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## **OLR Bill Analysis**

### **sHB 5052**

#### ***AN ACT SUPPORTING SOLAR ENERGY IN SCHOOLS.***

#### **SUMMARY**

This bill incentivizes solar facility installation at public schools by requiring (1) the Public Utilities Regulatory Authority (PURA) to develop a program for this purpose and (2) solar feasibility studies for at least one public school in each town or regional school district.

The bill requires PURA to initiate a docket by January 1, 2025, to establish a program to encourage solar facility and energy storage installation at public schools. PURA may establish a cap for the program of up to 25 megawatts (MW) per year, but this cap is separate from caps in existing renewable energy tariffs and energy storage programs.

The bill requires school superintendents to select an entity by October 1, 2024, to conduct a solar feasibility assessment to determine whether solar installation is feasible at one or more schools in the town or district.

The bill also excludes certain energy-related funds from the state funds that must be subtracted from the total project cost when calculating a school construction grant. This generally has the effect of decreasing the amount the town must spend on a project that receives these energy-related funds.

EFFECTIVE DATE: July 1, 2024

#### **RENEWABLE TARIFF FOR SOLAR IN SCHOOLS**

The bill requires PURA to initiate a docket by January 1, 2025, to develop a program to encourage solar facility and energy storage system installation at public schools. PURA must incorporate the program into existing renewable energy tariffs (see BACKGROUND) and the program must allow for an equal amount of solar and energy storage capacity. The bill authorizes PURA to (1) establish a separate

tariff (i.e., generally, a set of rules and rates) for projects selected under this program and (2) limit the program's size by implementing a cap of up to 25 MW per year on the capacity of selected projects, though PURA must allow unused allowance under the cap in any given year to accrue (i.e., be available in subsequent years). Under the bill, this program is not counted toward separate caps in existing renewable energy tariffs or energy storage programs (see BACKGROUND).

Under the bill, project proposals may use electricity estimates that exceed the existing on-site usage at the time of the proposal to account for the following additional future uses:

1. electric vehicle charging, as PURA determines;
2. providing electricity to an adjacent property if both properties are owned by a government entity;
3. electric heating and cooling systems; and
4. powering equipment to provide food and water.

### **SOLAR FEASIBILITY STUDIES**

The bill requires each town's or regional school district's school superintendent to select an entity by October 1, 2024, to conduct a solar feasibility assessment. The entity must be an association, company, corporation, organization, partnership, sole proprietorship, trust, state agency, or quasi-public agency and it must have experience in the solar energy field. The assessment must provide information needed to determine the feasibility of installing solar facilities at one or more public schools in the town or district and include the following information:

1. the school's annual electric load during the most recent calendar year;
2. the available area of rooftop space and impervious surface to host a solar facility;
3. available opportunities for interconnection with the electric

distribution system; and

4. a description of anticipated costs, savings, and contractual terms for the facility, including interconnection costs and electric bill credits.

Under the bill, starting July 1, 2024, school construction grant application forms must require school superintendents to affirm that the school district considered the solar feasibility assessment in towns or districts that do not currently use solar energy at the school building that is subject of the application.

### **ENERGY FUNDS AND SCHOOL CONSTRUCTION GRANTS**

Generally, school construction grants are based on eligible project costs, which are limited by state standards and other criteria. The state generally reimburses towns for some portion of those costs, depending on town wealth.

Current law requires that any state funds received by a town for a school building project be subtracted from the total project costs before the state calculates the town's state reimbursement grant amount. Starting July 1, 2024, the bill eliminates this requirement for the following energy-related state funds:

1. certain rate design standards for electric utilities (CGS § 16-19f),
2. the Department of Energy and Environmental Protection's microgrid and resilience grant and loan program (CGS § 16-243y),
3. renewable energy tariffs (see BACKGROUND) (CGS § 16-244z),
4. conservation and load management programs (CGS § 16-245m), and
5. the Green Bank's Clean Energy Fund (CGS § 16-245n).

### **BACKGROUND**

#### ***Related Bill***

sHB 5004, § 14, favorably reported by the Environment Committee, increases the state reimbursement by 10 percentage points for school building project grants for projects, including renovations, that install a renewable energy or energy efficiency project.

### ***Renewable Energy Tariffs***

The law and subsequent PURA decisions establish renewable energy tariffs that govern how electric customers who install, lease, or otherwise contract with solar facilities are compensated for the energy and related attributes these facilities generate. The law sets caps for two programs under these tariffs: the Nonresidential Energy Solutions program (NRES) and the Shared Clean Energy Facility program (SCEF). For NRES, the law caps low-emissions projects at 10 MW per year and zero-emissions projects at 100 MW per year. For SCEF, the law applies a 50 MW cap (CGS § 16-244z(c)(1)(A)).

### ***Energy Storage Programs***

The law authorizes PURA to develop and implement programs for electric energy storage resources (e.g., batteries) connected to the electric distribution system (CGS § 16-243ee). While the law does not set caps for energy storage, the program PURA subsequently established is based on energy storage deployment goals in statute (PURA Docket 17-12-03RE03). By law, these goals are as follows:

1. 300 MW by December 31, 2024;
2. 650 MW by December 31, 2027; and
3. 1,000 MW by December 31, 2030 (CGS § 16-243cc).

## **COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 12 Nay 6 (03/21/2024)