's annual obligation to purchase fifteen-year tranches of solar  
486 home renewable energy credits produced by qualifying residential  
487 solar photovoltaic systems begins on the date that the Public Utilities  
488 Regulatory Authority approves the master purchase agreement  
489 pursuant to subsection (e) of this section and the obligation to  
490 purchase additional fifteen-year tranches expires on December 31,  
491 2022, or after the deployment of [~~three hundred~~] three hundred fifty  
492 megawatts of residential solar photovoltaic installation, in the  
493 aggregate, whichever occurs earlier.

494 Sec. 6. (NEW) (*Effective from passage*) On or before July 1, 2019, the  
495 Department of Energy and Environmental Protection and the Public  
496 Utilities Regulatory Authority shall initiate a proceeding to jointly  
497 study the value of distributed energy resources. On or before July 1,  
498 2020, the department and the authority shall jointly report the findings  
499 of such study, in accordance with the provisions of section 11-4a of the  
500 general statutes, to the joint standing committee of the General  
501 Assembly having cognizance of matters relating to energy.

502 Sec. 7. Subsection (e) of section 16-244u of the general statutes is  
503 repealed and the following is substituted in lieu thereof (*Effective from*  
504 *passage*):

505 (e) (1) On or before October 1, 2013, the Public Utilities Regulatory  
506 Authority shall conduct a proceeding to develop the administrative  
507 processes and program specifications, including, but not limited to, a  
508 cap of [~~ten~~] twenty million dollars per year apportioned to each electric



509 distribution company based on consumer load, for credits provided to  
510 beneficial accounts pursuant to subsection (b) of this section and  
511 payments made pursuant to subsection (c) of this section, provided the  
512 municipal, state and agricultural customer hosts, each in the aggregate,  
513 and the designated beneficial accounts of such customer hosts, shall  
514 receive not more than forty per cent of the dollar amount established  
515 pursuant to this subdivision.

516 (2) In addition to the provisions of subdivision (1) of this subsection,  
517 the authority shall authorize six million dollars per year for municipal  
518 customer hosts, apportioned to each electric distribution company  
519 based on consumer load, for credits provided to beneficial accounts  
520 pursuant to subsection (b) of this section and payments made pursuant  
521 to subsection (c) of this section where such municipal customer hosts  
522 have: (A) Submitted an interconnection application to an electric  
523 distribution company on or before April 13, 2016, and (B) submitted a  
524 virtual net metering application to an electric distribution company on  
525 or before April 13, 2016.

526 (3) In addition to the provisions of subdivisions (1) and (2) of this  
527 subsection, the authority shall authorize, apportioned to each electric  
528 distribution company based on consumer load for credits provided to  
529 beneficial accounts pursuant to subsection (b) of this section and  
530 payments made pursuant to subsection (c) of this section three million  
531 dollars per year for agricultural customer hosts, provided each  
532 agricultural customer host utilizes a virtual net metering facility that is  
533 an anaerobic digestion Class I renewable energy source and not less  
534 than fifty per cent of the dollar amount for such agricultural customer  
535 hosts established under this subparagraph is utilized by anaerobic  
536 digestion facilities located on dairy farms that complement such farms'  
537 nutrient management plans, as certified by the Department of  
538 Agriculture, and that have a goal of utilizing one hundred per cent of  
539 the manure generated on such farm.

540 Sec. 8. (NEW) (*Effective from passage*) (a) As used in this section,  
541 "Class I renewable energy source" has the same meaning as provided

542 in section 16-1 of the general statutes.

543 (b) (1) On or before December 1, 2020, the Department of  
544 Transportation shall conduct a preliminary screening of land owned  
545 by said department. Such screening shall identify any such land that  
546 may be suitable for the siting of Class I renewable energy sources and  
547 shall evaluate the suitability of such land. Said department shall  
548 submit an inventory of any such land said department determines is  
549 suitable for the siting of Class I renewable energy sources to the  
550 Department of Energy and Environmental Protection.

551 (2) The Department of Energy and Environmental Protection shall  
552 conduct an analysis of any land included in the inventory submitted to  
553 said department pursuant to subdivision (1) of this subsection. Said  
554 department's analysis shall include, but not be limited to, a technical,  
555 legal and financial feasibility analysis and shall consider (A) setback  
556 requirements, (B) access to the land, (C) physical and environmental  
557 characteristics of the land, (D) the development characteristics of a  
558 Class I renewable energy source, (E) current and future transportation  
559 needs, (F) the eligibility of Class I renewable energy sources that may  
560 be installed on the land to participate in net metering pursuant to  
561 section 16-243h of the general statutes, as amended by this act, virtual  
562 net metering pursuant to section 16-244u of the general statutes, as  
563 amended by this act, renewable energy tariffs pursuant to section 16-  
564 244z of the general statutes, as amended by this act, and grid-scale  
565 solicitation programs pursuant to title 16a of the general statutes, and  
566 (G) other relevant feasibility factors.

567 (c) In any solicitation issued by the Department of Energy and  
568 Environmental Protection for Class I renewable energy sources after  
569 said department completes the analysis pursuant to subdivision (2) of  
570 subsection (b) of this section, said department may provide selection  
571 preference to proposals that use land that is (1) included on the  
572 inventory submitted pursuant to subdivision (1) of subsection (b) of  
573 this section, and (2) determined to be feasible for the siting of Class I  
574 renewable energy sources by said department pursuant to the analysis

575 conducted pursuant to subdivision (2) of subsection (b) of this section.

576 Sec. 9. Subsection (b) of section 16a-3a of the general statutes is  
577 repealed and the following is substituted in lieu thereof (*Effective from*  
578 *passage*):

579 (b) On or before January 1, [2012] 2020, and biennially thereafter, the  
580 Commissioner of Energy and Environmental Protection, in  
581 consultation with the electric distribution companies, shall prepare an  
582 assessment of (1) the energy and capacity requirements of customers  
583 for the next three, five and ten years, (2) the manner of how best to  
584 eliminate growth in electric demand, (3) how best to level electric  
585 demand in the state by reducing peak demand and shifting demand to  
586 off-peak periods, (4) the impact of current and projected  
587 environmental standards, including, but not limited to, those related to  
588 greenhouse gas emissions and the federal Clean Air Act goals and how  
589 different resources could help achieve those standards and goals, (5)  
590 energy security and economic risks associated with potential energy  
591 resources, and (6) the estimated lifetime cost and availability of  
592 potential energy resources.

593 Sec. 10. Subsection (i) of section 16a-3a of the general statutes is  
594 repealed and the following is substituted in lieu thereof (*Effective from*  
595 *passage*):

596 (i) For the Integrated Resources Plan next approved after June 14,  
597 2018, the department shall [consider] include recommendations for the  
598 creation of a portfolio standard for thermal energy that may include,  
599 but not be limited to, biodiesel that is blended into home heating oil,  
600 provided the department shall consult with representatives of the  
601 heating oil industry and biodiesel producers during [such  
602 consideration. For any Integrated Resources Plan after the approval of  
603 the next approved plan, the department may consider the creation of  
604 such portfolio standard] the development of such recommendations.

605 Sec. 11. Section 16a-38k of the general statutes is repealed and the  
606 following is substituted in lieu thereof (*Effective from passage*):

607 (a) Notwithstanding any provision of the general statutes, any (1)  
608 new construction of a state facility that is projected to cost five million  
609 dollars, or more, and for which all budgeted project bond funds are  
610 allocated by the State Bond Commission on or after January 1, 2008, (2)  
611 renovation of a state facility that is projected to cost two million dollars  
612 or more, of which two million dollars or more is state funding,  
613 approved and funded on or after January 1, 2008, (3) new construction  
614 of a facility that is projected to cost five million dollars, or more, of  
615 which two million dollars or more is state funding, and is authorized  
616 by the General Assembly pursuant to chapter 173 on or after January 1,  
617 2009, and (4) renovation of a public school facility as defined in  
618 subdivision (18) of section 10-282 that is projected to cost two million  
619 dollars or more, of which two million dollars or more is state funding,  
620 and is authorized by the General Assembly pursuant to chapter 173 on  
621 or after January 1, 2009, shall comply with the regulations described in  
622 subsection (b) of this section, [until the regulations described in  
623 subsection (c) of this section are adopted] provided any regulations  
624 adopted pursuant to this section before the effective date of this section  
625 shall remain in effect until the regulations described in subsection (b)  
626 of this section are adopted. The Commissioner of Energy and  
627 Environmental Protection, in consultation with the Commissioner of  
628 Administrative Services and the Institute for Sustainable Energy, shall  
629 exempt any facility from complying with the regulations adopted  
630 pursuant to subsection (b) [or (c)] of this section if the Commissioner of  
631 Energy and Environmental Protection, in consultation with the  
632 Commissioner of Administrative Services and the Secretary of the  
633 Office of Policy and Management, finds, in a written analysis, that the  
634 measures needed to comply with the building construction standards  
635 are not cost effective, as defined in subdivision (8) of subsection (a) of  
636 section 16a-38. Nothing in this section shall be construed to require the  
637 redesign of any new construction of a state facility that is designed in  
638 accordance with the silver building rating of the Leadership in Energy  
639 and Environmental Design's rating system for new commercial  
640 construction and major renovation projects, as established by the  
641 United States Green Building Council, or an equivalent standard,

642 including, but not limited to, a two-globe rating in the Green Globes  
643 USA design program, provided the design for such facility was  
644 initiated or completed prior to the adoption of the regulations  
645 described in subsection (b) of this section. For purposes of subdivisions  
646 (1) and (2) of this subsection, a state facility shall not include a salt  
647 shed, parking garage or any type of maintenance facility, provided  
648 such shed, garage or facility has incorporated best energy efficiency  
649 standards to the extent economically feasible.

650 (b) Not later than January 1, [2007] 2020, the Commissioner of  
651 Energy and Environmental Protection, in consultation with the  
652 Commissioner of Administrative Services, shall adopt regulations, in  
653 accordance with the provisions of chapter 54, to adopt state building  
654 construction standards that [are consistent with or exceed the silver  
655 building rating of the Leadership in Energy and Environmental  
656 Design's rating system for new commercial construction and major  
657 renovation projects, as established by the United States Green Building  
658 Council, including energy standards that exceed those set forth in the  
659 2004 edition of the American Society of Heating, Ventilating and Air  
660 Conditioning Engineers (ASHRAE) Standard 90.1 by not less than  
661 twenty per cent, or an equivalent standard, including, but not limited  
662 to, a two-globe rating in the Green Globes USA design program] (1)  
663 are based on a nationally recognized model for sustainable  
664 construction codes that promotes the construction of high performance  
665 green buildings that have reduced emissions, have enhanced building  
666 occupant health and comfort, are designed to conserve water  
667 resources, are designed to promote sustainable and regenerative  
668 materials cycles and provide enhanced resilience to natural,  
669 technological and human-caused hazards, and (2) include a standard  
670 for inclusion of electric vehicle charging stations, and thereafter update  
671 such regulations as the Commissioner of Energy and Environmental  
672 Protection deems necessary.

673 [(c) Not later than January 1, 2015, the Commissioner of Energy and  
674 Environmental Protection, in consultation with the Commissioner of  
675 Administrative Services, shall adopt regulations, in accordance with

676 chapter 54, to adopt state building construction standards for facilities  
677 described in subsection (a) of this section that achieve at least seventy-  
678 five points on the United States Environmental Protection Agency's  
679 national energy performance rating system, as determined by said  
680 agency's Energy Star Target Finder tool. Such regulations shall include  
681 a standard for inclusion of electric vehicle charging stations. The  
682 Commissioner of Energy and Environmental Protection may update  
683 such regulations as the commissioner deems necessary.

684 (d) The Commissioner of Energy and Environmental Protection, in  
685 consultation with the Commissioner of Administrative Services and  
686 the Institute for Sustainable Energy, shall exempt any facility from  
687 complying with the regulations adopted pursuant to subsection (c) of  
688 this section if such facility cannot be defined as an eligible building  
689 type, as determined by the Energy Star Target Finder tool. Any such  
690 exempt facility shall exceed the energy building construction  
691 standards set forth in the 2007 edition of the American Society of  
692 Heating, Ventilating and Air Conditioning Engineers (ASHRAE)  
693 Standard 90.1 by not less than twenty per cent, or adhere to the current  
694 State Building Code, whichever is more stringent.]

695 Sec. 12. Section 16-18a of the general statutes is repealed and the  
696 following is substituted in lieu thereof (*Effective October 1, 2019*):

697 (a) In the performance of their duties the Public Utilities Regulatory  
698 Authority, the Department of Energy and Environmental Protection  
699 and the Office of Consumer Counsel may retain consultants to assist  
700 their staffs in proceedings before the authority by providing expertise  
701 in areas in which staff expertise does not currently exist or when  
702 necessary to supplement existing staff expertise. In any case where the  
703 authority, the Department of Energy and Environmental Protection or  
704 the Office of Consumer Counsel determines that the services of a  
705 consultant are necessary or desirable, the authority shall (1) allow  
706 opportunity for the parties and participants to the proceeding for  
707 which the services of a consultant are being considered to comment  
708 regarding the necessity or desirability of such services, (2) upon the

709 request of a party or participant to the proceeding for which the  
710 services of a consultant are being considered, hold a hearing, and (3)  
711 limit the reasonable and proper expenses for such services to not more  
712 than two hundred thousand dollars for each agency per proceeding  
713 involving a public service company, telecommunications company,  
714 electric supplier or person seeking certification to provide  
715 telecommunications services pursuant to chapter 283, with more than  
716 fifteen thousand customers, and to not more than fifty thousand  
717 dollars for each agency per proceeding involving such a company,  
718 electric supplier or person with less than fifteen thousand customers,  
719 provided the authority, the Department of Energy and Environmental  
720 Protection or the Office of Consumer Counsel may exceed such limits  
721 for good cause. In the case of multiple proceedings conducted to  
722 implement the provisions of this section and sections 16-1, 16-19,  
723 16-19e, 16-22, 16-247a to 16-247c, inclusive, 16-247e to 16-247h,  
724 inclusive, and 16-247k and subsection (e) of section 16-331, the  
725 authority, the Department of Energy and Environmental Protection or  
726 the Office of Consumer Counsel may exceed such limits, but the total  
727 amount for all such proceedings shall not exceed the aggregate amount  
728 which would be available pursuant to this section. All reasonable and  
729 proper expenses, as defined in subdivision (3) of this section, shall be  
730 borne by the affected company, electric supplier or person and shall be  
731 paid by such company, electric supplier or person at such times and in  
732 such manner as the authority, the Department of Energy and  
733 Environmental Protection or the Office of Consumer Counsel directs.  
734 All reasonable and proper costs and expenses, as defined in  
735 subdivision (3) of this section, shall be recognized by the authority for  
736 all purposes as proper business expenses of the affected company,  
737 electric supplier or person. The providers of consultant services shall  
738 be selected by the authority, the Department of Energy and  
739 Environmental Protection or the Office of Consumer Counsel and shall  
740 submit written findings and recommendations to the authority, the  
741 Department of Energy and Environmental Protection or the Office of  
742 Consumer Counsel, as the case may be, which shall be made part of  
743 the public record.

744 (b) Notwithstanding any provision of the general statutes, the  
745 authority, the Department of Energy and Environmental Protection  
746 and the Office of Consumer Counsel shall not retain any consultant  
747 under subsection (a) of this section in connection with any proceeding  
748 involving telecommunications if such consultant, at the time the  
749 consultant would be retained, is serving as a consultant to a certified  
750 telecommunications provider or a telephone company that would be  
751 affected by such proceeding, unless each party and intervenor to such  
752 proceeding agrees in writing to waive the provisions of this subsection.

753 (c) The Department of Energy and Environmental Protection, in  
754 consultation with the Public Utilities Regulatory Authority and the  
755 Office of Consumer Counsel, may retain consultants to assist its staff  
756 by providing expertise in areas in which staff expertise does not  
757 currently exist or to supplement staff expertise for any proceeding  
758 before or in any negotiation with the Federal Energy Regulatory  
759 Commission, the United States Department of Energy, the United  
760 States Nuclear Regulatory Commission, the United States Securities  
761 and Exchange Commission, the Federal Trade Commission, the  
762 Federal Communications Commission or the United States  
763 Department of Justice. The Public Utilities Regulatory Authority, in  
764 consultation with the Office of Consumer Counsel, may retain  
765 consultants to assist its staff by providing expertise in areas in which  
766 staff expertise does not currently exist or to supplement staff expertise  
767 for any proceeding before or in any negotiation with the Federal  
768 Communications Commission. All reasonable and proper expenses of  
769 any such consultants shall be borne by the public service companies,  
770 certified telecommunications providers, holders of a certificate of  
771 video franchise authority, electric suppliers or gas registrants affected  
772 by the decisions of such proceeding and shall be paid at such times  
773 and in such manner as the authority directs, provided such expenses  
774 (1) shall be apportioned in proportion to the revenues of each affected  
775 entity as reported to the authority pursuant to section 16-49 for the  
776 most recent fiscal year, and (2) shall not exceed two and one-half  
777 million dollars per calendar year, including any appeals thereof, unless



778 the authority finds good cause for exceeding the limit. The authority  
779 shall recognize all such expenses as proper business expenses of the  
780 affected entities for ratemaking purposes pursuant to section 16-19e, if  
781 applicable.

782 Sec. 13. (NEW) (*Effective July 1, 2019*) (a) The Commissioner of  
783 Energy and Environmental Protection, in consultation with the  
784 procurement manager identified in subsection (l) of section 16-2 of the  
785 general statutes, the Office of Consumer Counsel and the Attorney  
786 General, may solicit proposals, in one solicitation or multiple  
787 solicitations, from providers of renewable energy certificates derived  
788 from Class III sources, as defined in section 16-1 of the general statutes,  
789 that have a total nameplate capacity rating of not more than six  
790 megawatts in the aggregate.

791 (b) If the commissioner finds such proposals to be in the interest of  
792 ratepayers, including, but not limited to, the delivered price of such  
793 sources, and consistent with the requirements to reduce greenhouse  
794 gas emissions in accordance with section 22a-200a of the general  
795 statutes, and in accordance with the policy goals outlined in the  
796 Comprehensive Energy Strategy, adopted pursuant to section 16a-3d  
797 of the general statutes, the commissioner may select proposals from  
798 such resources that have a total nameplate capacity rating of not more  
799 than six megawatts in the aggregate. The commissioner may, on behalf  
800 of all customers of electric distribution companies, direct the electric  
801 distribution companies to enter into power purchase agreements for  
802 renewable energy certificates for periods of not more than fifteen  
803 years.

804 (c) Certificates issued by the New England Power Pool Generation  
805 Information System procured by an electric distribution company  
806 pursuant to this section may be: (1) Sold into the New England Power  
807 Pool Generation Information System renewable energy credit market  
808 to be used by any electric supplier or electric distribution company to  
809 meet the requirements of section 16-245a of the general statutes,  
810 provided the revenues from such sale are credited to electric

811 distribution company customers as described in this section; or (2)  
812 retained by the electric distribution company to meet the requirements  
813 of section 16-245a of the general statutes. In considering whether to sell  
814 or retain such certificates, the company shall select the option that is in  
815 the best interest of such company's ratepayers.

816 (d) Any such agreement shall be subject to review and approval by  
817 the Public Utilities Regulatory Authority, which review shall  
818 commence upon the filing of the signed power purchase agreement  
819 with the authority. The authority shall issue a decision on such  
820 agreement not later than forty-five days after such filing. In the event  
821 the authority does not issue a decision within forty-five days after such  
822 agreement is filed with the authority, the agreement shall be deemed  
823 approved.

824 (e) The net costs of any such agreement, including costs incurred by  
825 the electric distribution company under the agreement and reasonable  
826 costs incurred by the electric distribution company in connection with  
827 the agreement, shall be recovered on a timely basis through a fully  
828 reconciling component of electric rates for all customers of the electric  
829 distribution company. Any net revenues from the sale of products  
830 purchased in accordance with long-term contracts entered into  
831 pursuant to this section shall be credited to customers through the  
832 same fully reconciling rate component for all customers of the  
833 contracting electric distribution company. The commissioner may hire  
834 consultants with expertise in quantitative modeling of energy markets  
835 to assist in implementing this section, including, but not limited to, the  
836 evaluation of proposals submitted pursuant to this section. All  
837 reasonable costs associated with the commissioner's solicitation and  
838 review of proposals pursuant to this section shall be recoverable  
839 through the same fully reconciling rate component for all customers of  
840 the electric distribution companies.

841 (f) If the commissioner selects any proposals pursuant to subsection  
842 (b) of this section, not later than thirty days after making such  
843 selection, the commissioner, in accordance with section 11-4a of the

844 general statutes, shall (1) report the anticipated effect of such proposal  
845 on the market for Class III renewable energy credits, and (2) make  
846 recommendations regarding whether the Class III renewable portfolio  
847 standard as described in section 16-243q of the general statutes should  
848 be increased to the joint standing committee of the General Assembly  
849 having cognizance of matters relating to energy and technology.

850 Sec. 14. Section 16-244e of the general statutes is repealed and the  
851 following is substituted in lieu thereof (*Effective from passage*):

852 (a) An electric distribution company shall not own or operate  
853 generation assets, except as provided in this section and sections 16-  
854 43d, 16-243m, 16-243u, 16a-3b and 16a-3c, provided that nothing in this  
855 section or in section 16-244w shall be interpreted to prohibit or limit  
856 the ability of an electric distribution company from building, owning  
857 or operating an energy storage system.

858 (b) Each electric distribution company shall provide all customers  
859 with a bill that separates the electric generation services component of  
860 those charges.

861 (c) The Public Utilities Regulatory Authority may authorize an  
862 electric distribution company to recover its prudently incurred costs  
863 and investments for any energy storage system such electric  
864 distribution company builds, owns or operates through a fully  
865 reconciling component of electric rates for all customers of electric  
866 distribution companies, until the electric distribution company's next  
867 rate case, at which time such costs and investments shall be  
868 recoverable through base distribution rates consistent with the  
869 principles set forth in sections 16-19 and 16-19e.

870 Sec. 15. Subdivision (2) of subsection (k) of section 16-243v of the  
871 general statutes is repealed and the following is substituted in lieu  
872 thereof (*Effective from passage*):

873 (2) Not later than September 1, 2013, the electric distribution and gas  
874 companies shall develop a residential furnace or boiler replacement

875 and propane fuel tank purchase program funded by the systems  
876 benefits charge pursuant to section 16-245l in a manner that minimizes  
877 the impact on ratepayers. Said program shall be reviewed and  
878 approved or modified by the Department of Energy and  
879 Environmental Protection, in consultation with the Energy  
880 Conservation Management Board, within sixty days of receipt of the  
881 plan for said program. Said program shall include a contract for  
882 retention of a third-party administrator to become effective upon  
883 approval of the program by the department. Said program shall  
884 continue until the end of the [sixth] eleventh year of the program. On  
885 or before January 1, 2014, the electric distribution and gas companies  
886 shall retain the services of a third-party administrator with expertise in  
887 developing, implementing and administering residential lending  
888 programs, including credit evaluation, to provide financing for  
889 improvement projects by property owners, loan servicing and  
890 program administration. The third-party administrator shall, in  
891 conjunction with the electric distribution companies and gas  
892 companies, develop the program. On and after December 29, 2015, said  
893 program shall be amended to provide such residential lending to  
894 residential retail end use customers who seek to purchase either an  
895 underground or above ground propane fuel tank, including, but not  
896 limited to, a propane fuel tank that the residential retail end use  
897 customer leases.

898 Sec. 16. (NEW) (*Effective from passage*) (a) For the purposes of this  
899 section:

900 (1) "Farm-generated organic waste" means waste associated with  
901 animal feeding operations including, but not limited to, animal  
902 bedding, manure, urine, silage, leachate, wastewaters associated with  
903 egg or dairy production, animal feed waste and barnyard runoff; and

904 (2) "Animal feeding operation" means a lot or facility on a farm,  
905 other than an aquatic animal production facility, where animals have  
906 been, are currently, or will be stabled or confined and fed or  
907 maintained for a total of forty-five days or more in any twelve-month

908 period and where crops, vegetation, forage growth or post-harvest  
909 residues are not sustained in the normal growing season over any  
910 portion of such lot or facility.

911 (b) An anaerobic digestion facility shall not be required to obtain a  
912 permit to construct and operate pursuant to section 22a-208a of the  
913 general statutes, as amended by this act, if such facility is collocated  
914 with an animal feeding operation conducted on land used for the  
915 purpose of farming, as defined in section 1-1 of the general statutes,  
916 provided that:

917 (1) The feed stock for such anaerobic digestion facility is at least fifty  
918 per cent by volume farm-generated organic waste from an animal  
919 feeding operation and not more than five per cent by volume food  
920 scraps, food processing residuals and soiled or unrecyclable paper;

921 (2) The discharge of such anaerobic digestion facility that is not  
922 energy end products shall be beneficially used in accordance with the  
923 following: (A) The solid material end products are used for (i) animal  
924 bedding, (ii) soil or soil amendment, (iii) fertilizer, or (iv) other value-  
925 added products; and (B) the liquid material end products are used as  
926 fertilizer. Any land application in the state of any such discharge,  
927 including, but not limited to, phosphorus, shall be applied at an  
928 agronomic rate that is consistent with the nutrient management plan of  
929 the farm on which such anaerobic digestion facility is located; and

930 (3) Annually, on or before July thirty-first of each year, each animal  
931 feeding operation, that is collocated with an anaerobic digestion  
932 facility that is operating pursuant to this section without the permit  
933 that would otherwise be required pursuant to section 22a-208a of the  
934 general statutes, as amended by this act, shall submit to the  
935 Commissioner of Energy and Environmental Protection, in a form  
936 prescribed by the commissioner, the amount of farm-generated organic  
937 waste that is processed by such anaerobic digestion facility and shall  
938 indicate the amount of waste processed from such animal feeding  
939 operation and from other sources.

940 (c) The Commissioner of Agriculture may inspect anaerobic  
941 digestion facilities that are operating pursuant to this section without  
942 the permit that would otherwise be required pursuant to section 22a-  
943 208a of the general statutes, as amended by this act, to ensure that such  
944 anaerobic digestion facilities are in compliance with subdivision (1) of  
945 subsection (b) of this section. If, in the course of conducting such  
946 inspection, the commissioner finds that any such facilities are not in  
947 compliance with such subdivision, the commissioner shall report such  
948 findings to the Commissioner of Energy and Environmental  
949 Protection.

950 (d) If the Commissioner of Energy and Environmental Protection  
951 determines that (1) an anaerobic digestion facility that is operating  
952 pursuant to this section without the permit that would otherwise be  
953 required pursuant to section 22a-208a of the general statutes, as  
954 amended by this act, is not collocated with the operation of an animal  
955 feeding operation conducted on land used for the purpose of farming,  
956 or (2) such anaerobic digestion facility is processing more than five per  
957 cent by volume food scraps, food processing residuals and soiled or  
958 unrecyclable paper, the operator of such anaerobic digestion facility  
959 shall apply for a permit from the commissioner pursuant to section  
960 22a-208a of the general statutes, as amended by this act, not later than  
961 five days after receiving notice of the commissioner's determination  
962 pursuant to this subsection. If such application for a permit pursuant  
963 to section 22a-208a of the general statutes, as amended by this act, is  
964 denied, such anaerobic digestion facility shall close not later than five  
965 days after receiving notice of such denial.

966 (e) The commissioner may adopt regulations, in accordance with the  
967 provisions of chapter 54 of the general statutes, to carry out the  
968 purposes of this section.

969 Sec. 17. Subsection (b) of section 22a-208a of the general statutes is  
970 repealed and the following is substituted in lieu thereof (*Effective from*  
971 *passage*):

972 (b) [No] Except as provided in section 16 of this act, no person or  
973 municipality shall establish, construct or operate a solid waste facility  
974 without a permit issued by the commissioner under this section. An  
975 application for such permit shall be submitted on a form prescribed by  
976 the commissioner, include such information as the commissioner may  
977 require, including, but not limited to, a closure plan for such facility,  
978 and be accompanied by a fee prescribed in regulations adopted in  
979 accordance with chapter 54. Notwithstanding any provision of the  
980 general statutes or any regulation adopted pursuant to said statutes,  
981 references to a permit to construct or a permit to operate in a  
982 regulation adopted pursuant to section 22a-209 shall be deemed to  
983 mean a permit as required by this subsection. The applicant shall send  
984 a written notification of any application for such permit to the chief  
985 elected official of each municipality in which the proposed facility is to  
986 be located, within five business days of the date on which any such  
987 application is filed.

988 Sec. 18. (NEW) (*Effective from passage*) (a) (1) The Commissioner of  
989 Energy and Environmental Protection, in consultation with the  
990 procurement manager identified in subsection (l) of section 16-2 of the  
991 general statutes, the Office of Consumer Counsel and the Attorney  
992 General, may solicit proposals, in one solicitation or multiple  
993 solicitations, from providers of energy derived from anaerobic  
994 digestion.

995 (2) In responding to any solicitations issued pursuant to this section,  
996 a bidder shall submit a proposal or proposals for facilities that are  
997 animal feeding operations and collocated on land used for the purpose  
998 of farming, as defined in subsection (q) of section 1-1 of the general  
999 statutes. For purposes of this subsection, "animal feeding operation"  
1000 has the same meaning as provided in section 16 of this act.

1001 (b) If the commissioner finds such proposals to be in the interest of  
1002 ratepayers, including, but not limited to, the delivered price of such  
1003 sources, and consistent with the requirements to reduce greenhouse  
1004 gas emissions in accordance with section 22a-200a of the general

1005 statutes, and in accordance with the policy goals outlined in the  
1006 Comprehensive Energy Strategy, adopted pursuant to section 16a-3d  
1007 of the general statutes, and in accordance with the policy goals  
1008 outlined in the state-wide solid waste management plan developed  
1009 pursuant to section 22a-241a of the general statutes, the commissioner  
1010 may select proposals from such resources that have a total nameplate  
1011 capacity rating of not more than ten megawatts in the aggregate. The  
1012 commissioner may, on behalf of all customers of electric distribution  
1013 companies, direct the electric distribution companies to enter into  
1014 power purchase agreements for energy, capacity and environmental  
1015 attributes, or any combination thereof, for periods of not more than  
1016 twenty years.

1017 (c) Certificates issued by the New England Power Pool Generation  
1018 Information System procured by an electric distribution company  
1019 pursuant to this section may be: (1) Sold into the New England Power  
1020 Pool Generation Information System renewable energy credit market  
1021 to be used by any electric supplier or electric distribution company to  
1022 meet the requirements of section 16-245a of the general statutes,  
1023 provided the revenues from such sale are credited to electric  
1024 distribution company customers as described in this section; or (2)  
1025 retained by the electric distribution company to meet the requirements  
1026 of section 16-245a of the general statutes. In considering whether to sell  
1027 or retain such certificates, the company shall select the option that is in  
1028 the best interest of such company's ratepayers.

1029 (d) Any such agreement shall be subject to review and approval by  
1030 the Public Utilities Regulatory Authority, which review shall  
1031 commence upon the filing of the signed power purchase agreement  
1032 with the authority. The authority shall issue a decision on such  
1033 agreement not later than sixty days after such filing. In the event the  
1034 authority does not issue a decision within sixty days after such  
1035 agreement is filed with the authority, the agreement shall be deemed  
1036 approved.

1037 (e) The net costs of any such agreement, including costs incurred by



1038 the electric distribution company under the agreement and reasonable  
1039 costs incurred by the electric distribution company in connection with  
1040 the agreement, shall be recovered on a timely basis through a fully  
1041 reconciling component of electric rates for all customers of the electric  
1042 distribution company. Any net revenues from the sale of products  
1043 purchased in accordance with long-term contracts entered into  
1044 pursuant to this section shall be credited to customers through the  
1045 same fully reconciling rate component for all customers of the  
1046 contracting electric distribution company. The commissioner may hire  
1047 consultants with expertise in quantitative modeling of electric and gas  
1048 markets to assist in implementing this section, including, but not  
1049 limited to, the evaluation of proposals submitted pursuant to this  
1050 section. All reasonable costs associated with the commissioner's  
1051 solicitation and review of proposals pursuant to this section shall be  
1052 recoverable through the same fully reconciling rate component for all  
1053 customers of the electric distribution companies.

1054 Sec. 19. (*Effective from passage*) On or before October 1, 2019, the  
1055 Public Utilities Regulatory Authority shall initiate a docket to define  
1056 and adopt a gas quality interconnection standard for biogas derived  
1057 from the decomposition of farm-generated organic waste or source-  
1058 separated organic material that has been processed through gas  
1059 conditioning systems to remove impurities, including, but not limited  
1060 to, water, carbon dioxide and hydrogen sulfide, that will make such  
1061 biogas of a quality suitable for injection into the natural gas  
1062 distribution system in the state. Such docket shall also include (1)  
1063 cleanliness standards for such biogas, and (2) a process by which  
1064 producers of such biogas may request and be approved for  
1065 interconnection to the natural gas distribution system in the state. The  
1066 authority shall issue a final decision in such docket on or before  
1067 September 1, 2021.

1068 Sec. 20. (NEW) (*Effective July 1, 2019*) (a) As used in this section and  
1069 section 10a-55g of the general statutes, as amended by this act:

1070 (1) "Green jobs" has the same meaning as provided in section 10a-

1071 55d of the general statutes;

1072 (2) "Green technology" has the same meaning as provided in section  
1073 10a-55d of the general statutes; and

1074 (3) "Career ladder" means a description of the progression from an  
1075 entry level position to higher levels of pay, skill, responsibility or  
1076 authority.

1077 (b) Not later than January 1, 2020, the Office of Workforce  
1078 Competitiveness, in consultation with the Office of Higher Education,  
1079 Department of Education, Labor Department, Department of Energy  
1080 and Environmental Protection, regional workforce development  
1081 boards and employers, shall, within available appropriations, establish  
1082 a career ladder for jobs in the green technology industry, including,  
1083 but not limited to, a listing of (1) careers at each level of the green  
1084 technology industry and the requisite level of education and the salary  
1085 offered for such career, (2) all course, certificate and degree programs  
1086 in green jobs offered by technical education and career schools within  
1087 the Technical Education and Career System and institutions of higher  
1088 education in the state, and (3) jobs available in the green technology  
1089 industry in the state. The Office of Workforce Competitiveness shall  
1090 update the green jobs career ladder established pursuant to this section  
1091 on an as needed basis.

1092 Sec. 21. Section 10a-55g of the general statutes is repealed and the  
1093 following is substituted in lieu thereof (*Effective July 1, 2019*):

1094 [The] Not later than July 1, 2020, the Office of Higher Education [, in  
1095 consultation with the Department of Education,] and the Labor  
1096 Department shall [annually prepare and] each publish on [the Office of  
1097 Higher Education's web site a list of every green jobs course and green  
1098 jobs certificate and degree program offered by technical education and  
1099 career schools and public institutions of higher education] their  
1100 respective Internet web sites the career ladder for jobs in the green  
1101 technology industry established and updated by the Office of  
1102 Workforce Competitiveness in accordance with section 20 of this act

1103 and an inventory of green jobs related equipment used by [such]  
 1104 technical education and career schools and institutions of higher  
 1105 education."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-243h
Sec. 2	<i>from passage</i>	16-244r(c)
Sec. 3	<i>from passage</i>	16-244z
Sec. 4	<i>from passage</i>	16-245ff(b)
Sec. 5	<i>from passage</i>	16-245gg(a)
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	16-244u(e)
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	16a-3a(b)
Sec. 10	<i>from passage</i>	16a-3a(i)
Sec. 11	<i>from passage</i>	16a-38k
Sec. 12	<i>October 1, 2019</i>	16-18a
Sec. 13	<i>July 1, 2019</i>	New section
Sec. 14	<i>from passage</i>	16-244e
Sec. 15	<i>from passage</i>	16-243v(k)(2)
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>from passage</i>	22a-208a(b)
Sec. 18	<i>from passage</i>	New section
Sec. 19	<i>from passage</i>	New section
Sec. 20	<i>July 1, 2019</i>	New section
Sec. 21	<i>July 1, 2019</i>	10a-55g