



General Assembly

Amendment

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Offered by:
SEN. NEEDLEMAN, 33rd Dist.

To: Subst. Senate Bill No. 960

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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 Section 16-35 of the general statutes is repealed and the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. (NEW) (*Effective October 1, 2019*) (a) For the purposes of this
354 section "gas company" has the same meaning as provided in section
355 16-1 of the general statutes, as amended by this act.

356 (b) For each new contract executed after July 1, 2019, between a
357 construction contractor and a gas company in which such contractor
358 agrees to engage in the replacement of a gas company's natural gas
359 distribution infrastructure within the state pursuant to such gas
360 company's distribution integrity management program as required
361 pursuant to 49 CFR 192.1015 as approved by the Public Utilities
362 Regulatory Authority, such contractor shall pay not less than the
363 prevailing wage, as described in section 31-53 of the general statutes,
364 for individuals performing construction activities with respect to such
365 replacement.

366 (c) The chairperson of the Public Utilities Regulatory Authority, in
367 consultation with the Consumer Counsel and the Attorney General,
368 shall conduct a study regarding the impact subsection (b) of this
369 section has on (1) the cost of the replacement of gas companies' natural
370 gas distribution infrastructure in the state, (2) the forecasted or actual
371 rates charged to customers of gas companies in the state, (3) the
372 number of qualified personnel available to perform the replacement of
373 gas companies' natural gas distribution infrastructure in the state,
374 including any shortage of the availability of such qualified personnel
375 and any impact on the scheduling or timing for the performance of
376 such replacement, and (4) the quality, reliability and safety of the
377 replacement of gas companies' natural gas distribution infrastructure
378 in the state. Such study shall make recommendations concerning
379 whether the requirement that contractors pay not less than the
380 prevailing wage pursuant to subsection (b) of this section should be
381 amended, and, if such study recommends any such amendments, such
382 study shall include a description of any such amendments.

383 (d) Not later than January 1, 2023, the chairperson of the Public
384 Utilities Regulatory Authority, in accordance with the provisions of
385 section 11-4a of the general statutes, shall report the results of the
386 study conducted pursuant to subsection (c) of this section to the joint
387 standing committee of the General Assembly having cognizance of
388 matters relating to energy and technology. Each gas company
389 operating in the state shall pay an equally apportioned share of all
390 reasonable costs associated with the authority's performance of such
391 study and each such gas company shall recover such costs through
392 such gas company's rates approved by the authority pursuant to
393 section 16-19 of the general statutes.

394 Sec. 12. Section 16-356 of the general statutes is repealed and the
395 following is substituted in lieu thereof (*Effective from passage*):

396 Any person, public agency or public utility which the Public
397 Utilities Regulatory Authority determines, after notice and
398 opportunity for a hearing as provided in section 16-41, as amended by

399 this act, to have failed to comply with any provision of this chapter or
400 any regulation adopted under section 16-357 shall forfeit and pay to
401 the state a civil penalty of not more than forty thousand dollars,
402 provided any violation involving the failure of a public utility to mark
403 any approximate location of an underground utility facility correctly
404 or within the time frames prescribed by regulation, which violation
405 did not result in any property damage or personal injury and was not
406 the result of an act of gross negligence on the part of the public utility,
407 shall not result in a civil penalty of more than one thousand dollars.
408 Any civil penalty assessed for any violation involving the failure of a
409 public utility to properly or timely mark any approximate location of
410 an underground facility shall be paid by the person, public agency or
411 public utility to whom the notice is addressed. If any such person,
412 public agency or public utility recovers any portion of the penalty from
413 any person, the authority may direct such person, public agency or
414 public utility to forfeit such recovered penalty, as provided in such
415 notice. Notwithstanding the provisions contained in subsection (d) of
416 section 16-41, the person, public agency or public utility receiving a
417 notice of violation pursuant to subsection (c) of section 16-41 shall have
418 thirty days from the date of receipt of the notice in which to deliver to
419 the authority a written application for a hearing.

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

422 [(a) As used in this section, "avoided costs" means the incremental
423 costs to an electric public service company, municipal electric energy
424 cooperative organized under chapter 101a or municipal electric utility
425 organized under chapter 101, of electric energy or capacity or both
426 which, but for the purchase from a private power producer, as defined
427 in section 16-243b, such company, cooperative or utility would
428 generate itself or purchase from another source.

429 (b) Each electric public service company, municipal electric energy
430 cooperative and municipal electric utility shall: (1) Purchase any
431 electrical energy and capacity made available, directly by a private

432 power producer or indirectly under subdivision (4) of this subsection;
433 (2) sell backup electricity to any private power producer in its service
434 territory; (3) make such interconnections in accordance with the
435 regulations adopted pursuant to subsection (h) of this section
436 necessary to accomplish such purchases and sales; (4) upon approval
437 by the Public Utilities Regulatory Authority of an application filed by a
438 willing private power producer, transmit energy or capacity from the
439 private power producer to any other such company, cooperative or
440 utility or to another facility operated by the private power producer;
441 and (5) offer to operate in parallel with a private power producer. In
442 making a decision on an application filed under subdivision (4) of this
443 subsection, the authority shall consider whether such transmission
444 would (A) adversely impact the customers of the company,
445 cooperative or utility which would transmit energy or capacity to the
446 private power producer, (B) result in an uncompensated loss for, or
447 unduly burden, such company, cooperative, utility or private power
448 producer, (C) impair the reliability of service of such company,
449 cooperative or utility, or (D) impair the ability of the company,
450 cooperative or utility to provide adequate service to its customers. The
451 authority shall issue a decision on such an application not later than
452 one hundred twenty days after the application is filed, provided, the
453 authority may, before the end of such period and upon notifying all
454 parties and intervenors to the proceeding, extend the period by thirty
455 days. If the authority does not issue a decision within one hundred
456 twenty days after receiving such an application, or within one hundred
457 fifty days if the authority extends the period in accordance with the
458 provisions of this subsection, the application shall be deemed to have
459 been approved. The requirements under subdivisions (3), (4) and (5) of
460 this subsection shall be subject to reasonable standards for operating
461 safety and reliability and the nondiscriminatory assessment of costs
462 against private power producers, approved by the Public Utilities
463 Regulatory Authority with respect to electric public service companies
464 or determined by municipal electric energy cooperatives and
465 municipal electric utilities.

466 (c) The Public Utilities Regulatory Authority, with respect to electric
467 public service companies, and each municipal electric energy
468 cooperative and municipal electric utility shall establish rates and
469 conditions of service for: (1) The purchase of electrical energy and
470 capacity made available by a private power producer; and (2) the sale
471 of backup electricity to a private power producer. The rates for
472 electricity purchased from a private power producer shall be based on
473 the full avoided costs of the electric public service company, municipal
474 electric energy cooperative or municipal electric utility, regardless of
475 whether the purchaser is simultaneously making sales to the private
476 power producer. Payment for energy and capacity purchased from a
477 private power producer by any such company, cooperative or utility
478 shall be pursuant to such rates and conditions or the terms of a
479 contract between the parties. The rates and conditions of service for the
480 purchase of energy and capacity established by the authority pursuant
481 to this subsection shall include specific schedules for pricing in long-
482 term contracts for the sale of electricity from small renewable power
483 projects to electric public service companies by private power
484 producers. Such schedules shall not exceed the present worth of the
485 projected avoided costs of the electric public service company over the
486 term of the contract. The authority shall apply to a proposed contract
487 filed with the authority after January 1, 1992, by a private power
488 producer for a small renewable power project the rates and conditions
489 of service, including the pricing schedule, in effect on the date the
490 private power producer submits its proposed contract to the authority,
491 regardless of the subsequent creation of differing schedules or the
492 subsequent amendment of existing schedules.

493 (d) When any person, firm or corporation proposes to enter into a
494 contract to sell energy and capacity as a private power producer, an
495 electric public service company, municipal electric energy cooperative
496 or municipal electric utility shall respond promptly to all requests and
497 offers and negotiate in good faith to arrive at a contract which fairly
498 reflects the provisions of this section and the anticipated avoided costs
499 over the life of the contract. Upon application by a private power

500 producer, the authority may approve a contract which provides for
501 payment of less than the anticipated avoided costs if, considering all of
502 the provisions, the contract is at least as favorable to the private power
503 producer as a contract providing for the full avoided costs. The
504 contract may extend for a period of not more than thirty years at the
505 option of the private power producer if it has a generating facility with
506 a capacity of at least one hundred kilowatts.

507 (e) The authority shall consider generating capacity available from
508 cogeneration technology and renewable energy resources in its
509 periodic reviews of electric public service companies and shall require
510 the companies to include the availability of such capacity in
511 applications for rate relief filed in accordance with section 16-19a.

512 (f) If a private power producer believes that an electric distribution
513 company has violated any provision of this section it may submit a
514 written petition alleging such violation to the authority. Upon receipt
515 of the petition, the authority shall fix a time and place for a hearing
516 and mail notice of the hearing to the parties in interest at least one
517 week in advance. Upon the hearing, the authority may, if it finds the
518 company has violated any such provision, prescribe the manner in
519 which it shall comply.

520 (g) After January 1, 1992, the authority shall approve each proposed
521 contract submitted by a private power producer for a small renewable
522 power project, with any modifications agreed to by the parties to the
523 contract, if the filing meets the standards for exemption from the
524 proposal process and for an approvable contract established pursuant
525 to section 16-6b, and is consistent with the pricing schedules adopted
526 pursuant to subsection (c) of this section. Nothing in this section shall
527 preclude a modification of such a contract if the parties to the contract
528 agree to the modification. Any such modification shall be approved by
529 the authority. The authority shall reconsider each decision issued
530 pursuant to this section between January 1, 1992, and June 29, 1993,
531 regarding such contracts and shall make any modifications to each
532 such decision necessary to ensure that each such decision conforms

533 with the provisions of this section.

534 (h) Not later than January 1, 2008, the Public Utilities Regulatory
535 Authority shall issue a final decision approving interconnection
536 standards that meet or exceed national standards of interconnectivity.
537 If the authority does not issue a final decision by October 1, 2008, each
538 electric distribution company, municipal electric energy cooperative
539 and municipal electric utility shall meet the standards set forth in Title
540 4, Chapter 4, Subchapter 9, "Net Metering and Interconnection
541 Standards for Class I Renewable Energy Systems" of the New Jersey
542 Administrative Code.]

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

548 (b) As used in section 16-243b, as amended by this act, "avoided
549 costs" means the costs avoided by an electric distribution company as a
550 result of purchasing power or capacity from a qualifying facility, as
551 approved by the Public Utilities Regulatory Authority in accordance
552 with section 16-243b, as amended by this act, and that do not result in
553 costs greater than those which the purchasing electric distribution
554 company would incur if such electric distribution company did not
555 make such purchases and instead purchased electricity or capacity
556 from the regional wholesale electricity markets.

557 Sec. 14. Section 16-243b of the general statutes is repealed and the
558 following is substituted in lieu thereof (*Effective from passage*):

559 [(a) As used in this title:

560 (1) "Private power production facility" means a facility which
561 generates electricity in the state (A) solely through the use of
562 cogeneration technology, provided the average useful thermal energy
563 output of the facility is at least twenty per cent of the total energy

564 output of the facility, (B) solely through the use of renewable energy
565 sources, or (C) through both only;

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

569 (3) "Private power producer" means (A) a subsidiary of a gas public
570 service company which is not affiliated with an electric public service
571 company, or a subsidiary of a holding company controlling, directly or
572 indirectly, a gas public service company but not an electric public
573 service company, which generates electricity solely through ownership
574 of fifty per cent or less of a private power production facility or, with
575 the approval of the Public Utilities Regulatory Authority, through
576 ownership of one hundred per cent of a private power production
577 facility which (i) uses a source of energy other than gas as the primary
578 energy source of the facility, or (ii) uses gas as the primary energy
579 source of the facility and uses an improved and innovative technology
580 which furthers the state energy policy as set forth in section 16a-35k,
581 (B) a subsidiary of any other public service company or a subsidiary of
582 a holding company controlling, directly or indirectly, such a public
583 service company, which generates electricity solely through ownership
584 of fifty per cent or less of a private power production facility, (C) the
585 state, a political subdivision of the state or any other person, firm or
586 corporation other than a public service company or any corporation
587 which was a public service company, prior to July 1, 1981, and which
588 consents to be regulated as a public service company or a holding
589 company for a public service company, which generates electricity
590 solely through ownership of one hundred per cent or less of a private
591 power production facility, or (D) any combination thereof;

592 (4) "Private power provider" means any person, firm, corporation,
593 nonprofit corporation, limited liability company, governmental entity,
594 or other entity, including any public service company, holding
595 company, or subsidiary, which provides energy conservation or
596 demand management measures pursuant to section 16-243f and

597 regulations and orders issued hereunder, which replace the need for
598 electricity generating capacity that electric public service companies
599 would otherwise require;

600 (5) "Electricity conservation or demand management measures"
601 means the provision pursuant to this section and section 16-243f and
602 regulations and orders adopted hereunder by a private power
603 provider to an electric public service company or its customers of
604 equipment or services or both designed to conserve electricity or to
605 manage electricity load; and

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

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

614 (a) Each electric distribution company shall file with the Public
615 Utilities Regulatory Authority for review and approval three pro
616 forma tariffs for the purchase of energy and capacity from eligible
617 qualifying facilities from which the electric distribution company is
618 obligated to purchase energy or capacity pursuant to 18 CFR 292.303.
619 Tariffs required pursuant to this section shall address each of the
620 following types of PURPA transactions: (1) Energy-only qualifying
621 facility sales; (2) capacity-only qualifying facility sales; and (3) energy
622 and capacity qualifying facility sales.

623 (b) The Public Utilities Regulatory Authority shall conduct an
624 uncontested proceeding to review tariffs submitted pursuant to
625 subsection (a) of this section. The authority shall approve tariffs that it
626 determines satisfy the requirements of PURPA and any other
627 requirements the authority deems appropriate.

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

633 Sec. 15. Subdivision (24) of subsection (b) of section 7-233e of the
634 general statutes is repealed and the following is substituted in lieu
635 thereof (*Effective from passage*):

636 (24) To contract for the purchase or exchange of electricity produced
637 by a [person using cogeneration technology or renewable fuel
638 resources] Qualifying Facility, as defined in [section 16-1] 18 CFR
639 292.101(b)(1), or for the sale or exchange of electricity produced by the
640 municipal cooperative to such person, provided such purchase, sale or
641 exchange [is subject to the rates and conditions of service established
642 in accordance with section 16-243a] complies with the rates and
643 conditions of service established in 18 CFR 292;

644 Sec. 16. Section 12-408b of the general statutes is repealed and the
645 following is substituted in lieu thereof (*Effective from passage*):

646 On and after July 1, 1991, any person, firm or corporation who pays
647 a sales and use tax, which tax would not have been due prior to July 1,
648 1991, pursuant to subdivision (39) of section 12-412 of the general
649 statutes, revision of 1958, revised to January 1991, shall recover the tax
650 paid by (1) adding such tax to any amounts otherwise payable [under
651 a sales contract] pursuant to a tariff approved by the Public Utilities
652 Regulatory Authority pursuant to [subsection (d) of] section 16-243a,
653 as amended by this act, and (2) amortizing such tax, together with
654 interest at the rate paid on front-loaded payments, over the life of a
655 sales contract approved by the department pursuant to said
656 [subsection (d)] section.

657 Sec. 17. Subdivision (3) of subsection (a) of section 16-1 of the
658 general statutes is repealed and the following is substituted in lieu
659 thereof (*Effective from passage*):

660 (3) "Public service company" includes electric distribution, gas,
661 telephone, pipeline, sewage, water and community antenna television
662 companies and holders of a certificate of cable franchise authority,
663 owning, leasing, maintaining, operating, managing or controlling
664 plants or parts of plants or equipment, but shall not include towns,
665 cities, boroughs, any municipal corporation or department thereof,
666 whether separately incorporated or not, a [private power producer]
667 producer Qualifying Facility, as defined in [section 16-243b] 18 CFR
668 292.101(b)(1), or an exempt wholesale generator, as defined in 15 USC
669 79z-5a;

670 Sec. 18. Subdivision (23) of subsection (a) of section 16-1 of the
671 general statutes is repealed and the following is substituted in lieu
672 thereof (*Effective from passage*):

673 (23) "Electric distribution company" or "distribution company"
674 means any person providing electric transmission or distribution
675 services within the state, but does not include: (A) A [private power
676 producer] Qualifying Facility, as defined in [section 16-243b] 18 CFR
677 292.101(b)(1); (B) a municipal electric utility established under chapter
678 101, other than a participating municipal electric utility; (C) a
679 municipal electric energy cooperative established under chapter 101a;
680 (D) an electric cooperative established under chapter 597; (E) any other
681 electric utility owned, leased, maintained, operated, managed or
682 controlled by any unit of local government under any general statute
683 or special act; (F) an electric supplier; (G) an entity approved to
684 submeter pursuant to section 16-19ff; or (H) a municipality, state or
685 federal governmental entity authorized to distribute electricity across a
686 public highway or street pursuant to section 16-243aa;

687 Sec. 19. Subsection (a) of section 16-50i of the general statutes is
688 repealed and the following is substituted in lieu thereof (*Effective from*
689 *passage*):

690 (a) "Facility" means: (1) An electric transmission line of a design
691 capacity of sixty-nine kilovolts or more, including associated

692 equipment but not including a transmission line tap, as defined in
693 subsection (e) of this section; (2) a fuel transmission facility, except a
694 gas transmission line having a design capability of less than two
695 hundred pounds per square inch gauge pressure or having a design
696 capacity of less than twenty per cent of its specified minimum yield
697 strength; (3) any electric generating or storage facility using any fuel,
698 including nuclear materials, including associated equipment for
699 furnishing electricity but not including an emergency generating
700 device, as defined in subsection (f) of this section or a facility (A)
701 [owned and operated by a private power producer, as defined in
702 section 16-243b, (B) which is a qualifying small power production
703 facility or a qualifying cogeneration facility under the Public Utility
704 Regulatory Policies Act of 1978, as amended] which is a Qualifying
705 Facility, as defined in 18 CFR 292.101(b)(1), or a facility determined by
706 the council to be primarily for a producer's own use, and [(C)] (B)
707 which has, in the case of a [facility] Qualifying Facility utilizing
708 renewable energy sources, a generating capacity of one megawatt of
709 electricity or less and, in the case of a [facility] Qualifying Facility
710 utilizing cogeneration technology, a generating capacity of twenty-five
711 megawatts of electricity or less; (4) any electric substation or
712 switchyard designed to change or regulate the voltage of electricity at
713 sixty-nine kilovolts or more or to connect two or more electric circuits
714 at such voltage, which substation or switchyard may have a substantial
715 adverse environmental effect, as determined by the council established
716 under section 16-50j, and other facilities which may have a substantial
717 adverse environmental effect as the council may, by regulation,
718 prescribe; (5) such community antenna television towers and head-end
719 structures, including associated equipment, which may have a
720 substantial adverse environmental effect, as said council shall, by
721 regulation, prescribe; and (6) such telecommunication towers,
722 including associated telecommunications equipment, owned or
723 operated by the state, a public service company or a certified
724 telecommunications provider or used in a cellular system, as defined
725 in [the Code of Federal Regulations Title 47, Part 22] 47 CFR 22, as
726 amended, which may have a substantial adverse environmental effect,

727 as said council shall, by regulation, prescribe;

728 Sec. 20. Section 16a-49 of the general statutes is repealed and the
729 following is substituted in lieu thereof (*Effective from passage*):

730 [(a)] The Public Utilities Regulatory Authority shall require each gas
731 and electric public service company to implement a cost effective
732 conservation and load management program consistent with
733 integrated resource planning principles. As part of each conservation
734 and load management program, the authority shall require specific
735 programs to target the needs of manufacturers. The authority shall
736 allow the gas or electric public service company either: (1) To earn a
737 return on prudently incurred multiyear conservation and load
738 management expenditures on programs and measures approved by
739 the authority included in the company's rate base and successfully
740 implemented by the company at a rate at least one percentage point
741 but no more than five percentage points higher than such company's
742 rate of return otherwise found to be reasonable; or (2) authorize a
743 return of at least one percentage point but no more than five
744 percentage points on the company's prudently incurred conservation
745 and load management expenditures treated as operating costs on
746 programs and measures approved by the authority and successfully
747 implemented by the company. For the purposes of this section,
748 "conservation and load management expenditures" shall include all
749 prudent expenditures, approved by the authority by gas or electric
750 public service companies designed to conserve energy or manage gas
751 or energy load.

752 [(b)] The authority may authorize an electric public service company
753 a return on such company's expenditures in acquiring energy
754 conservation or load management measures, approved by the
755 authority, from private power providers, as defined in section 16-
756 243b.]

757 Sec. 21. Section 49-4c of the general statutes is repealed and the
758 following is substituted in lieu thereof (*Effective from passage*):

759 Any mortgage entered into subsequent to July 1, 1986, between a
760 [private power producer, as defined in section 16-243b, or the owner or
761 operator of a qualifying facility] Qualifying Facility, as defined in [Part
762 292 of Title 18 of the Code of Federal Regulations] 18 CFR 292, or a
763 guarantor of any of their respective obligations, as mortgagor, and an
764 electric distribution company, as defined in section 16-1, as amended
765 by this act, as mortgagee, shall be valid to secure all obligations then
766 existing or thereafter arising of the mortgagor to the mortgagee under
767 an electricity purchase [agreement] tariff, including, without
768 limitation, recovery of amounts paid to [the private power producer
769 or] the owner or operator of a [qualifying facility] Qualifying Facility
770 by the mortgagee in excess of the mortgagee's avoided costs, as
771 defined in accordance with tariffs approved by the Public Utilities
772 Regulatory Authority pursuant to section 16-243a, as amended by this
773 act, and all other damages for failure to deliver electric energy or
774 capacity or other breach of an electricity purchase agreement,
775 including, without limitation, the net replacement cost of the capacity
776 being secured by such mortgage, together with accrued interest, if any,
777 as computed in accordance with the terms of the electricity purchase
778 agreement or the mortgage, and under a guarantee of such obligations
779 or obligations created by the mortgage, and shall have priority over the
780 rights of others who shall acquire any rights in the property covered
781 by such mortgage subsequent to the recording of the mortgage in the
782 land records of the town in which the mortgaged property is situated
783 provided: (1) The electricity purchase [agreement] tariff is substantially
784 in the form approved by the Public Utilities Regulatory Authority
785 pursuant to section 16-243a, as amended by this act, and shall have
786 been entered into by the mortgagor and mortgagee prior to or
787 simultaneously with or subsequent to the execution and delivery of the
788 mortgage, (2) the caption to the mortgage shall contain the words
789 "Open-End Mortgage" and ["Electricity Purchase Agreement"]
790 "Electricity Purchase Tariff", (3) the mortgage shall state that it is
791 entered into to secure the mortgagor's obligations to the mortgagee
792 under an electricity purchase [agreement] tariff or under a guarantee
793 of any electricity purchase [agreement] tariff obligations and shall

794 recite either the address of an office of the mortgagee or its assignee in
795 the state at which a copy of the electricity purchase [agreement] tariff
796 is on file and may be inspected by the public during normal business
797 hours or that the electricity purchase [agreement] tariff has been
798 recorded, as an exhibit to the mortgage or otherwise, on or before the
799 date the mortgage is recorded, in the land records of the town in which
800 the mortgaged property is situated, provided the electricity purchase
801 [agreement] tariff shall be so recorded, (4) the amount of the obligation
802 from time to time secured by the mortgage may be determined or
803 reasonably approximated on the basis of records maintained by the
804 mortgagee or its assignee in the state, which records and an estimate of
805 the amount claimed by the mortgagee to be secured are made available
806 to the public with reasonable promptness upon written request, and
807 (5) the mortgage states the maximum amount which it shall secure.
808 Nothing in this section shall invalidate any mortgage which would be
809 valid without this section. For purposes of this section, ["electricity
810 purchase agreement"] "electricity purchase tariff" means [a contract or]
811 an agreement to purchase and sell electric energy or capacity by and
812 between [a private power producer, as defined in section 16-243b, or]
813 the owner or operator of a [qualifying facility] Qualifying Facility, as
814 defined in [Part 292 of Title 18 of the Code of Federal Regulations] 18
815 CFR 292.101(b)(1), and an electric distribution company, as defined in
816 section 16-1, as amended by this act.

817 Sec. 22. Subsection (d) of section 16-245n of the general statutes is
818 repealed and the following is substituted in lieu thereof (*Effective from*
819 *passage*):

820 (d) (1) (A) The Connecticut Green Bank is hereby established and
821 created as a body politic and corporate, constituting a public
822 instrumentality and political subdivision of the state of Connecticut
823 established and created for the performance of an essential public and
824 governmental function. The Connecticut Green Bank shall not be
825 construed to be a department, institution or agency of the state.

826 (B) The Connecticut Green Bank shall (i) develop separate programs

827 to finance and otherwise support clean energy investment in
828 residential, municipal, small business and larger commercial projects
829 and such others as the Connecticut Green Bank may determine; (ii)
830 support financing or other expenditures that promote investment in
831 clean energy sources in accordance with a comprehensive plan
832 developed by it to foster the growth, development and
833 commercialization of clean energy sources and related enterprises; and
834 (iii) stimulate demand for clean energy and the deployment of clean
835 energy sources within the state that serve end use customers in the
836 state.

837 (C) The Clean Energy Finance and Investment Authority shall
838 constitute a successor agency to Connecticut Innovations,
839 Incorporated, for the purposes of administering the Clean Energy
840 Fund in accordance with section 4-38d. The Connecticut Green Bank
841 shall constitute a successor agency to the Clean Energy Finance and
842 Investment Authority for purposes of administering the Clean Energy
843 Fund in accordance with section 4-38d. The Connecticut Green Bank
844 shall have all the privileges, immunities, tax exemptions and other
845 exemptions of Connecticut Innovations, Incorporated, with respect to
846 said fund. The Connecticut Green Bank shall be subject to suit and
847 liability solely from the assets, revenues and resources of said bank
848 and without recourse to the general funds, revenues, resources or
849 other assets of Connecticut Innovations, Incorporated. The Connecticut
850 Green Bank may provide financial assistance in the form of grants,
851 loans, loan guarantees or debt and equity investments, as approved in
852 accordance with written procedures adopted pursuant to section 1-121.
853 The Connecticut Green Bank may assume or take title to any real
854 property, convey or dispose of its assets and pledge its revenues to
855 secure any borrowing, convey or dispose of its assets and pledge its
856 revenues to secure any borrowing, for the purpose of developing,
857 acquiring, constructing, refinancing, rehabilitating or improving its
858 assets or supporting its programs, provided each such borrowing or
859 mortgage, unless otherwise provided by the board or said bank, shall
860 be a special obligation of said bank, which obligation may be in the

861 form of bonds, bond anticipation notes or other obligations which
862 evidence an indebtedness to the extent permitted under this chapter to
863 fund, refinance and refund the same and provide for the rights of
864 holders thereof, and to secure the same by pledge of revenues, notes
865 and mortgages of others, and which shall be payable solely from the
866 assets, revenues and other resources of said bank and such bonds may
867 be secured by a special capital reserve fund contributed to by the state.
868 The Connecticut Green Bank shall have the purposes as provided by
869 resolution of said bank's board of directors, which purposes shall be
870 consistent with this section. No further action is required for the
871 establishment of the Connecticut Green Bank, except the adoption of a
872 resolution for said bank.

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

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

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

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

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

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

887 (vi) To employ such assistants, agents and employees as may be
888 necessary or desirable, who shall be exempt from the classified service
889 and shall not be employees, as defined in subsection (b) of section 5-
890 270; establish all necessary or appropriate personnel practices and

891 policies, including those relating to hiring, promotion, compensation
892 and retirement, and said bank shall not be an employer, as defined in
893 subsection (a) of section 5-270; and engage consultants, attorneys,
894 financial advisers, appraisers and other professional advisers as may
895 be necessary or desirable;

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

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

902 (ix) To enter into joint ventures and invest in, and participate with
903 any person, including, without limitation, government entities and
904 private corporations, in the formation, ownership, management and
905 operation of business entities, including stock and nonstock
906 corporations, limited liability companies and general or limited
907 partnerships, formed to advance the purposes of said bank, provided
908 members of the board of directors or officers or employees of said
909 bank may serve as directors, members or officers of any such business
910 entity, and such service shall be deemed to be in the discharge of the
911 duties or within the scope of the employment of any such director,
912 officer or employee, as the case may be, so long as such director, officer
913 or employee does not receive any compensation or financial benefit as
914 a result of serving in such role;

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

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

922 (E) (i) The Connecticut Green Bank may form one or more
923 subsidiaries to carry out the purposes of said bank, as described in
924 subparagraph (B) of subdivision (1) of this subsection and
925 subparagraph (A)(ii) of subdivision (2) of this subsection, and may
926 transfer to any such subsidiary any moneys and real or personal
927 property of any kind or nature. Any subsidiary may be organized as a
928 stock or nonstock corporation or a limited liability company. Each such
929 subsidiary shall have and may exercise such powers of said bank, as
930 set forth in the resolution of the board of directors of said bank
931 prescribing the purposes for which such subsidiary is formed, and
932 such other powers provided to it by law.

933 (ii) No such subsidiary of said bank shall be deemed a quasi-public
934 agency for purposes of chapter 12 and no such subsidiary shall have all
935 the privileges, immunities, tax exemptions and other exemptions of
936 said bank. In no event shall any such subsidiary have the power to hire
937 or otherwise retain employees. The governing documents of any such
938 subsidiary shall provide for the dissolution of such subsidiary upon
939 the completion of the purpose for which such subsidiary was formed.
940 Each such subsidiary may sue and shall be subject to suit, provided its
941 liability shall be limited solely to the assets, revenues and resources of
942 the subsidiary and without recourse to the general funds, revenues,
943 resources or any other assets of said bank. Each such subsidiary is
944 authorized to assume or take title to property subject to any existing
945 lien, encumbrance or mortgage and to mortgage, convey or dispose of
946 its assets and pledge its revenues to secure any borrowing, provided
947 each such borrowing or mortgage shall be a special obligation of the
948 subsidiary, which obligation may be in the form of bonds, bond
949 anticipation notes and other obligations, to fund and refund the same
950 and provide for the rights of the holders thereof, and to secure the
951 same by a pledge of revenues, notes and other assets and which shall
952 be payable solely from the revenues, assets and other resources of the
953 subsidiary. The Connecticut Green Bank may assign to a subsidiary
954 any rights, moneys or other assets it has under any governmental
955 program. No subsidiary of said bank shall borrow without the

956 approval of the board of directors of said bank.

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

961 (iv) The provisions of section 1-125 and this subsection shall apply
962 to any officer, director, designee or employee appointed as a member,
963 director or officer of any such subsidiary. Any such person so
964 appointed shall not be personally liable for the debts, obligations or
965 liabilities of any such subsidiary as provided in section 1-125. The
966 subsidiary shall, and said bank may, save harmless and indemnify
967 such officer, director, designee or employee as provided by section 1-
968 125.

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

975 (vi) The Connecticut Green Bank may make loans to each such
976 subsidiary from its assets and the proceeds of its bonds, notes and
977 other obligations, provided the source and security for the repayment
978 of such loans is derived from the assets, revenues and resources of the
979 subsidiary.

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

986 (ii) The Connecticut Green Bank through one or more of its

987 subsidiaries may seek to qualify as an eligible borrower of federal
988 funding or a recipient of benefits under federal programs, including,
989 but not limited to, funding or credit enhancement benefits from the
990 United States Department of Agriculture pursuant to the Rural
991 Electrification Act of 1936 and subsequent amendments.

992 (B) Before making any loan, loan guarantee, or such other form of
993 financing support or risk management for a clean energy project, the
994 Connecticut Green Bank shall develop standards to govern the
995 administration of said bank through rules, policies and procedures that
996 specify borrower eligibility, terms and conditions of support, and other
997 relevant criteria, standards or procedures.

998 (C) Funding sources specifically authorized include, but are not
999 limited to:

1000 (i) Funds repurposed from existing programs providing financing
1001 support for clean energy projects, provided any transfer of funds from
1002 such existing programs shall be subject to approval by the General
1003 Assembly and shall be used for expenses of financing, grants and
1004 loans;

1005 (ii) Any federal funds that can be used for the purposes specified in
1006 subsection (c) of this section;

1007 (iii) Charitable gifts, grants, contributions as well as loans from
1008 individuals, corporations, university endowments and philanthropic
1009 foundations;

1010 (iv) Earnings and interest derived from financing support activities
1011 for clean energy projects backed by the Connecticut Green Bank;

1012 (v) If and to the extent that the Connecticut Green Bank qualifies as
1013 a Community Development Financial Institution under Section 4702 of
1014 the United States Code, funding from the Community Development
1015 Financial Institution Fund administered by the United States
1016 Department of Treasury, as well as loans from and investments by

1017 depository institutions seeking to comply with their obligations under
1018 the United States Community Reinvestment Act of 1977; and

1019 (vi) The Connecticut Green Bank may enter into contracts with
1020 private sources to raise capital. The average rate of return on such debt
1021 or equity shall be set by the board of directors of said bank.

1022 (D) The Connecticut Green Bank may provide financing support
1023 under this subsection if said bank determines that the amount to be
1024 financed by said bank and other nonequity financing sources do not
1025 exceed eighty per cent of the cost to develop and deploy a clean energy
1026 project or up to one hundred per cent of the cost of financing an energy
1027 efficiency project.

1028 (E) The Connecticut Green Bank may assess reasonable fees on its
1029 financing activities to cover its reasonable costs and expenses, as
1030 determined by the board.

1031 (F) The Connecticut Green Bank shall make information regarding
1032 the rates, terms and conditions for all of its financing support
1033 transactions available to the public for inspection, including formal
1034 annual reviews by both a private auditor conducted pursuant to
1035 subdivision (2) of subsection (f) of this section and the Comptroller,
1036 and providing details to the public on the Internet, provided public
1037 disclosure shall be restricted for patentable ideas, trade secrets,
1038 proprietary or confidential commercial or financial information,
1039 disclosure of which may cause commercial harm to a
1040 nongovernmental recipient of such financing support and for other
1041 information exempt from public records disclosure pursuant to section
1042 1-210.

1043 (3) No director, officer, employee or agent of the Connecticut Green
1044 Bank, while acting within the scope of his or her authority, shall be
1045 subject to any personal liability resulting from exercising or carrying
1046 out any of the Connecticut Green Bank's purposes or powers.

1047 Sec. 23. Subdivision (1) of subsection (e) of section 16-245n of the

1048 general statutes is repealed and the following is substituted in lieu
1049 thereof (*Effective October 1, 2019*):

1050 (e) (1) The powers of the Connecticut Green Bank shall be vested in
1051 and exercised by a board of directors, which shall consist of eleven
1052 voting members and [two] one nonvoting [members] member each
1053 with knowledge and expertise in matters related to the purpose and
1054 activities of said bank appointed as follows: The Treasurer or the
1055 Treasurer's designee, the Commissioner of Energy and Environmental
1056 Protection or the commissioner's designee and the Commissioner of
1057 Economic and Community Development or the commissioner's
1058 designee, each serving ex officio, one member who shall represent a
1059 residential or low-income group appointed by the speaker of the
1060 House of Representatives for a term of four years, one member who
1061 shall have experience in investment fund management appointed by
1062 the minority leader of the House of Representatives for a term of three
1063 years, one member who shall represent an environmental organization
1064 appointed by the president pro tempore of the Senate for a term of four
1065 years, and one member who shall have experience in the finance or
1066 deployment of renewable energy appointed by the minority leader of
1067 the Senate for a term of four years. Thereafter, such members of the
1068 General Assembly shall appoint members of the board to succeed such
1069 appointees whose terms expire and each member so appointed shall
1070 hold office for a period of four years from the first day of July in the
1071 year of his or her appointment. The Governor shall appoint four
1072 members to the board as follows: Two for two years who shall have
1073 experience in the finance of renewable energy; one for four years who
1074 shall be a representative of a labor organization; and one for four years
1075 who shall have experience in research and development or
1076 manufacturing of clean energy. Thereafter, the Governor shall appoint
1077 members of the board to succeed such appointees whose terms expire
1078 and each member so appointed shall hold office for a period of four
1079 years from the first day of July in the year of his or her appointment.
1080 The president of the Connecticut Green Bank shall be elected by the
1081 members of the board. The president of the Connecticut Green Bank

1082 shall serve on the board in an ex-officio, nonvoting capacity. The
 1083 Governor shall appoint the chairperson of the board. The board shall
 1084 elect from its members a vice chairperson and such other officers as it
 1085 deems necessary and shall adopt such bylaws and procedures it deems
 1086 necessary to carry out its functions. The board may establish
 1087 committees and subcommittees as necessary to conduct its business.

1088 Sec. 24. Sections 16-243d, 16-243f and 16-243g of the general statutes
 1089 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>October 1, 2019</i>	New section
Sec. 12	<i>from passage</i>	16-356
Sec. 13	<i>from passage</i>	16-243a
Sec. 14	<i>from passage</i>	16-243b
Sec. 15	<i>from passage</i>	7-233e(b)(24)
Sec. 16	<i>from passage</i>	12-408b
Sec. 17	<i>from passage</i>	16-1(a)(3)
Sec. 18	<i>from passage</i>	16-1(a)(23)
Sec. 19	<i>from passage</i>	16-50i(a)
Sec. 20	<i>from passage</i>	16a-49
Sec. 21	<i>from passage</i>	49-4c
Sec. 22	<i>from passage</i>	16-245n(d)
Sec. 23	<i>October 1, 2019</i>	16-245n(e)(1)
Sec. 24	<i>from passage</i>	Repealer section