AN ACT CONCERNING CERTAIN RECOMMENDATIONS REGARDING CLIMATE CHANGE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 22a-174g of the general statutes is amended by adding subsections (c) and (d) as follows (Effective October 1, 2020):

(NEW) (c) (1) On or before December 31, 2021, the Commissioner of Energy and Environmental Protection shall assess the energy, environmental and air quality impacts of adopting California's medium and heavy duty vehicle emission standards.

(2) Pursuant to subdivision (1) of this subsection, if the commissioner deems such adoption necessary to meet federal air quality standards or state greenhouse gas reduction requirements, the commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement California's medium and heavy duty vehicle emission...
standards and shall amend such regulations from time to time, in accordance with changes to such standards. Such regulations may incorporate by reference California’s medium and heavy duty vehicle emission standards established in final regulations issued by the California Air Resources Board pursuant to Title 13 of the California Code of Regulations and promulgated under the authority of Division 26 of the California Health and Safety Code, as may be amended from time to time. The commissioner may enter into any agreement deemed necessary to ensure the effective and efficient implementation of this subsection.

(NEW) (d) In consultation with the Commissioner of Motor Vehicles and in accordance with subsection (b) of section 14-164c, the Commissioner of Energy and Environmental Protection may furnish the Commissioner of Motor Vehicles with emission standards for all medium and heavy duty motor vehicles for the purpose of establishing inspection and maintenance requirements in accordance with said subsection. The Commissioner of Energy and Environmental Protection and the Commissioner of Motor Vehicles may enter into any agreement deemed necessary to ensure the effective and efficient implementation of this subsection, including, but not limited to, reciprocity agreements with other states for medium and heavy duty motor vehicles moving in interstate commerce.

Sec. 2. Subsection (a) of section 22a-200a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2020):

(a) The state shall reduce the level of emissions of greenhouse gas:

(1) Not later than January 1, 2020, to a level at least ten per cent below the level emitted in 1990;

(2) Not later than January 1, 2030, to a level at least forty-five per cent below the level emitted in 2001; [and]
(3) Not later than January 1, 2040, to a level of zero per cent from electric generation serving electric usage in the state;

[(3)] (4) Not later than January 1, 2050, to a level at least eighty per cent below the level emitted in 2001; [.] and

[(4)] (5) All of the levels referenced in this subsection shall be determined by the Commissioner of Energy and Environmental Protection.

Sec. 3. (NEW) (Effective from passage) (a) The Commissioner of Energy and Environmental Protection, in consultation with the procurement manager identified in subsection (l) of section 16-2 of the general statutes, the Office of Consumer Counsel and the Attorney General, may, in coordination with other states in the control area of the regional independent system operator, as defined in section 16-1 of the general statutes, in coordination with states in a neighboring control area, or on behalf of the state alone, solicit proposals for energy products or benefits, associated attributes and associated transmission, or any combination thereof, in one solicitation or multiple solicitations, from any combination of the following resources: (1) Active demand response measures, (2) passive demand response measures, including, but not limited to, energy efficiency and load management, and (3) energy storage systems. The commissioner may select proposals from such resources that do not, annually, exceed three hundred thousand megawatt hours of electricity in the aggregate.

(b) If an electric distribution company, as defined in section 16-1 of the general statutes, submits a proposal, such electric distribution company shall demonstrate that the electric demand reductions of the proposal are in addition to the projected electric demand reductions of the conservation and load management programs authorized pursuant to section 16-245m of the general statutes.

(c) In making any selection of such proposals, the commissioner shall consider factors, including, but not limited to, whether the proposal (1)
is in the best interest of ratepayers, (2) is consistent with the requirements to reduce greenhouse gas emissions in accordance with section 22a-200a of the general statutes, as amended by this act, and (3) is consistent with the policy goals outlined in the Comprehensive Energy Strategy adopted pursuant to section 16a-3d of the general statutes and the Integrated Resources Plan adopted pursuant to section 16a-3a of the general statutes.

(d) The commissioner may direct the electric distribution companies to enter into power purchase agreements for energy products and associated attributes, associated transmission or any combination thereof from resources selected pursuant to this section for periods of not more than twenty years on behalf of all customers of the state's electric distribution companies.

(e) Certificates issued by the New England Power Pool Generation Information System for any Class III source procured by an electric distribution company pursuant to this section may be: (1) Sold into the New England Power Pool Generation Information System renewable energy credit market to be used by any electric supplier or electric distribution company to meet the requirements of section 16-245a of the general statutes, provided the revenues from such sale are credited to electric distribution company customers as described in this section; or (2) retained by the electric distribution company to meet the requirements of section 16-245a of the general statutes. In considering whether to sell or retain such certificates, the company shall select the option that is in the best interest of such company's ratepayers, as directed by the Public Utilities Regulatory Authority.

(f) Any agreement entered into pursuant to this section shall be subject to review and approval by the Public Utilities Regulatory Authority, which review shall be completed not later than one hundred twenty days after receipt by the authority. The authority shall review and approve such agreement if it meets the criteria in the request for proposals issued pursuant to subsection (a) of this section and is in the
best interest of ratepayers. If the authority does not issue a decision within one hundred and twenty days after such filing, the agreement shall be deemed approved. The net costs of any such agreement, including costs incurred by the electric distribution companies under the agreement and reasonable costs incurred by the electric distribution companies in connection with the agreement, shall be recovered through a fully reconciling component of electric rates for all customers of electric distribution companies. Any net revenues from the sale of products purchased in accordance with long-term contracts entered into pursuant to this section shall be credited to customers through the same fully reconciling rate component for all customers of the contracting electric distribution company.

(g) The commissioner may hire consultants with expertise in quantitative modeling of electric and gas markets to assist in implementing this section, including, but not limited to, the evaluation of proposals submitted pursuant to this section. All reasonable costs associated with the commissioner's solicitation and review of proposals pursuant to this section shall be recoverable through the same fully reconciling rate component for all customers of the electric distribution companies. Such costs shall be recoverable even if the commissioner does not select any proposals pursuant to any solicitation issued pursuant to this section.

(h) (1) Any dispute arising from a contract that is approved by the authority pursuant to this section shall be brought to the authority. A party may petition the authority for a declaratory ruling or make an application for review pursuant to this subsection. Notwithstanding subsection (a) of section 4-176 of the general statutes, the authority may not, on its own motion, initiate a proceeding to review a contract entered into pursuant to this subsection.

(2) The authority shall review such contract claims brought pursuant to subdivision (1) of this subsection. The authority shall decide such contract claims by issuing a declaratory ruling or a final decision in a
contested case proceeding, including ordering legal and equitable contract remedies. Any party to the contract shall have the right to appeal to the Superior Court from any such declaratory ruling or final decision adjudicating such contract claims pursuant to this subsection.

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**Statement of Purpose:**
To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]