



General Assembly

Amendment

January Session, 2023

LCO No. 8767



Offered by:
REP. STEINBERG, 136th Dist.

To: House Bill No. 6853

File No. 191

Cal. No. 157

"AN ACT CONCERNING FUNDING FOR MICROGRIDS AND RESILIENCE PROJECTS."

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

3 "Section 1. Section 16-243y of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2023*):

5 (a) As used in this section:

6 (1) ["Municipality" has the same meaning as provided in section 7-
7 233b] "Regional councils of governments" means a regional council of
8 governments organized under the provisions of sections 4-124i to 4-
9 124p, inclusive;

10 (2) "Critical facility" means any hospital, police station, fire station,
11 water treatment plant, sewage treatment plant, public shelter,
12 correctional facility or production and transmission facility of a
13 television or radio station, whether broadcast, cable or satellite, licensed

14 by the Federal Communications Commission, any commercial area of a
15 municipality, a municipal center, as identified by the chief elected
16 official of any municipality, or any other facility or area identified by the
17 Department of Energy and Environmental Protection as critical;

18 (3) "Distributed energy generation" means the generation of
19 electricity from a unit with a rating of not more than sixty-five
20 megawatts on the premises of a retail end user within the transmission
21 and distribution system;

22 (4) "Electric distribution company" and "participating municipal
23 electric utility" have the same meanings as provided in section 16-1;

24 (5) "Microgrid" means a group of interconnected loads and
25 distributed energy resources within clearly defined electrical
26 boundaries that acts as a single controllable entity with respect to the
27 grid and that connects and disconnects from such grid to enable it to
28 operate in both grid-connected or island mode;

29 (6) "Resilience" means the ability to prepare for and adapt to changing
30 conditions and withstand and recover rapidly from deliberate attacks,
31 accidents or naturally occurring threats or incidents, including, but not
32 limited to, threats or incidents associated with the impacts of climate
33 change; and

34 (7) "Vulnerable communities" means populations that may be
35 disproportionately impacted by the effects of climate change, including,
36 but not limited to, low and moderate income communities,
37 environmental justice communities pursuant to section 22a-20a,
38 communities eligible for community reinvestment pursuant to section
39 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et
40 seq., as amended from time to time, populations with increased risk and
41 limited means to adapt to the effects of climate change, or as further
42 defined by the Department of Energy and Environmental Protection in
43 consultation with community representatives.

44 (b) The Department of Energy and Environmental Protection shall

45 establish a microgrid and resilience grant and loan pilot program to
46 support local distributed energy generation for critical facilities or
47 resilience projects. The department shall develop and issue a request for
48 proposals from [municipalities] eligible recipients that shall include, but
49 need not be limited to, any local or regional governmental entity,
50 municipal corporation, regional council of governments, public
51 authority, state and federally recognized tribe, electric distribution
52 [companies] company, participating municipal electric [utilities] utility,
53 energy improvement [districts,] district and nonprofit, academic and
54 private [entities] entity seeking to develop microgrid distributed energy
55 generation, or to repurpose existing distributed energy generation for
56 use with microgrids, to support critical facilities or to develop resilience
57 projects. Any [entity eligible to submit a proposal pursuant to this
58 section] such eligible recipient may collaborate with any other such
59 [entity] eligible recipient in submitting such proposal. The department
60 may use any bond funds authorized in support of microgrids or
61 resilience to: (1) Provide grants or loans to eligible recipients, and (2)
62 hire a technical consultant to support the implementation of this section,
63 [using any bond funds authorized in support of microgrids or
64 resilience.]

65 (c) The department [shall] may award grants or loans under the
66 microgrid and resilience grant and loan pilot program to any number of
67 eligible recipients. The department shall prioritize proposals that benefit
68 vulnerable communities. [To the extent possible, the amount of loans
69 and grants awarded under the program shall be evenly distributed
70 between small, medium and large municipalities.] Such grants and
71 loans may provide: (1) Assistance with community planning that
72 includes, but is not limited to, microgrid or resilience project feasibility,
73 including benefit-cost analyses, (2) assistance to recipients for the cost of
74 design, engineering services and interconnection infrastructure for any
75 such microgrid or resilience project, (3) matching funds or low interest
76 loans for an energy storage system or systems, as defined in section 16-
77 1, or distributed energy generation projects first placed in service on or
78 after July 1, 2016, provided such generation is derived from a Class I

79 renewable energy source, as defined in section 16-1, or a Class III energy
80 source, as defined in section 16-1, for any such microgrid or resilience
81 project, and (4) nonfederal cost share for grant or loan applications for
82 projects or programs that include microgrids or resilience. The
83 department may establish any financing mechanism to provide or
84 leverage additional funding to support the development of
85 interconnection infrastructure, distributed energy generation,
86 microgrids and resilience projects.

87 (d) Not later than January first, annually, for a period of five years
88 after receiving a grant or loan under the microgrid and resilience grant
89 and loan pilot program, the recipient of such grant or loan shall submit
90 a report to the Public Utilities Regulatory Authority, the Office of
91 Consumer Counsel and the Department of Energy and Environmental
92 Protection and, in accordance with section 11-4a, to the joint standing
93 committees of the General Assembly having cognizance of matters
94 relating to appropriations and energy. Such report shall include
95 information concerning the status of such recipient's microgrid or
96 resilience project.

97 [(e) The Department of Energy and Environmental Protection, in
98 consultation with the Connecticut Academy of Science and Engineering,
99 shall study the methods of providing reliable electric services to critical
100 facilities, taking into consideration the location of such critical facilities.
101 Such study shall evaluate the costs and benefits of such methods,
102 including, but not limited to, the use of microgrids, undergrounding
103 and portable turbine generation, and shall make recommendations
104 identifying the most cost-effective and reliable of such methods. Not
105 later than January 1, 2013, the department shall submit the findings of
106 such study, in accordance with section 11-4a, to the joint standing
107 committee of the General Assembly having cognizance of matters
108 relating to energy and technology.]

109 Sec. 2. (NEW) (*Effective from passage*) Any state agency, as defined in
110 section 1-79 of the general statutes, may participate in a building
111 decarbonization project for a building or facility that is owned or leased

112 by the state, provided such state agency occupies such building or
 113 facility. A state agency that seeks to participate in a building
 114 decarbonization project shall submit a request to the Department of
 115 Energy and Environmental Protection for review of the project. The
 116 Department of Energy and Environmental Protection, in consultation
 117 with the Department of Administrative Services, may review and
 118 recommend approval of the project. Upon receipt of the department's
 119 recommended approval, a state agency shall submit a request to
 120 participate in the building decarbonization project, with supporting
 121 documentation, including the recommended approval of the
 122 Department of Energy and Environmental Protection, to the Office of
 123 Policy and Management for review and final approval. The Office of
 124 Policy and Management may only approve a project if such project can
 125 be sustained by the operating budget for the relevant state agency,
 126 based on the operating budget for the fiscal year in which the state
 127 agency files such request. For purposes of this section, "building
 128 decarbonization project" means a project that implements energy
 129 efficiency measures, reduces energy usage or decarbonizes the energy
 130 use of a building or facility that is offered by an electric distribution
 131 company or gas company through the Conservation and Load
 132 Management Plan approved pursuant to section 16-245m of the general
 133 statutes, or successor programs, or offered by the Connecticut Green
 134 Bank, including participation in associated financing mechanisms
 135 offered by such companies or the Connecticut Green Bank."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	16-243y
Sec. 2	<i>from passage</i>	New section