
OLR Bill Analysis

sSB 93

AN ACT CONCERNING THE COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM.

SUMMARY

This bill expands eligibility for the Green Bank's Commercial Property Assessed Clean Energy Program (C-PACE) by allowing the program to finance the installation of zero-emission vehicle refueling infrastructure and resilience improvements on qualifying commercial real property. By law, a "zero-emission vehicle" is an electric, hybrid, or other vehicle certified by the California Air Resources Board to produce zero emissions of certain pollutants (CGS § 4a-67d). "Resilience" means the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents, or naturally occurring threats or incidents, including threats or incidents associated with climate change impact (CGS § 16-244aa). To qualify, these projects must be permanently fixed to the commercial property.

Generally, C-PACE finances certain energy improvement projects and the property owner repays the costs through an assessment on the property, backed by a lien. Current law requires the Green Bank to adopt standards to ensure that the project's energy cost savings over its useful life exceed its costs. The bill (1) requires these standards to instead determine whether the projects combined projected energy cost savings and other associated savings over its useful life exceed its costs and (2) exempts zero-emission vehicle refueling infrastructure and resilience improvement projects. The bill requires the Green Bank to develop separate eligibility criteria for resilience projects.

Current law requires the Green Bank to develop guidelines governing the terms and conditions under which third-party financing may be made available to C-PACE and allows the bank to serve as an aggregating entity to secure private third-party financing. The bill

makes conforming changes to specify that the financing under these provisions is third-party capital provider financing.

EFFECTIVE DATE: October 1, 2022

RESILIENCE PROJECT ELIGIBILITY REQUIREMENTS

For resilience improvements, the bill requires the Green Bank to consult with the Department of Energy and Environmental Protection and the Connecticut Institute for Resilience and Climate Adaptation to develop financing eligibility criteria consistent with state environmental resource protection and community resilience goals. Under current law, if a qualified property owner requests financing, the Green Bank must require that an energy audit or a renewable energy system feasibility analysis be performed on the property to assess the project's expected energy cost savings over its useful life before approving financing. The bill additionally allows the Green Bank to meet this requirement by requiring a resilience study instead.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 24 Nay 2 (03/22/2022)