



Senate

General Assembly

File No. 396

January Session, 2023

Substitute Senate Bill No. 1172

Senate, April 3, 2023

The Committee on Energy and Technology reported through SEN. NEEDLEMAN of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING ENERGY GENERATED FROM SOLID WASTE MANAGEMENT.

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

1 Section 1. Section 22a-228 of the general statutes is amended by
2 adding subsection (f) as follows (*Effective from passage*):

3 (NEW) (f) Notwithstanding subsection (b) of this section, on or before
4 January 1, 2024, the Commissioner of Energy and Environmental
5 Protection shall revise the state-wide solid waste management plan to
6 incorporate the findings and implement the recommendations
7 contained in the report issued by the Public Utilities Regulatory
8 Authority in Docket No. 22-10-07. Such revised state-wide solid waste
9 management plan shall include planning and policy recommendations
10 for contract-enabling legislation to provide a stable energy value for
11 trash-to-energy facilities, for incentives to retain existing trash-to-
12 energy facilities or incentivize the construction of new such facilities,
13 and for a procurement plan to select a trash-to-energy facility project.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22a-228(f)

ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Department of Energy and Environmental Protection	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential cost for the Department of Energy and Environmental Protection (DEEP). The bill implements the findings in Public Utilities Regulatory Agency (PURA) docket SA 22-11. The findings in the docket encourage an investigation into the incentives in place for Waste-to-Energy plants; as well as for DEEP to solicit proposals and select projects for further electricity pricing discovery through competitive solicitation. To the extent that DEEP was to select a proposal there would be a cost dependent upon the bid pricing.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 1172*****AN ACT CONCERNING ENERGY GENERATED FROM SOLID WASTE MANAGEMENT.*****SUMMARY**

This bill requires the Department of Energy and Environmental Protection (DEEP) commissioner to revise the state-wide solid waste management plan to incorporate the findings and implement the recommendations in the Public Utilities Regulatory Authority's (PURA) report in Docket No. 22-10-07. She must do this by January 1, 2024, and regardless of the requirement for the plan to prioritize managing solid waste in the following order: source reduction; recycling; composting of yard waste or vegetable matter; bulky waste recycling; resource recovery or waste-to-energy (WTE) plants; incineration; and landfilling.

The bill also requires the revised plan to include planning and policy recommendations for (1) contract-enabling legislation to provide a stable energy value for trash-to-energy facilities, (2) incentives to retain existing trash-to-energy facilities or build new ones, and (3) a procurement plan to select a trash-to-energy project.

EFFECTIVE DATE: Upon passage

BACKGROUND***PURA's Report in Docket No. 22-10-07***

As a member of the Solid Waste Management Working Group created by SA 22-11, PURA's chairperson initiated this docket to examine and analyze potential WTE pricing and contracting mechanisms for the state. Submitted to the legislature on February 10, 2023, the subsequent report examined, among other things, issues with (1) the current WTE business model, (2) the need for certain incentives to build new WTE facilities and support existing ones, and (3) structural considerations for various types of contracts.

The report offered the following steps for the working group to consider next:

1. reevaluate or confirm WTE's position in the state's codified waste management hierarchy;
2. determine if it is necessary to incentivize existing WTE facilities, building new ones, or both;
3. issue guidance on the weighting of certain contract type metrics;
4. adopt WTE contract-enabling legislation depending on the state's waste management strategy and the preferred contract structure; and
5. direct a state agency (typically DEEP) to conduct a request for proposals and select projects with further electricity pricing discovery done through the competitive solicitation.

Related Bill

sSB 1143, reported favorably by the Environment Committee, requires the DEEP commissioner to (1) submit any proposed revision to the state-wide solid waste management plan or Comprehensive Materials Management Strategy to the legislature for approval and (2) issue a request for information (RFI) about systems to process solid waste that is not otherwise diverted from the state's solid waste stream according to these documents. The RFI must seek information on gasification systems that convert solid waste into gas through a chemical reaction that does not consist of burning, but not information on systems that incinerate or combust solid waste or any form of landfilling.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/14/2023)