
OLR Bill Analysis

HB 6853

AN ACT CONCERNING FUNDING FOR MICROGRIDS AND RESILIENCE PROJECTS.

SUMMARY

This bill expands funding eligibility from the Microgrid and Resilience Grant and Loan Program to include any local or regional governmental entity, municipal corporation, regional council of government, public authority, state and federally recognized tribe, or state agency. Under current law, municipalities, electric distribution companies (i.e., Eversource and United Illuminating), participating municipal electric utilities, energy improvement districts, and nonprofit, academic, and private entities are also eligible.

Under existing law, eligible entities apply to the program by responding to a request for proposals from the Department of Energy and Environmental Protection (DEEP), which administers the program. The bill specifies that DEEP is not an eligible recipient of program funds.

The bill also (1) allows DEEP to use up to 4% of the program's authorized bond funds to administer the program; (2) removes a requirement for DEEP to distribute program funds evenly between small, medium, and large municipalities to the extent possible; and (3) removes an obsolete reporting requirement.

EFFECTIVE DATE: July 1, 2023

BACKGROUND

Microgrid and Resilience Grant and Loan Program

The Microgrid and Resilience Grant and Loan Program generally provides funding for entities to develop microgrid distributed energy generation, repurpose existing distributed energy generation to use with microgrids, support critical facilities, or develop resilience projects.

Program funding may provide (1) assistance with community planning; (2) assistance for certain design, engineering, and interconnection infrastructure costs; (3) matching funds or low interest loans for certain energy storage systems or distributed energy projects; and (4) non-federal cost shares for funding applications for projects that include microgrids or resilience.

By law, a “microgrid” is a group of interconnected electricity users and generators that (1) is within clearly defined boundaries and acts as a single controllable entity with respect to the larger grid and (2) can operate as either a part of the grid or independent of it (e.g., a fuel cell that powers a hospital but can also power a nearby municipal center during a power outage).

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 20 Nay 0 (03/14/2023)