



General Assembly

January Session, 2023

Committee Bill No. 123

LCO No. 4332



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:
(ET)

***AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY
AUTHORITY, THE REGULATION OF ELECTRIC RATES AND STATE
PUBLIC POLICY CONCERNING ELECTRICITY GENERATION.***

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

1 Section 1. Subsection (b) of section 16-19tt of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2023*):

4 (b) In any rate case initiated on or after [July 8, 2013] October 1, 2023,
5 or in a pending rate case for which a final decision has not been issued
6 prior to [July 8, 2013] October 1, 2023, the Public Utilities Regulatory
7 Authority [shall] may order the state's gas and electric distribution
8 companies to decouple distribution revenues from the volume of
9 natural gas and electricity sales. [For electric distribution companies, the
10 decoupling mechanism shall be the adjustment of actual distribution
11 revenues to allowed distribution revenues. For gas distribution
12 companies, the decoupling mechanism shall be a mechanism that does
13 not remove the incentive to support the expansion of natural gas use
14 pursuant to the 2013 Comprehensive Energy Strategy, such as a
15 mechanism that decouples distribution revenue based on a use-per-

16 customer basis. In making its determination on this matter, the authority
17 shall consider the impact of decoupling on the gas or electric
18 distribution company's return on equity and make any necessary
19 adjustments thereto.] The authority shall have the discretion to
20 determine the decoupling mechanism and methodology used in
21 decoupling orders made pursuant to this subsection. In making such
22 determination, the authority shall consider factors, including, but not
23 limited to, (1) whether the decoupling mechanism and methodology is
24 in the best interest of ratepayers, and (2) whether the decoupling
25 mechanism and methodology will reduce service outages.

26 Sec. 2. Section 16-19jj of the general statutes is repealed and the
27 following is substituted in lieu thereof (*Effective October 1, 2023*):

28 (a) The Public Utilities Regulatory Authority shall, whenever it
29 deems appropriate, [encourage] permit the use of proposed settlements
30 produced by alternative dispute resolution mechanisms to resolve
31 contested cases and proceedings.

32 (b) The effective period of any provision in a proposed settlement
33 shall be expressly limited to a duration not longer than the duration of
34 the rate plan existing at the time the settlement is proposed.

35 (c) Any settlement of a proceeding to amend rates shall not constitute
36 a general rate hearing and shall not satisfy the requirements for periodic
37 review of gas and electric distribution companies' rates pursuant to
38 section 16-19a.

39 (d) Parties or intervenors to a contested proceeding may propose a
40 settlement by filing a motion, which shall be filed after the close of the
41 evidentiary record but not later than three weeks prior to the scheduled
42 issuance date of the proposed final decision in the proceeding. Motions
43 made pursuant to this subsection shall include: (1) A detailed analysis
44 outlining any increases to components of rates resulting from the
45 proposed settlement and the causal relationship of particular rate
46 component increases to provisions in the proposed settlement; (2)

47 prefiled testimony sponsored by at least one witness representing each
48 settling party and, if applicable, each intervenor; and (3) a statement of
49 the position of nonsettling parties and intervenors on the proposed
50 settlement, such as "support", "oppose" or "no position".

51 (e) The provisions of any proposed settlement shall be supported
52 with detailed citations to the evidentiary record.

53 (f) The provisions of any proposed settlement shall be provided to
54 any nonsettling parties or intervenors at least three business days before
55 the filing of a motion pursuant to this section, with a request that the
56 party or intervenor provide a position on the proposed settlement for
57 reference in the motion.

58 (g) The authority may hold evidentiary hearings and may order briefs
59 to be filed related to any proposed settlement.

60 Sec. 3. Subsection (a) of section 16-245d of the general statutes is
61 repealed and the following is substituted in lieu thereof (*Effective from*
62 *passage*):

63 (a) (1) The Public Utilities Regulatory Authority shall, by regulations
64 adopted pursuant to chapter 54, develop a standard billing format that
65 enables customers to compare pricing policies and charges among
66 electric suppliers. The authority shall alter or repeal any relevant
67 regulation in conjunction with the implementation of a redesigned
68 standard billing format described in subdivision [(2)] (3) of this
69 subsection. The authority shall adopt regulations, in accordance with
70 the provisions of chapter 54, to provide that an electric supplier shall
71 provide direct billing and collection services for electric generation
72 services and related federally mandated congestion charges that such
73 suppliers provide to their customers or may choose to obtain such
74 billing and collection service through an electric distribution company
75 and pay its pro rata share in accordance with the provisions of
76 subsection (f) of section 16-244c, as amended by this act. Any customer
77 of an electric supplier, which is choosing to provide direct billing, who

78 paid for the cost of billing and other services to an electric distribution
79 company shall receive a credit on their monthly bill.

80 (2) On or before July 1, 2014, the authority shall initiate a docket to
81 redesign (A) the standard billing format for residential customers
82 implemented pursuant to subdivision (1) of this subsection to better
83 enable such residential customers to compare pricing policies and
84 charges among electric suppliers, and (B) the account summary page of
85 a residential customer located on the electric distribution company's
86 Internet web site. The authority shall issue a final decision on such
87 docket not later than six months after its initiation. Such final decision
88 shall include the placement of the following items on the first page of
89 each bill for each residential customer receiving electric generation
90 service from an electric supplier: (i) The electric generation service rate;
91 (ii) the term and expiration date of such rate; (iii) any change to such rate
92 effective for the next billing cycle; (iv) the cancellation fee, if applicable,
93 provided there is such a change; (v) notification that such rate is
94 variable, if applicable; (vi) the standard service rate; (vii) the term and
95 expiration date of the standard service rate; (viii) the dollar amount that
96 would have been billed for the electric generation services component
97 had the customer been receiving standard service; and (ix) an electronic
98 link or Internet web site address to the rate board Internet web site
99 described in section 16-244d and the toll-free telephone number and
100 other information necessary to enable the customer to obtain standard
101 service. Such final decision shall also include the feasibility of (I) an
102 electric distribution company transferring a residential customer
103 receiving electric generation service from an electric supplier to a
104 different electric supplier in a timely manner and ensuring that the
105 electric distribution company and the relevant electric suppliers provide
106 timely information to each other to facilitate such transfer, and (II)
107 allowing residential customers to choose how to receive information
108 related to bill notices, including United States mail, electronic mail, text
109 message, an application on a cellular telephone or a third-party
110 notification service approved by the authority. On or before July 1, 2015,
111 the authority shall implement, or cause to be implemented, the

112 redesigned standard billing format and Internet web site for a
113 customer's account summary. On or before July 1, 2020, and every five
114 years thereafter, the authority shall reopen such docket to ensure the
115 standard billing format and Internet web site for a customer's account
116 summary remains a useful tool for customers to compare pricing
117 policies and charges among electric suppliers.

118 (3) Not later than August 1, 2023, the Public Utilities Regulatory
119 Authority shall initiate a docket to redesign the standard billing format
120 for all end use customers of electric distribution companies. In the
121 docket, the authority shall identify each charge comprising the electric
122 rate and determine which category the charge falls into using the
123 following categories: (A) Supply; (B) distribution; (C) transmission; and
124 (D) public policy. The authority shall require that each electric
125 distribution company's standard billing format identify each charge and
126 corresponding category in accordance with the authority's
127 determinations. Not later than January 1, 2024, the authority shall report
128 on the status of the docket to the joint standing committee of the General
129 Assembly having cognizance of matters relating to energy and
130 technology.

131 ~~[(3)]~~ (4) An electric supplier that chooses to provide billing and
132 collection services shall, in accordance with the billing format
133 developed by the authority, include the following information in each
134 customer's bill: (A) The total amount owed by the customer, which shall
135 be itemized to show (i) the electric generation services component and
136 any additional charges imposed by the electric supplier, and (ii)
137 federally mandated congestion charges applicable to the generation
138 services; (B) any unpaid amounts from previous bills, which shall be
139 listed separately from current charges; (C) the rate and usage for the
140 current month and each of the previous twelve months in bar graph
141 form or other visual format; (D) the payment due date; (E) the interest
142 rate applicable to any unpaid amount; (F) the toll-free telephone number
143 of the Public Utilities Regulatory Authority for questions or complaints;
144 and (G) the toll-free telephone number and address of the electric

145 supplier. On or before October 1, 2013, the authority shall conduct a
146 review of the costs and benefits of suppliers billing for all components
147 of electric service, and report, in accordance with the provisions of
148 section 11-4a, to the joint standing committee of the General Assembly
149 having cognizance of matters relating to energy regarding the results of
150 such review. Any such report may be submitted electronically.

151 [(4)] (5) An electric distribution company shall, in accordance with
152 the billing format developed by the authority, include the following
153 information in each customer's bill: (A) The total amount owed by the
154 customer, which shall be itemized [to show, (i) the electric generation
155 services component if the customer obtains standard service or last
156 resort service from the electric distribution company, (ii) the distribution
157 charge, including all applicable taxes and the systems benefits charge,
158 as provided in section 16-245l, (iii) the transmission rate as adjusted
159 pursuant to subsection (d) of section 16-19b, (iv) the competitive
160 transition assessment, as provided in section 16-245g, (v) federally
161 mandated congestion charges, and (vi) the conservation and renewable
162 energy charge, consisting of the conservation and load management
163 program charge, as provided in section 16-245m, and the renewable
164 energy investment charge, as provided in section 16-245n] using the
165 categories identified in subdivision (3) of this subsection; (B) any unpaid
166 amounts from previous bills which shall be listed separately from
167 current charges; (C) except for customers subject to a demand charge,
168 the rate and usage for the current month and each of the previous twelve
169 months in the form of a bar graph or other visual form; (D) the payment
170 due date; (E) the interest rate applicable to any unpaid amount; (F) the
171 toll-free telephone number of the electric distribution company to report
172 power losses; (G) the toll-free telephone number of the Public Utilities
173 Regulatory Authority for questions or complaints; and (H) if a customer
174 has a demand of five hundred kilowatts or less during the preceding
175 twelve months, a statement about the availability of information
176 concerning electric suppliers pursuant to section 16-245p.

177 Sec. 4. Section 16-1 of the general statutes is repealed and the

178 following is substituted in lieu thereof (*Effective October 1, 2023*):

179 (a) Terms used in this title and in chapters 244, 244a, 244b, 245, 245a
180 and 245b shall be construed as follows, unless another meaning is
181 expressed or is clearly apparent from the language or context:

182 (1) "Authority" means the Public Utilities Regulatory Authority and
183 "department" means the Department of Energy and Environmental
184 Protection;

185 (2) "Utility commissioner" means a member of the Public Utilities
186 Regulatory Authority;

187 (3) "Public service company" includes electric distribution, gas,
188 telephone, pipeline, sewage, water and community antenna television
189 companies and holders of a certificate of cable franchise authority,
190 owning, leasing, maintaining, operating, managing or controlling plants
191 or parts of plants or equipment, but shall not include towns, cities,
192 boroughs, any municipal corporation or department thereof, whether
193 separately incorporated or not, a private power producer, as defined in
194 section 16-243b, or an exempt wholesale generator, as defined in 15 USC
195 79z-5a;

196 (4) "Plant" includes all real estate, buildings, tracks, pipes, mains,
197 poles, wires and other fixed or stationary construction and equipment,
198 wherever located, used in the conduct of the business of the company;

199 (5) "Gas company" includes every person owning, leasing,
200 maintaining, operating, managing or controlling mains, pipes or other
201 fixtures, in public highways or streets, for the transmission or
202 distribution of gas for sale for heat or power within this state, or engaged
203 in the manufacture of gas to be so transmitted or distributed for such
204 purpose, but shall not include (A) a person manufacturing gas through
205 the use of a biomass gasification plant provided such person does not
206 own, lease, maintain, operate, manage or control mains, pipes or other
207 fixtures in public highways or streets, (B) a municipal gas utility

208 established under chapter 101 or any other gas utility owned, leased,
209 maintained, operated, managed or controlled by any unit of local
210 government under any general statute or any public or special act, or
211 (C) an entity approved to submeter pursuant to section 16-19ff;

212 (6) "Water company" includes every person owning, leasing,
213 maintaining, operating, managing or controlling any pond, lake,
214 reservoir, stream, well or distributing plant or system employed for the
215 purpose of supplying water to fifty or more consumers. A water
216 company does not include homeowners, condominium associations
217 providing water only to their members, homeowners associations
218 providing water to customers at least eighty per cent of whom are
219 members of such associations, a municipal waterworks system
220 established under chapter 102, a district, metropolitan district,
221 municipal district or special services district established under chapter
222 105, chapter 105a or any other general statute or any public or special
223 act which is authorized to supply water, or any other waterworks
224 system owned, leased, maintained, operated, managed or controlled by
225 any unit of local government under any general statute or any public or
226 special act;

227 (7) "Consumer" means any private dwelling, boardinghouse,
228 apartment, store, office building, institution, mechanical or
229 manufacturing establishment or other place of business or industry to
230 which water is supplied by a water company;

231 (8) "Sewage company" includes every person owning, leasing,
232 maintaining, operating, managing or controlling, for general use in any
233 town, city or borough, or portion thereof, in this state, sewage disposal
234 facilities which discharge treated effluent into any waterway of this
235 state;

236 (9) "Pipeline company" includes every person owning, leasing,
237 maintaining, operating, managing or controlling mains, pipes or other
238 fixtures through, over, across or under any public land, water,
239 parkways, highways, parks or public grounds for the transportation,

240 transmission or distribution of petroleum products for hire within this
241 state;

242 (10) "Community antenna television company" includes every person
243 owning, leasing, maintaining, operating, managing or controlling a
244 community antenna television system, in, under or over any public
245 street or highway, for the purpose of providing community antenna
246 television service for hire and shall include any municipality which
247 owns or operates one or more plants for the manufacture or distribution
248 of electricity pursuant to section 7-213 or any special act and seeks to
249 obtain or obtains a certificate of public convenience and necessity to
250 construct or operate a community antenna television system pursuant
251 to section 16-331 or a certificate of cable franchise authority pursuant to
252 section 16-331q. "Community antenna television company" does not
253 include a certified competitive video service provider;

254 (11) "Community antenna television service" means (A) the one-way
255 transmission to subscribers of video programming or information that
256 a community antenna television company makes available to all
257 subscribers generally, and subscriber interaction, if any, which is
258 required for the selection of such video programming or information,
259 and (B) noncable communications service. "Community antenna
260 television service" does not include video service provided by a certified
261 competitive video service provider;

262 (12) "Community antenna television system" means a facility,
263 consisting of a set of closed transmission paths and associated signal
264 generation, reception and control equipment that is designed to provide
265 community antenna television service which includes video
266 programming and which is provided in, under or over any public street
267 or highway, for hire, to multiple subscribers within a franchise, but such
268 term does not include (A) a facility that serves only to retransmit the
269 television signals of one or more television broadcast stations; (B) a
270 facility that serves only subscribers in one or more multiple unit
271 dwellings under common ownership, control or management, unless

272 such facility is located in, under or over a public street or highway; (C)
273 a facility of a common carrier which is subject, in whole or in part, to the
274 provisions of Subchapter II of Chapter 5 of the Communications Act of
275 1934, 47 USC 201 et seq., as amended, except that such facility shall be
276 considered a community antenna television system and the carrier shall
277 be considered a public service company to the extent such facility is used
278 in the transmission of video programming directly to subscribers; or (D)
279 a facility of an electric distribution company which is used solely for
280 operating its electric distribution company systems. "Community
281 antenna television system" does not include a facility used by a certified
282 competitive video service provider to provide video service;

283 (13) "Video programming" means programming provided by, or
284 generally considered comparable to programming provided by, a
285 television broadcast station;

286 (14) "Noncable communications service" means any
287 telecommunications service, as defined in section 16-247a, and which is
288 not included in the definition of "cable service" in the Communications
289 Act of 1934, 47 USC 522, as amended. Nothing in this definition shall be
290 construed to affect service which is both authorized and preempted
291 pursuant to federal law;

292 (15) "Cogeneration technology" means the use for the generation of
293 electricity of exhaust steam, waste steam, heat or resultant energy from
294 an industrial, commercial or manufacturing plant or process, or the use
295 of exhaust steam, waste steam or heat from a thermal power plant for
296 an industrial, commercial or manufacturing plant or process, but shall
297 not include steam or heat developed solely for electrical power
298 generation;

299 (16) "Renewable fuel resources" means energy sources described in
300 [subdivisions (20) and (21)] subdivision (20) of this subsection;

301 (17) "Telephone company" means a telecommunications company
302 that provides one or more noncompetitive or emerging competitive

303 services, as defined in section 16-247a;

304 (18) "Domestic telephone company" includes any telephone company
305 which has been chartered by or organized or constituted within or
306 under the laws of this state;

307 (19) "Telecommunications company" means a person that provides
308 telecommunications service, as defined in section 16-247a, within the
309 state, but shall not mean a person that provides only (A) private
310 telecommunications service, as defined in section 16-247a, (B) the one-
311 way transmission of video programming or other programming
312 services to subscribers, (C) subscriber interaction, if any, which is
313 required for the selection of such video programming or other
314 programming services, (D) the two-way transmission of educational or
315 instructional programming to a public or private elementary or
316 secondary school, or a public or independent institution of higher
317 education, as required by the authority pursuant to a community
318 antenna television company franchise agreement, or provided pursuant
319 to a contract with such a school or institution which contract has been
320 filed with the authority, or (E) a combination of the services set forth in
321 subparagraphs (B) to (D), inclusive, of this subdivision;

322 (20) "Class I renewable energy source" means (A) electricity derived
323 from (i) solar power, (ii) wind power, (iii) a fuel cell, (iv) geothermal, (v)
324 landfill methane gas, anaerobic digestion or other biogas derived from
325 biological sources, (vi) thermal electric direct energy conversion from a
326 certified Class I renewable energy source, (vii) ocean thermal power,
327 (viii) wave or tidal power, (ix) low emission advanced renewable energy
328 conversion technologies, including, but not limited to, zero emission
329 low grade heat power generation systems based on organic oil free
330 rankine, kalina or other similar nonsteam cycles that use waste heat
331 from an industrial or commercial process that does not generate
332 electricity, (x) [(I) a run-of-the-river hydropower facility that began
333 operation after July 1, 2003, and has a generating capacity of not more
334 than thirty megawatts, or (II) a run-of-the-river hydropower facility that

335 received a new license after January 1, 2018, under the Federal Energy
336 Regulatory Commission rules pursuant to 18 CFR 16, as amended from
337 time to time, and provided a facility that applies for certification under
338 this clause after January 1, 2013, shall not be based on a new dam or a
339 dam identified by the commissioner as a candidate for removal, and
340 shall meet applicable state and federal requirements, including
341 applicable site-specific standards for water quality and fish passage, or]
342 hydropower, (xi) a biomass facility that uses sustainable biomass fuel
343 and has an average emission rate of equal to or less than .075 pounds of
344 nitrogen oxides per million BTU of heat input for the previous calendar
345 quarter, except that energy derived from a biomass facility with a
346 capacity of less than five hundred kilowatts that began construction
347 before July 1, 2003, may be considered a Class I renewable energy
348 source, (xii) nuclear power, or (xiii) a trash-to-energy facility that has
349 obtained a permit pursuant to section 22a-208a and section 22a-174-33
350 of the regulations of Connecticut state agencies, or (B) any electrical
351 generation, including distributed generation, generated from a Class I
352 renewable energy source, provided, on and after January 1, 2014, any
353 megawatt hours of electricity from a renewable energy source described
354 under this subparagraph that are claimed or counted by a load-serving
355 entity, province or state toward compliance with renewable portfolio
356 standards or renewable energy policy goals in another province or state,
357 other than the state of Connecticut, shall not be eligible for compliance
358 with the renewable portfolio standards established pursuant to section
359 16-245a, as amended by this act;

360 [(21) "Class II renewable energy source" means electricity derived
361 from a trash-to-energy facility that has obtained a permit pursuant to
362 section 22a-208a and section 22a-174-33 of the regulations of
363 Connecticut state agencies;]

364 [(22)] (21) "Electric distribution services" means the owning, leasing,
365 maintaining, operating, managing or controlling of poles, wires,
366 conduits or other fixtures along public highways or streets for the
367 distribution of electricity, or electric distribution-related services;

368 [(23)] (22) "Electric distribution company" or "distribution company"
369 means any person providing electric transmission or distribution
370 services within the state, but does not include: (A) A private power
371 producer, as defined in section 16-243b; (B) a municipal electric utility
372 established under chapter 101, other than a participating municipal
373 electric utility; (C) a municipal electric energy cooperative established
374 under chapter 101a; (D) an electric cooperative established under
375 chapter 597; (E) any other electric utility owned, leased, maintained,
376 operated, managed or controlled by any unit of local government under
377 any general statute or special act; (F) an electric supplier; (G) an entity
378 approved to submeter pursuant to section 16-19ff; or (H) a municipality,
379 state or federal governmental entity authorized to distribute electricity
380 across a public highway or street pursuant to section 16-243aa;

381 [(24)] (23) "Electric supplier" means any person, including an electric
382 aggregator or participating municipal electric utility that is licensed by
383 the Public Utilities Regulatory Authority in accordance with section 16-
384 245, as amended by this act, that provides electric generation services to
385 end use customers in the state using the transmission or distribution
386 facilities of an electric distribution company, regardless of whether or
387 not such person takes title to such generation services, but does not
388 include: (A) A municipal electric utility established under chapter 101,
389 other than a participating municipal electric utility; (B) a municipal
390 electric energy cooperative established under chapter 101a; (C) an
391 electric cooperative established under chapter 597; or (D) any other
392 electric utility owned, leased, maintained, operated, managed or
393 controlled by any unit of local government under any general statute or
394 special act;

395 [(25)] (24) "Electric aggregator" means (A) a person, municipality or
396 regional water authority that gathers together electric customers for the
397 purpose of negotiating the purchase of electric generation services from
398 an electric supplier, or (B) the Materials Innovation and Recycling
399 Authority, if it gathers together electric customers for the purpose of
400 negotiating the purchase of electric generation services from an electric

401 supplier, provided such person, municipality or authority is not
402 engaged in the purchase or resale of electric generation services, and
403 provided further such customers contract for electric generation
404 services directly with an electric supplier, and may include an electric
405 cooperative established pursuant to chapter 597;

406 [(26)] (25) "Electric generation services" means electric energy, electric
407 capacity or generation-related services;

408 [(27)] (26) "Electric transmission services" means electric transmission
409 or transmission-related services;

410 [(28)] (27) "Generation entity or affiliate" means a corporate affiliate
411 or a separate division of an electric distribution company that provides
412 electric generation services;

413 [(29)] (28) "Participating municipal electric utility" means a municipal
414 electric utility established under chapter 101 or any other electric utility
415 owned, leased, maintained, operated, managed or controlled by any
416 unit of local government under any general statute or any public or
417 special act, that is authorized by the authority in accordance with section
418 16-245c to provide electric generation services to end use customers
419 outside its service area, as defined in section 16-245c;

420 [(30)] (29) "Person" means an individual, business, firm, corporation,
421 association, joint stock association, trust, partnership or limited liability
422 company;

423 [(31)] (30) "Regional independent system operator" means the "ISO -
424 New England, Inc.", or its successor organization as approved by the
425 Federal Energy Regulatory Commission;

426 [(32)] (31) "Certified telecommunications provider" means a person
427 certified by the authority to provide intrastate telecommunications
428 services, as defined in section 16-247a, pursuant to sections 16-247f to
429 16-247h, inclusive;

430 [(33)] (32) "Gas registrant" means a person registered to sell natural
431 gas pursuant to section 16-258a;

432 [(34)] (33) "Customer-side distributed resources" means (A) the
433 generation of electricity from a unit with a rating of not more than sixty-
434 five megawatts on the premises of a retail end user within the
435 transmission and distribution system including, but not limited to, fuel
436 cells, photovoltaic systems or small wind turbines, or (B) a reduction in
437 the demand for electricity on the premises of a retail end user in the
438 distribution system through methods of conservation and load
439 management, including, but not limited to, peak reduction systems and
440 demand response systems;

441 [(35)] (34) "Federally mandated congestion charges" means any cost
442 approved by the Federal Energy Regulatory Commission as part of New
443 England Standard Market Design including, but not limited to,
444 locational marginal pricing, locational installed capacity payments, any
445 cost approved by the Public Utilities Regulatory Authority to reduce
446 federally mandated congestion charges in accordance with section 7-
447 233y, this section, sections 16-32f, 16-50i, 16-50k, 16-50x, 16-243i to 16-
448 243q, inclusive, 16-244c, as amended by this act, 16-245m, 16-245n and
449 16-245z, section 21 of public act 05-1 of the June special session*,
450 subsection (f) of section 16a-3j and reliability must run contracts;

451 [(36)] (35) "Combined heat and power system" means a system that
452 produces, from a single source, both electric power and thermal energy
453 used in any process that results in an aggregate reduction in electricity
454 use;

455 [(37)] (36) "Grid-side distributed resources" means the generation of
456 electricity from a unit with a rating of not more than sixty-five
457 megawatts that is connected to the transmission or distribution system,
458 which units may include, but are not limited to, units used primarily to
459 generate electricity to meet peak demand;

460 [(38)] (37) "Class III source" means the electricity output from

461 combined heat and power systems with an operating efficiency level of
462 no less than fifty per cent that are part of customer-side distributed
463 resources developed at commercial and industrial facilities in this state
464 on or after January 1, 2006, a waste heat recovery system installed on or
465 after April 1, 2007, that produces electrical or thermal energy by
466 capturing preexisting waste heat or pressure from industrial or
467 commercial processes, or the electricity savings created in this state from
468 conservation and load management programs begun on or after January
469 1, 2006, provided on and after January 1, 2014, no such programs
470 supported by ratepayers, including programs overseen by the Energy
471 Conservation Management Board or third-party programs pursuant to
472 section 16-245m, shall be considered a Class III source, except that any
473 demand-side management project awarded a contract pursuant to
474 section 16-243m shall remain eligible as a Class III source for the term of
475 such contract;

476 [(39)] (38) "Sustainable biomass fuel" means biomass that is cultivated
477 and harvested in a sustainable manner. "Sustainable biomass fuel" does
478 not mean construction and demolition waste, as defined in section 22a-
479 208x, finished biomass products from sawmills, paper mills or stud
480 mills, organic refuse fuel derived separately from municipal solid waste,
481 or biomass from old growth timber stands, except where (A) such
482 biomass is used in a biomass gasification plant that received funding
483 prior to May 1, 2006, from the Clean Energy Fund established pursuant
484 to section 16-245n, or (B) the energy derived from such biomass is
485 subject to a long-term power purchase contract pursuant to subdivision
486 (2) of subsection (j) of section 16-244c entered into prior to May 1, 2006;

487 [(40)] (39) "Video service" means video programming services
488 provided through wireline facilities, a portion of which are located in
489 the public right-of-way, without regard to delivery technology,
490 including Internet protocol technology. "Video service" does not include
491 any video programming provided by a commercial mobile service
492 provider, as defined in 47 USC 332(d), any video programming
493 provided as part of community antenna television service in a franchise

494 area as of October 1, 2007, any video programming provided as part of
495 and via a service that enables users to access content, information,
496 electronic mail or other services over the public Internet;

497 [(41)] (40) "Certified competitive video service provider" means an
498 entity providing video service pursuant to a certificate of video
499 franchise authority issued by the authority in accordance with section
500 16-331e. "Certified competitive video service provider" does not mean
501 an entity issued a certificate of public convenience and necessity in
502 accordance with section 16-331 or the affiliates, successors and assigns
503 of such entity or an entity issued a certificate of cable franchise authority
504 in accordance with section 16-331p or the affiliates, successors and
505 assignees of such entity;

506 [(42)] (41) "Certificate of video franchise authority" means an
507 authorization issued by the Public Utilities Regulatory Authority
508 conferring the right to an entity or person to own, lease, maintain,
509 operate, manage or control facilities in, under or over any public
510 highway to offer video service to any subscribers in the state;

511 [(43)] (42) "Certificate of cable franchise authority" means an
512 authorization issued by the Public Utilities Regulatory Authority
513 pursuant to section 16-331q conferring the right to a community antenna
514 television company to own, lease, maintain, operate, manage or control
515 a community antenna television system in, under or over any public
516 highway to (A) offer community antenna television service in a
517 community antenna television company's designated franchise area, or
518 (B) use the public rights-of-way to offer video service in a designated
519 franchise area. The certificate of cable franchise authority shall be issued
520 as an alternative to a certificate of public convenience and necessity
521 pursuant to section 16-331 and shall only be available to a community
522 antenna television company under the terms specified in sections 16-
523 331q to 16-331aa, inclusive;

524 [(44)] (43) "Thermal energy transportation company" means any
525 person authorized under any provision of the general statutes or special

526 act to furnish heat or air conditioning or both, by means of steam, heated
527 or chilled water or other medium, to lay and maintain mains, pipes or
528 other conduits, and to erect such other fixtures necessary or convenient
529 in and on the streets, highways and public grounds of any municipality
530 to carry steam, heated or chilled water or other medium from such plant
531 to the location to be served and to return the same;

532 [(45)] (44) "The Connecticut Television Network" means the General
533 Assembly's state-wide twenty-four-hour state public affairs
534 programming service, separate and distinct from community access
535 channels;

536 [(46)] (45) "Commissioner of Energy and Environmental Protection"
537 means the Commissioner of Energy and Environmental Protection
538 appointed pursuant to title 4, or the commissioner's designee;

539 [(47)] (46) "Large-scale hydropower" means any hydropower facility
540 that (A) began operation on or after January 1, 2003, (B) is located in the
541 New England Power Pool Generation Information System geographic
542 eligibility area in accordance with Rule 2.3 of said system or an area
543 abutting the northern boundary of the New England Power Pool
544 Generation Information System geographic eligibility area that is not
545 interconnected with any other control area that is not a part of the New
546 England Power Pool Generation Information System geographic
547 eligibility area, (C) delivers power into such geographic eligibility area,
548 and (D) has a generating capacity of more than thirty megawatts;

549 [(48)] (47) "Energy storage system" means any commercially available
550 technology that is capable of absorbing energy, storing it for a period of
551 time and thereafter dispatching the energy, and that is capable of either:
552 (A) Using mechanical, chemical or thermal processes to store electricity
553 that is generated at one time for use at a later time; (B) storing thermal
554 energy for direct use for heating or cooling at a later time in a manner
555 that avoids the need to use electricity at a later time; (C) using
556 mechanical, chemical or thermal processes to store electricity generated
557 from renewable energy sources for use at a later time; or (D) using

558 mechanical, chemical or thermal processes to capture or harness waste
559 electricity and to store such electricity generated from mechanical
560 processes for delivery at a later time;

561 [(49)] (48) "Distributed energy resource" means any (A) customer-
562 side distributed resource or grid-side distributed resource that
563 generates electricity from a Class I renewable energy source or Class III
564 source, and (B) customer-side distributed resource that reduces demand
565 for electricity through conservation and load management, energy
566 storage system which is located on the customer-side of the meter or is
567 connected to the distribution system or microgrid; and

568 [(50)] (49) "Grid-side system enhancement" means an investment in
569 distribution system infrastructure, technology and systems designed to
570 enable the deployment of distributed energy resources and allow for
571 grid management and system balancing, including, but not limited to,
572 energy storage systems, distribution system automation and controls,
573 intelligent field systems, advanced distribution system metering, and
574 communication and systems that enable two-way power flow.

575 (b) Notwithstanding any provision of the general statutes, the terms
576 "utility", "public utility" and "public service company" shall be deemed
577 to include a community antenna television company and a holder of a
578 certificate of cable franchise authority, except (1) as otherwise provided
579 in sections 16-8, 16-27, 16-28 and 16-43, (2) that no provision of the
580 general statutes, including but not limited to, the provisions of sections
581 16-6b and 16-19, shall subject a community antenna television company
582 to regulation as a common carrier or utility by reason of providing
583 community antenna television service, other than noncable
584 communications service, as provided in Subchapter V-A of Chapter 5 of
585 the Communications Act of 1934, 47 USC 521 et seq., as amended, and
586 (3) that no provision of the general statutes, including but not limited to,
587 sections 16-6b and 16-19, shall apply to community antenna television
588 companies to the extent any such provision is preempted pursuant to
589 any other provision of the Communications Act of 1934, 47 USC 151 et

590 seq., as amended, any other federal act or any regulation adopted
591 thereunder.

592 (c) An owner of an electric vehicle charging station, as defined in
593 section 16-19f, shall not be deemed to be a utility, public utility or public
594 service company solely by virtue of the fact that such owner is an owner
595 of an electric vehicle charging station.

596 Sec. 5. Subsections (b) to (h), inclusive, of section 16-244c of the
597 general statutes are repealed and the following is substituted in lieu
598 thereof (*Effective October 1, 2023*):

599 (b) (1) Notwithstanding the provisions of this section regarding the
600 procurement of electric generation services under standard service,
601 section 16-244h or 16-245o, the Department of Energy and
602 Environmental Protection may, from time to time, direct an electric
603 distribution company to offer, through an electric supplier or electric
604 suppliers, one or more alternative standard service options. Such
605 alternative options shall include, but not be limited to, an option that
606 consists of the provision of electric generation services that exceed the
607 renewable portfolio standards established in section 16-245a, as
608 amended by this act, and may include an option that utilizes strategies
609 or technologies that reduce the overall consumption of electricity of the
610 customer.

611 (2) (A) The authority shall develop such alternative option or options
612 in a contested case conducted in accordance with the provisions of
613 chapter 54. The authority shall determine the terms and conditions of
614 such alternative option or options, including, but not limited to, (i) the
615 minimum contract terms, including pricing, length and termination of
616 the contract, and (ii) the minimum percentage of electricity derived from
617 Class I [or Class II] renewable energy sources, if applicable. The electric
618 distribution company shall, under the supervision of the authority,
619 subsequently conduct a bidding process in order to solicit electric
620 suppliers to provide such alternative option or options.

621 (B) The authority may reject some or all of the bids received pursuant
622 to the bidding process.

623 (3) The authority may require an electric supplier to provide forms of
624 assurance to satisfy the authority that the contracts resulting from the
625 bidding process will be fulfilled.

626 (4) An electric supplier who fails to fulfill its contractual obligations
627 resulting from this subdivision shall be subject to civil penalties, in
628 accordance with the provisions of section 16-41, or the suspension or
629 revocation of such supplier's license or a prohibition on the acceptance
630 of new customers, following a hearing that is conducted as a contested
631 case, in accordance with the provisions of chapter 54.

632 (c) (1) On and after January 1, 2007, an electric distribution company
633 shall serve customers that are not eligible to receive standard service
634 pursuant to subsection (a) of this section as the supplier of last resort.
635 This subsection shall not apply to customers purchasing power under
636 contracts entered into pursuant to section 16-19hh.

637 (2) An electric distribution company shall procure electricity at least
638 every calendar quarter to provide electric generation services to
639 customers pursuant to this subsection. The Public Utilities Regulatory
640 Authority shall determine a price for such customers that reflects the
641 full cost of providing the electricity on a monthly basis. Each electric
642 distribution company shall recover the actual net costs of procuring and
643 providing electric generation services pursuant to this subsection,
644 provided such company mitigates the costs it incurs for the
645 procurement of electric generation services for customers that are no
646 longer receiving service pursuant to this subsection.

647 (d) On and after January 1, 2000, and until such time the regional
648 independent system operator implements procedures for the provision
649 of back-up power to the satisfaction of the Public Utilities Regulatory
650 Authority, each electric distribution company shall provide electric
651 generation services to any customer who has entered into a service

652 contract with an electric supplier that fails to provide electric generation
653 services for reasons other than the customer's failure to pay for such
654 services. Between January 1, 2000, and December 31, 2006, an electric
655 distribution company may procure electric generation services through
656 a competitive bidding process or through any of its generation entities
657 or affiliates. On and after January 1, 2007, such company shall procure
658 electric generation services through a competitive bidding process
659 pursuant to a plan submitted by the electric distribution company and
660 approved by the authority. Such company may procure electric
661 generation services through any of its generation entities or affiliates,
662 provided such entity or affiliate is the lowest qualified bidder and
663 provided further any such entity or affiliate is licensed pursuant to
664 section 16-245, as amended by this act.

665 (e) An electric distribution company is not required to be licensed
666 pursuant to section 16-245, as amended by this act, to provide standard
667 service pursuant to subsection (a) of this section, supplier of last resort
668 service pursuant to subsection (c) of this section or back-up electric
669 generation service pursuant to subsection (d) of this section.

670 (f) The electric distribution company shall be entitled to recover
671 reasonable costs incurred as a result of providing standard service
672 pursuant to subsection (a) of this section or back-up electric generation
673 service pursuant to subsection (d) of this section.

674 (g) The Public Utilities Regulatory Authority shall establish, by
675 regulations adopted pursuant to chapter 54, procedures for when and
676 how a customer is notified that his electric supplier has defaulted and
677 of the need for the customer to choose a new electric supplier within a
678 reasonable period of time or to return to standard service.

679 (h) (1) Notwithstanding the provisions of subsection (b) of this
680 section regarding an alternative standard service option, an electric
681 distribution company providing standard service, supplier of last resort
682 service or back-up electric generation service in accordance with this
683 section shall contract with its wholesale suppliers to comply with the

684 renewable portfolio standards. The Public Utilities Regulatory
685 Authority shall annually conduct an uncontested proceeding in order to
686 determine whether the electric distribution company's wholesale
687 suppliers met the renewable portfolio standards during the preceding
688 year. [On or before December 31, 2013, the authority shall issue a
689 decision on any such proceeding for calendar years up to and including
690 2012, for which a decision has not already been issued. Not later than
691 December 31, 2014, and annually thereafter, the authority shall,
692 following such proceeding,] Each year, following such proceeding, the
693 authority shall issue a decision as to whether the electric distribution
694 company's wholesale suppliers met the renewable portfolio standards
695 during the preceding year. An electric distribution company shall
696 include a provision in its contract with each wholesale supplier that
697 requires the wholesale supplier to pay the electric distribution company
698 an amount of [:(A) For calendar years up to and including calendar year
699 2017, five and one-half cents per kilowatt hour if the wholesale supplier
700 fails to comply with the renewable portfolio standards during the
701 subject annual period, (B) for calendar years commencing on January 1,
702 2018, up to and including the calendar year commencing on January 1,
703 2020, five and one-half cents per kilowatt hour if the wholesale supplier
704 fails to comply with the renewable portfolio standards during the
705 subject annual period for Class I renewable energy sources, and two and
706 one-half cents per kilowatt hour if the wholesale supplier fails to comply
707 with the renewable portfolio standards during the subject annual period
708 for Class II renewable energy sources, and (C) for calendar years
709 commencing on and after January 1, 2021,] four cents per kilowatt hour
710 if the wholesale supplier fails to comply with the renewable portfolio
711 standards during the subject annual period for Class I renewable energy
712 sources, [, and two and one-half cents per kilowatt hour if the wholesale
713 supplier fails to comply with the renewable portfolio standards during
714 the subject annual period for Class II renewable energy sources.] The
715 electric distribution company shall promptly [transfer] refund any
716 payment received from the wholesale supplier for the failure to meet the
717 renewable portfolio standards [to the Clean Energy Fund for the

718 development of Class I renewable energy sources, provided, on and
719 after June 5, 2013, any such payment shall be refunded] to ratepayers by
720 using such payment to offset the costs to all customers of electric
721 distribution companies of the costs of contracts and tariffs entered into
722 pursuant to sections 16-244r, 16-244t and 16-244z. [, except that, on or
723 after January 1, 2023, any such payment that is attributable to a failure
724 to comply with the Class II renewable portfolio standards shall be
725 deposited in the sustainable materials management account established
726 pursuant to section 16-244bb.] Any excess amount remaining from such
727 payment shall be applied to reduce the costs of contracts entered into
728 pursuant to subdivision (2) of this subsection, and if any excess amount
729 remains, such amount shall be applied to reduce costs collected through
730 nonbypassable, federally mandated congestion charges, as defined in
731 section 16-1, as amended by this act.

732 (2) Notwithstanding the provisions of subsection (b) of this section
733 regarding an alternative standard service option, an electric distribution
734 company providing transitional standard offer service, standard
735 service, supplier of last resort service or back-up electric generation
736 service in accordance with this section shall, not later than July 1, 2008,
737 file with the Public Utilities Regulatory Authority for its approval one
738 or more long-term power purchase contracts from Class I renewable
739 energy source projects with a preference for projects located in
740 Connecticut that receive funding from the Clean Energy Fund and that
741 are not less than one megawatt in size, at a price that is either, at the
742 determination of the project owner, (A) not more than the total of the
743 comparable wholesale market price for generation plus five and one-
744 half cents per kilowatt hour, or (B) fifty per cent of the wholesale market
745 electricity cost at the point at which transmission lines intersect with
746 each other or interface with the distribution system, plus the project cost
747 of fuel indexed to natural gas futures contracts on the New York
748 Mercantile Exchange at the natural gas pipeline interchange located in
749 Vermillion Parish, Louisiana that serves as the delivery point for such
750 futures contracts, plus the fuel delivery charge for transporting fuel to
751 the project, plus five and one-half cents per kilowatt hour. In its

752 approval of such contracts, the authority shall give preference to
753 purchase contracts from those projects that would provide a financial
754 benefit to ratepayers and would enhance the reliability of the electric
755 transmission system of the state. Such projects shall be located in this
756 state. The owner of a fuel cell project principally manufactured in this
757 state shall be allocated all available air emissions credits and tax credits
758 attributable to the project and no less than fifty per cent of the energy
759 credits in the Class I renewable energy credits program established in
760 section 16-245a, as amended by this act, attributable to the project. On
761 and after October 1, 2007, and until September 30, 2008, such contracts
762 shall be comprised of not less than a total, apportioned among each
763 electric distribution company, of one hundred twenty-five megawatts;
764 and on and after October 1, 2008, such contracts shall be comprised of
765 not less than a total, apportioned among each electrical distribution
766 company, of one hundred fifty megawatts. The Public Utilities
767 Regulatory Authority shall not issue any order that results in the
768 extension of any in-service date or contractual arrangement made as a
769 part of Project 100 or Project 150 beyond the termination date previously
770 approved by the authority established by the contract, provided any
771 party to such contract may provide a notice of termination in accordance
772 with the terms of, and to the extent permitted under, its contract, except
773 the authority shall grant, upon request, an extension of the latest of any
774 such in-service date by (i) twelve months for any project located in a
775 distressed municipality, as defined in section 32-9p, with a population
776 of more than one hundred twenty-five thousand, and (ii) not more than
777 thirty-six months for any project having a capacity of less than five
778 megawatts, provided any such project (I) commences construction by
779 April 30, 2015, and (II) the authority has provided previous approval of
780 such contract. The cost of such contracts and the administrative costs for
781 the procurement of such contracts directly incurred shall be eligible for
782 inclusion in the adjustment to any subsequent rates for standard service,
783 provided such contracts are for a period of time sufficient to provide
784 financing for such projects, but not less than ten years, and are for
785 projects which began operation on or after July 1, 2003. Except as

786 provided in this subdivision, the amount from Class I renewable energy
787 sources contracted under such contracts shall be applied to reduce the
788 applicable Class I renewable energy source portfolio standards. For
789 purposes of this subdivision, the authority's determination of the
790 comparable wholesale market price for generation shall be based upon
791 a reasonable estimate. On or before September 1, 2011, the authority, in
792 consultation with the Office of Consumer Counsel and the Connecticut
793 Green Bank, shall study the operation of such renewable energy
794 contracts and report its findings and recommendations to the joint
795 standing committee of the General Assembly having cognizance of
796 matters relating to energy.

797 (3) Notwithstanding the provisions of subsection (b) of this section
798 regarding an alternative standard service option, an electric distribution
799 company providing transitional standard offer service, standard
800 service, supplier of last resort service or back-up electric generation
801 service in accordance with this section that has within its service
802 territory a biomass facility that is a Class I renewable energy source and
803 began operation after December 1, 2013, shall, not later than July 1, 2018,
804 file with the Public Utilities Regulatory Authority for its approval a ten-
805 year power purchase contract not to exceed nine cents per kilowatt hour
806 for energy and renewable energy certificates with such facility for
807 generation equivalent to seven and one-half megawatts of electric
808 capacity. The costs incurred by an electric distribution company
809 pursuant to this subdivision shall be recovered on a timely basis
810 through a nonbypassable fully reconciling component of electric rates
811 for all customers of such electric distribution company.

812 Sec. 6. Subsection (a) of section 16-244bb of the general statutes is
813 repealed and the following is substituted in lieu thereof (*Effective October*
814 *1, 2023*):

815 (a) There is established an account to be known as the sustainable
816 materials management account which shall be a separate, nonlapsing
817 account within the General Fund. [The account shall contain moneys

818 collected by the alternative compliance payment for Class II renewable
819 portfolio standards pursuant to subsection (h) of section 16-244c and
820 subsection (k) of section 16-245.] The Commissioner of Energy and
821 Environmental Protection shall expend moneys from the account for the
822 purposes of the program established under this section.

823 Sec. 7. Subsection (k) of section 16-245 of the general statutes is
824 repealed and the following is substituted in lieu thereof (*Effective October*
825 *1, 2023*):

826 (k) Any licensee who fails to comply with a license condition or who
827 violates any provision of this section, except for the renewable portfolio
828 standards contained in subsection (g) of this section, shall be subject to
829 civil penalties by the Public Utilities Regulatory Authority in accordance
830 with section 16-41, including direction that a portion of the civil penalty
831 be paid to a nonprofit agency engaged in energy assistance programs
832 named by the authority in its decision or notice of violation, the
833 suspension or revocation of such license and a prohibition on accepting
834 new customers following a hearing that is conducted as a contested case
835 in accordance with chapter 54. Notwithstanding the provisions of
836 subsection (b) of section 16-244c, as amended by this act, regarding an
837 alternative transitional standard offer option or an alternative standard
838 service option, the authority shall require a payment by a licensee that
839 fails to comply with the renewable portfolio standards in accordance
840 with subdivision (4) of subsection (g) of this section in the amount of [:
841 (1) For calendar years up to and including calendar year 2017, five and
842 one-half cents per kilowatt hour, (2) for calendar years commencing on
843 January 1, 2018, and up to and including the calendar year commencing
844 on January 1, 2020, five and one-half cents per kilowatt hour if the
845 licensee fails to comply with the renewable portfolio standards during
846 the subject annual period for Class I renewable energy sources, and two
847 and one-half cents per kilowatt hour if the licensee fails to comply with
848 the renewable portfolio standards during the subject annual period for
849 Class II renewable energy sources, and (3) for calendar years
850 commencing on and after January 1, 2021, four cents per kilowatt hour

851 if the licensee fails to comply with the renewable portfolio standards
852 during the subject annual period for Class I renewable energy sources,
853 and two and one-half cents per kilowatt hour if the licensee fails to
854 comply with the renewable portfolio standards during the subject
855 annual period for Class II renewable energy sources. On or before
856 December 31, 2013, the authority shall issue a decision, following an
857 uncontested proceeding, on whether any licensee has failed to comply
858 with the renewable portfolio standards for calendar years up to and
859 including 2012, for which a decision has not already been issued] four
860 cents per kilowatt hour. On and after [June 5, 2013] October 1, 2023, the
861 Public Utilities Regulatory Authority shall annually conduct an
862 uncontested proceeding in order to determine whether any licensee has
863 failed to comply with the renewable portfolio standards during the
864 preceding year. [Not later than December 31, 2014, and annually
865 thereafter] Each year, the authority shall, following such proceeding,
866 issue a decision as to whether the licensee has failed to comply with the
867 renewable portfolio standards during the preceding year. The authority
868 shall [allocate] refund such payment [to the Clean Energy Fund for the
869 development of Class I renewable energy sources, provided, on and
870 after June 5, 2013, any such payment shall be refunded] to ratepayers by
871 using such payment to offset the costs to all customers of electric
872 distribution companies of the costs of contracts and tariffs entered into
873 pursuant to sections 16-244r, 16-244t and section 16-244z. [, except that,
874 on and after January 1, 2023, any such payment that is attributable to a
875 failure to comply with the Class II renewable portfolio standards shall
876 be deposited in the sustainable materials management account
877 established pursuant to section 16-244bb.] Any excess amount
878 remaining from such payment shall be applied to reduce the costs of
879 contracts entered into pursuant to subdivision (2) of subsection (j) of
880 section 16-244c, and if any excess amount remains, such amount shall be
881 applied to reduce costs collected through nonbypassable, federally
882 mandated congestion charges, as defined in section 16-1, as amended by
883 this act.

884 Sec. 8. Section 16-245a of the general statutes is repealed and the

885 following is substituted in lieu thereof (*Effective October 1, 2023*):

886 (a) Subject to any modifications required by the Public Utilities
887 Regulatory Authority for retiring renewable energy certificates on
888 behalf of all electric ratepayers pursuant to subsection (h) of this section
889 and sections 16a-3f, 16a-3g, as amended by this act, 16a-3h, 16a-3i, as
890 amended by this act, 16a-3j, as amended by this act, 16a-3m, as amended
891 by this act, and 16a-3n, an electric supplier and an electric distribution
892 company providing standard service or supplier of last resort service,
893 pursuant to section 16-244c, as amended by this act, shall demonstrate:

894 [(1) On and after January 1, 2006, that not less than two per cent of
895 the total output or services of any such supplier or distribution company
896 shall be generated from Class I renewable energy sources and an
897 additional three per cent of the total output or services shall be from
898 Class I or Class II renewable energy sources;

899 (2) On and after January 1, 2007, not less than three and one-half per
900 cent of the total output or services of any such supplier or distribution
901 company shall be generated from Class I renewable energy sources and
902 an additional three per cent of the total output or services shall be from
903 Class I or Class II renewable energy sources;

904 (3) On and after January 1, 2008, not less than five per cent of the total
905 output or services of any such supplier or distribution company shall be
906 generated from Class I renewable energy sources and an additional
907 three per cent of the total output or services shall be from Class I or Class
908 II renewable energy sources;

909 (4) On and after January 1, 2009, not less than six per cent of the total
910 output or services of any such supplier or distribution company shall be
911 generated from Class I renewable energy sources and an additional
912 three per cent of the total output or services shall be from Class I or Class
913 II renewable energy sources;

914 (5) On and after January 1, 2010, not less than seven per cent of the

915 total output or services of any such supplier or distribution company
916 shall be generated from Class I renewable energy sources and an
917 additional three per cent of the total output or services shall be from
918 Class I or Class II renewable energy sources;

919 (6) On and after January 1, 2011, not less than eight per cent of the
920 total output or services of any such supplier or distribution company
921 shall be generated from Class I renewable energy sources and an
922 additional three per cent of the total output or services shall be from
923 Class I or Class II renewable energy sources;

924 (7) On and after January 1, 2012, not less than nine per cent of the total
925 output or services of any such supplier or distribution company shall be
926 generated from Class I renewable energy sources and an additional
927 three per cent of the total output or services shall be from Class I or Class
928 II renewable energy sources;

929 (8) On and after January 1, 2013, not less than ten per cent of the total
930 output or services of any such supplier or distribution company shall be
931 generated from Class I renewable energy sources and an additional
932 three per cent of the total output or services shall be from Class I or Class
933 II renewable energy sources;

934 (9) On and after January 1, 2014, not less than eleven per cent of the
935 total output or services of any such supplier or distribution company
936 shall be generated from Class I renewable energy sources and an
937 additional three per cent of the total output or services shall be from
938 Class I or Class II renewable energy sources;

939 (10) On and after January 1, 2015, not less than twelve and one-half
940 per cent of the total output or services of any such supplier or
941 distribution company shall be generated from Class I renewable energy
942 sources and an additional three per cent of the total output or services
943 shall be from Class I or Class II renewable energy sources;

944 (11) On and after January 1, 2016, not less than fourteen per cent of

945 the total output or services of any such supplier or distribution company
946 shall be generated from Class I renewable energy sources and an
947 additional three per cent of the total output or services shall be from
948 Class I or Class II renewable energy sources;

949 (12) On and after January 1, 2017, not less than fifteen and one-half
950 per cent of the total output or services of any such supplier or
951 distribution company shall be generated from Class I renewable energy
952 sources and an additional three per cent of the total output or services
953 shall be from Class I or Class II renewable energy sources;

954 (13) On and after January 1, 2018, not less than seventeen per cent of
955 the total output or services of any such supplier or distribution company
956 shall be generated from Class I renewable energy sources and an
957 additional four per cent of the total output or services shall be from Class
958 I or Class II renewable energy sources;

959 (14) On and after January 1, 2019, not less than nineteen and one-half
960 per cent of the total output or services of any such supplier or
961 distribution company shall be generated from Class I renewable energy
962 sources and an additional four per cent of the total output or services
963 shall be from Class I or Class II renewable energy sources;

964 (15) On and after January 1, 2020, not less than twenty-one per cent
965 of the total output or services of any such supplier or distribution
966 company shall be generated from Class I renewable energy sources and
967 an additional four per cent of the total output or services shall be from
968 Class I or Class II renewable energy sources, except that for any electric
969 supplier that has entered into or renewed a retail electric supply contract
970 on or before May 24, 2018, on and after January 1, 2020, not less than
971 twenty per cent of the total output or services of any such electric
972 supplier shall be generated from Class I renewable energy sources;

973 (16) On and after January 1, 2021, not less than twenty-two and one-
974 half per cent of the total output or services of any such supplier or
975 distribution company shall be generated from Class I renewable energy

976 sources and an additional four per cent of the total output or services
977 shall be from Class I or Class II renewable energy sources;

978 (17) On and after January 1, 2022, not less than twenty-four per cent
979 of the total output or services of any such supplier or distribution
980 company shall be generated from Class I renewable energy sources and
981 an additional four per cent of the total output or services shall be from
982 Class I or Class II renewable energy sources;]

983 [(18)] (1) On and after January 1, 2023, not less than [twenty-six] thirty
984 per cent of the total output or services of any such supplier or
985 distribution company shall be generated from Class I [renewable energy
986 sources and an additional four per cent of the total output or services
987 shall be from Class II] renewable energy sources;

988 [(19)] (2) On and after January 1, 2024, not less than [twenty-eight]
989 thirty-two per cent of the total output or services of any such supplier
990 or distribution company shall be generated from Class I [renewable
991 energy sources and an additional four per cent of the total output or
992 services shall be from Class II] renewable energy sources;

993 [(20)] (3) On and after January 1, 2025, not less than [thirty] thirty-
994 four per cent of the total output or services of any such supplier or
995 distribution company shall be generated from Class I [renewable energy
996 sources and an additional four per cent of the total output or services
997 shall be from Class II] renewable energy sources;

998 [(21)] (4) On and after January 1, 2026, not less than [thirty-two]
999 thirty-six per cent of the total output or services of any such supplier or
1000 distribution company shall be generated from Class I [renewable energy
1001 sources and an additional four per cent of the total output or services
1002 shall be from Class II] renewable energy sources;

1003 [(22)] (5) On and after January 1, 2027, not less than [thirty-four]
1004 thirty-eight per cent of the total output or services of any such supplier
1005 or distribution company shall be generated from Class I [renewable

1006 energy sources and an additional four per cent of the total output or
1007 services shall be from Class II] renewable energy sources;

1008 [(23)] (6) On and after January 1, 2028, not less than [thirty-six] forty
1009 per cent of the total output or services of any such supplier or
1010 distribution company shall be generated from Class I [renewable energy
1011 sources and an additional four per cent of the total output or services
1012 shall be from Class II] renewable energy sources;

1013 [(24)] (7) On and after January 1, 2029, not less than [thirty-eight]
1014 forty-two per cent of the total output or services of any such supplier or
1015 distribution company shall be generated from Class I [renewable energy
1016 sources and an additional four per cent of the total output or services
1017 shall be from Class II] renewable energy sources;

1018 [(25)] (8) On and after January 1, 2030, not less than [forty] forty-four
1019 per cent of the total output or services of any such supplier or
1020 distribution company shall be generated from Class I [renewable energy
1021 sources and an additional four per cent of the total output or services
1022 shall be from Class II] renewable energy sources.

1023 (b) [(1)] An electric supplier or electric distribution company may
1024 satisfy the requirements of this section (A) by purchasing certificates
1025 issued by the New England Power Pool Generation Information System,
1026 provided the certificates are for (i) energy produced by a generating unit
1027 using Class I [or Class II] renewable energy sources and the generating
1028 unit is located in the jurisdiction of the regional independent system
1029 operator, or (ii) energy imported into the control area of the regional
1030 independent system operator pursuant to New England Power Pool
1031 Generation Information System Rule 2.7(c), as in effect on January 1,
1032 2006; (B) for those renewable energy certificates under contract to serve
1033 end use customers in the state on or before October 1, 2006, by
1034 participating in a renewable energy trading program within said
1035 jurisdictions as approved by the Public Utilities Regulatory Authority;
1036 or (C) by purchasing eligible renewable electricity and associated
1037 attributes from residential customers who are net producers. [(2) Not

1038 more than one per cent of the total output or services of an electric
1039 supplier or electric distribution company shall be generated from Class
1040 I renewable energy sources eligible as described in subparagraph
1041 (A)(x)(II) of subdivision (20) of subsection (a) of section 16-1.]

1042 (c) Any supplier who provides electric generation services solely
1043 from a [Class II renewable energy source] trash-to-energy facility that
1044 has obtained a permit pursuant to section 22a-208a and section 22a-174-
1045 33 of the regulations of Connecticut state agencies shall not be required
1046 to comply with the provisions of this section.

1047 (d) An electric supplier or an electric distribution company shall base
1048 its demonstration of generation sources, as required under subsection
1049 (a) of this section on historical data, which may consist of data filed with
1050 the regional independent system operator.

1051 (e) The authority shall adopt regulations, in accordance with the
1052 provisions of chapter 54, to implement the provisions of this section.

1053 (f) Notwithstanding the provisions of this section and section 16-244c,
1054 as amended by this act, for periods beginning on and after January 1,
1055 2008, each electric distribution company may procure renewable energy
1056 certificates from Class I [, Class II] and Class III renewable energy
1057 sources through long-term contracting mechanisms. The electric
1058 distribution companies may enter into long-term contracts for not more
1059 than fifteen years to procure such renewable energy certificates. The
1060 electric distribution companies shall use any renewable energy
1061 certificates obtained pursuant to this section to meet their standard
1062 service and supplier of last resort renewable portfolio standard
1063 requirements.

1064 (g) On or before January 1, 2014, the Commissioner of Energy and
1065 Environmental Protection shall, in developing or modifying an
1066 Integrated Resources Plan in accordance with sections 16a-3a and 16a-
1067 3e, establish a schedule to commence on January 1, 2015, for assigning a
1068 gradually reduced renewable energy credit value to all biomass or

1069 landfill methane gas facilities that qualify as a Class I renewable energy
1070 source pursuant to section 16-1, as amended by this act, provided this
1071 subsection shall not apply to anaerobic digestion or other biogas
1072 facilities, and further provided any reduced renewable energy credit
1073 value established pursuant to this section shall not apply to any biomass
1074 or landfill methane gas facility that has entered into a power purchase
1075 agreement (1) with an electric supplier or electric distribution company
1076 in the state of Connecticut on or before June 5, 2013, or (2) executed in
1077 accordance with section 16a-3f or 16a-3h. The Commissioner of Energy
1078 and Environmental Protection may review the schedule established
1079 pursuant to this subsection in preparation of each subsequent Integrated
1080 Resources Plan developed pursuant to section 16a-3a and make any
1081 necessary changes thereto to ensure that the rate of reductions in
1082 renewable energy credit value for biomass or landfill methane gas
1083 facilities is appropriate given the availability of other Class I renewable
1084 energy sources.

1085 (h) The authority shall establish procedures for the disposition of
1086 renewable energy certificates purchased pursuant to section 16-244z,
1087 which may include procedures for selling renewable energy certificates
1088 consistent with section 16-244z or, if renewable energy certificates
1089 procured pursuant to section 16-244z are retired and never used for
1090 compliance in any other jurisdiction, reductions to the percentage of the
1091 total output or services of an electric supplier or an electric distribution
1092 company generated from Class I renewable energy sources required
1093 pursuant to subsection (a) of this section. Any such reduction shall be
1094 based on the energy production that the authority forecasts will be
1095 procured pursuant to subsections (a) and (b) of section 16-244z. The
1096 authority shall determine any such reduction of an annual renewable
1097 portfolio standard not later than one year prior to the effective date of
1098 such annual renewable portfolio standard. An electric distribution
1099 company shall not be responsible for any administrative or other costs
1100 or expenses associated with any difference between the number of
1101 renewable energy certificates planned to be retired pursuant to the
1102 authority's reduction and the actual number of renewable energy

1103 certificates retired.

1104 Sec. 9. Subsection (c) of section 16a-3j of the general statutes is
1105 repealed and the following is substituted in lieu thereof (*Effective October*
1106 *1, 2023*):

1107 (c) In any solicitation issued pursuant to this subsection, the
1108 commissioner shall seek proposals from (1) Class I renewable energy
1109 sources, as defined in section 16-1, as amended by this act, having a
1110 nameplate capacity rating of twenty megawatts or more, and any
1111 associated transmission; and (2) verifiable large-scale hydropower, as
1112 defined in section 16-1, as amended by this act, and any associated
1113 transmission. The commissioner may also seek proposals for energy
1114 storage systems, as defined in section 16-1, as amended by this act,
1115 having a nameplate capacity rating of twenty megawatts or more.
1116 Proposals under this subsection shall not have a contract term exceeding
1117 twenty years. [In soliciting Class I renewable energy sources, and any
1118 associated transmission, pursuant to this subsection, the commissioner
1119 may, for the purpose of balancing such Class I energy deliveries and
1120 improving the economic viability of such proposals, also seek proposals
1121 for electricity and capacity from Class II renewable energy sources, as
1122 defined in section 16-1, and existing hydropower resources other than
1123 those described under section 16-1, provided such resources are
1124 interconnected to such associated transmission and are located in the
1125 control area of the regional independent system operator or imported
1126 into the control area of the regional independent system operator from
1127 resources located in an adjacent regional independent system operator's
1128 control area.]

1129 Sec. 10. Subdivision (57) of section 12-81 of the general statutes is
1130 repealed and the following is substituted in lieu thereof (*Effective October*
1131 *1, 2023*):

1132 (57) (A) (i) Any Class I renewable energy source, as defined in section
1133 16-1, [or hydropower facility described in subdivision (21) of subsection
1134 (a) of section 16-1] as amended by this act, including any run-of-the-

1135 river hydropower facility that began operation after July 1, 2003, and
1136 has a generating capacity of not more than thirty megawatts, and any
1137 run-of-the-river hydropower facility that received a new license after
1138 January 1, 2018, under the Federal Energy Regulatory Commission rules
1139 pursuant to 18 CFR 16, as amended from time to time, meets applicable
1140 state and federal requirements and site-specific standards for water
1141 quality and fish passage and is not based on a new dam or a dam
1142 identified by the Commissioner of Energy and Environmental
1143 Protection as a candidate for removal, but excluding any other
1144 hydropower facility, any trash-to-energy facility and any nuclear power
1145 generation facility, installed for the generation of electricity where such
1146 electricity is intended for private residential use or on a farm, as defined
1147 in subsection (q) of section 1-1, provided (I) such installation occurs on
1148 or after October 1, 2007, (II) the estimated annual production of such
1149 source or facility does not exceed the estimated annual load for the
1150 location where such source or facility is located, where such load and
1151 production are estimated as of the date of installation of the source or
1152 facility as indicated in the written application filed pursuant to
1153 subparagraph (E) of this subdivision, and (III) such installation is for a
1154 single family dwelling, a multifamily dwelling consisting of two to four
1155 units or a farm; (ii) any passive or active solar water or space heating
1156 system; or (iii) any geothermal energy resource. In the case of clause (i)
1157 of this subparagraph, the utilization of or participation in any net
1158 metering or tariff policy or program implemented by the state or
1159 ownership of such source or facility by a party other than the owner of
1160 the real property upon which such source or facility is installed shall not
1161 disqualify such source or facility from exemption pursuant to this
1162 section. In the case of clause (ii) or (iii) of this subparagraph, such
1163 exemption shall apply only to the amount by which the assessed
1164 valuation of the real property equipped with such system or resource
1165 exceeds the assessed valuation of such real property equipped with the
1166 conventional portion of the system or resource;

1167 (B) For assessment years commencing on and after October 1, 2013,
1168 any solar thermal or geothermal renewable energy source or Class I

1169 renewable energy source, as defined in section 16-1, [hydropower
1170 facility described in subdivision (21) of subsection (a) of section 16-1, or
1171 solar thermal or geothermal renewable energy source] as amended by
1172 this act, including any run-of-the-river hydropower facility that began
1173 operation after July 1, 2003, and has a generating capacity of not more
1174 than thirty megawatts, and any run-of-the-river hydropower facility
1175 that received a new license after January 1, 2018, under the Federal
1176 Energy Regulatory Commission rules pursuant to 18 CFR 16, as
1177 amended from time to time, meets applicable state and federal
1178 requirements and site-specific standards for water quality and fish
1179 passage and is not based on a new dam or a dam identified by the
1180 Commissioner of Energy and Environmental Protection as a candidate
1181 for removal, but excluding any other hydropower facility, any trash-to-
1182 energy facility and any nuclear power generation facility, installed for
1183 generation or displacement of energy, provided (i) such installation
1184 occurs on or after January 1, 2010, (ii) such installation is for commercial
1185 or industrial purposes, (iii) the nameplate capacity of such source or
1186 facility does not exceed the load for the location where such generation
1187 or displacement is located, and (iv) such source or facility is located in a
1188 distressed municipality, as defined in section 32-9p, with a population
1189 between one hundred twenty-five thousand and one hundred thirty-
1190 five thousand;

1191 (C) For assessment years commencing on and after October 1, 2013,
1192 any municipality may, upon approval by its legislative body or in any
1193 town in which the legislative body is a town meeting, by the board of
1194 selectmen, abate up to one hundred per cent of property tax for any solar
1195 thermal or geothermal renewable energy source or any Class I
1196 renewable energy source, as defined in section 16-1, [hydropower
1197 facility described in subdivision (21) of subsection (a) of section 16-1, or
1198 solar thermal or geothermal renewable energy source] as amended by
1199 this act, including any run-of-the-river hydropower facility that began
1200 operation after July 1, 2003, and has a generating capacity of not more
1201 than thirty megawatts, and any run-of-the-river hydropower facility
1202 that received a new license after January 1, 2018, under the Federal

1203 Energy Regulatory Commission rules pursuant to 18 CFR 16, as
1204 amended from time to time, meets applicable state and federal
1205 requirements and site-specific standards for water quality and fish
1206 passage and is not based on a new dam or a dam identified by the
1207 Commissioner of Energy and Environmental Protection as a candidate
1208 for removal, but excluding any other hydropower facility, any trash-to-
1209 energy facility and any nuclear power generation facility, installed for
1210 generation or displacement of energy, provided (i) such installation
1211 occurs between January 1, 2010, and December 31, 2013, (ii) such
1212 installation is for commercial or industrial purposes, (iii) the nameplate
1213 capacity of such source or facility does not exceed the load for the
1214 location where such generation or displacement is located, and (iv) such
1215 source or facility is not located in a municipality described in
1216 subparagraph (B) of this subdivision;

1217 (D) For assessment years commencing on and after October 1, 2014,
1218 any (i) Class I renewable energy source, as defined in section 16-1, [(ii)
1219 hydropower facility described in subdivision (21) of subsection (a) of
1220 section 16-1, or (iii)] as amended by this act, including any run-of-the-
1221 river hydropower facility that began operation after July 1, 2003, and
1222 has a generating capacity of not more than thirty megawatts, and any
1223 run-of-the-river hydropower facility that received a new license after
1224 January 1, 2018, under the Federal Energy Regulatory Commission rules
1225 pursuant to 18 CFR 16, as amended from time to time, meets applicable
1226 state and federal requirements and site-specific standards for water
1227 quality and fish passage and is not based on a new dam or a dam
1228 identified by the Commissioner of Energy and Environmental
1229 Protection as a candidate for removal, but excluding any other
1230 hydropower facility, any trash-to-energy facility and any nuclear power
1231 generation facility, or (ii) solar thermal or geothermal renewable energy
1232 source, installed for generation or displacement of energy, provided (I)
1233 such installation occurs on or after January 1, 2014, (II) is for commercial
1234 or industrial purposes, (III) the nameplate capacity of such source or
1235 facility does not exceed the load for the location where such generation
1236 or displacement is located or the aggregated load of the beneficial

1237 accounts for any Class I renewable energy source participating in virtual
1238 net metering pursuant to section 16-244u, and (IV) in the case of clause
1239 [(iii)] (ii) of this subparagraph, such exemption shall apply only to the
1240 amount by which the assessed valuation of the real property equipped
1241 with such source exceeds the assessed valuation of such real property
1242 equipped with the conventional portion of the source;

1243 (E) Any person claiming the exemption provided in this subdivision
1244 for any assessment year shall, on or before the first day of November in
1245 such assessment year, file with the assessor or board of assessors in the
1246 town in which such [hydropower facility,] Class I renewable energy
1247 source, solar thermal or geothermal renewable energy source or passive
1248 or active solar water or space heating system or geothermal energy
1249 resource is located, a written application claiming such exemption. Such
1250 application shall be made on a form prepared for such purpose by the
1251 Secretary of the Office of Policy and Management, in consultation with
1252 the Connecticut Association of Assessing Officers and the Connecticut
1253 Green Bank established pursuant to section 16-245n, and shall include,
1254 but not be limited to, a statement of the estimated annual load and
1255 production of a source or facility described in clause (i) of subparagraph
1256 (A) of this subdivision as of the date of the installation of such source or
1257 facility. Said secretary shall make such application available to the
1258 public on the Internet web site of the Office of Policy and Management.
1259 Failure to file such application in the manner and form as provided by
1260 the secretary within the time limit prescribed shall constitute a waiver
1261 of the right to such exemption for such assessment year. Such
1262 application shall not be required for any assessment year following that
1263 for which the initial application is filed, provided if such [hydropower
1264 facility,] Class I renewable energy source, solar thermal or geothermal
1265 renewable energy source or passive or active solar water or space
1266 heating system or geothermal energy resource is altered in a manner
1267 which would require a building permit, such alteration shall be deemed
1268 a waiver of the right to such exemption until a new application,
1269 applicable with respect to such altered source, is filed and the right to
1270 such exemption is established as required initially. In the event that a

1271 person owns more than one such source or facility in a municipality,
1272 such person may file a single application identifying each source or
1273 facility;

1274 (F) For assessment years commencing on and after October 1, 2015,
1275 any municipality may, by vote of its legislative body or, in a
1276 municipality where the legislative body is a town meeting, by vote of
1277 the board of selectmen, abate up to one hundred per cent of the property
1278 taxes due for any tax year, for not longer than the term of the power
1279 purchase agreement, with respect to any Class I renewable energy
1280 source, as defined in section 16-1, as amended by this act, including any
1281 run-of-the-river hydropower facility that began operation after July 1,
1282 2003, and has a generating capacity of not more than thirty megawatts,
1283 and any run-of-the-river hydropower facility that received a new license
1284 after January 1, 2018, under the Federal Energy Regulatory Commission
1285 rules pursuant to 18 CFR 16, as amended from time to time, meets
1286 applicable state and federal requirements and site-specific standards for
1287 water quality and fish passage and is not based on a new dam or a dam
1288 identified by the Commissioner of Energy and Environmental
1289 Protection as a candidate for removal, but excluding any other
1290 hydropower facility, any trash-to-energy facility and any nuclear power
1291 generation facility, that is the subject of such power purchase agreement
1292 approved by the Public Utilities Regulatory Authority pursuant to
1293 section 16a-3f;

1294 Sec. 11. Section 16a-3g of the general statutes is repealed and the
1295 following is substituted in lieu thereof (*Effective October 1, 2023*):

1296 On or after July 1, 2013, the Commissioner of Energy and
1297 Environmental Protection, in consultation with the procurement
1298 manager identified in subsection (l) of section 16-2, the Office of
1299 Consumer Counsel and the Attorney General, may, in coordination
1300 with other states in the region of the regional independent system
1301 operator, as defined in section 16-1, as amended by this act, or on the
1302 commissioner's own, solicit proposals, in one solicitation or multiple

1303 solicitations, from providers of Class I renewable energy sources, as
1304 defined in section 16-1, as amended by this act, [or] including verifiable
1305 large-scale hydropower, as defined in section 16-1, as amended by this
1306 act. If the commissioner finds such proposals to be in the interest of
1307 ratepayers, including, but not limited to, the delivered price of such
1308 sources, and consistent with the requirements to reduce greenhouse gas
1309 emissions in accordance with section 22a-200a, and in accordance with
1310 the policy goals outlined in the Comprehensive Energy Strategy,
1311 adopted pursuant to section 16a-3d, and section 129 of public act 11-80*,
1312 including, but not limited to, base load capacity, peak load shaving and
1313 promotion of wind, solar and other renewable and low carbon energy
1314 technologies, the commissioner may select proposals from such
1315 resources to meet up to five per cent of the load distributed by the state's
1316 electric distribution companies. The commissioner may on behalf of all
1317 customers of electric distribution companies, direct the electric
1318 distribution companies to enter into power purchase agreements for
1319 energy, capacity and any environmental attributes, or any combination
1320 thereof, for periods of not more than (1) fifteen years, if any such
1321 agreement is with a provider of verifiable large-scale hydropower, or (2)
1322 twenty years, if any such agreement is with a provider of a Class I
1323 renewable energy source other than large-scale hydropower.
1324 Certificates issued by the New England Power Pool Generation
1325 Information System for any Class I renewable energy sources procured
1326 under this section shall be sold in the New England Power Pool
1327 Generation Information System renewable energy credit market to be
1328 used by any electric supplier or electric distribution company to meet
1329 the requirements of section 16-245a, as amended by this act. Any such
1330 agreement shall be subject to review and approval by the Public Utilities
1331 Regulatory Authority, which review shall (A) include a public hearing,
1332 and (B) be completed not later than sixty days after the date on which
1333 such agreement is filed with the authority. The net costs of any such
1334 agreement, including costs incurred by the electric distribution
1335 companies under the agreement and reasonable costs incurred by the
1336 electric distribution companies in connection with the agreement, shall

1337 be recovered through a fully reconciling component of electric rates for
1338 all customers of electric distribution companies.

1339 Sec. 12. Subsection (e) of section 16a-3i of the general statutes is
1340 repealed and the following is substituted in lieu thereof (*Effective October*
1341 *1, 2023*):

1342 (e) [Notwithstanding subdivision (1) of subsection (b) of section 16-
1343 245a, in the event that (1) for any calendar year commencing on or after
1344 January 1, 2014, there is such a presumption pursuant to subsection (a)
1345 of this section, (2) the commissioner finds material shortage of Class I
1346 renewable energy sources pursuant to subsection (b) of this section, (3)
1347 there is a determination of inadequacy pursuant to subsection (c) of this
1348 section, and (4) any contracts for Class I renewable energy sources
1349 approved by the Public Utilities Regulatory Authority pursuant to
1350 subsection (d) of this section yield an amount of Class I renewable
1351 energy sources that is insufficient to rectify any projected shortage
1352 pursuant to subsection (c) of this section, then commencing on or after
1353 January 1, 2016, the commissioner may allow not more than one
1354 percentage point of the Class I renewable portfolio standards
1355 established pursuant to section 16-245a effective for the succeeding and
1356 subsequent calendar years to be satisfied by large-scale hydropower
1357 procured pursuant to section 16a-3g. The requirements applicable to
1358 electric suppliers and electric distribution companies pursuant to
1359 section 16-245a shall consequently be reduced by not more than one
1360 percentage point in proportion to the commissioner's action, provided
1361 (A) the] On and after October 1, 2023, the commissioner shall not allow
1362 a total of more than [~~five~~] fifteen percentage points of the Class I
1363 renewable portfolio standard to be met by large-scale hydropower, [by
1364 December 31, 2020, and (B) no such large-scale hydropower shall be
1365 eligible to trade in the New England Power Pool Generation
1366 Information System renewable energy credit market] as defined in
1367 section 16-1, as amended by this act.

1368 Sec. 13. Subsections (d) and (e) of section 16a-3m of the general

1369 statutes are repealed and the following is substituted in lieu thereof
1370 (*Effective October 1, 2023*):

1371 (d) After completing the appraisal, if the results of such appraisal
1372 demonstrate that action is necessary, the commissioner shall act and
1373 may issue one or more solicitations, in consultation with the
1374 procurement manager identified in subsection (l) of section 16-2 and the
1375 Office of Consumer Counsel established in section 16-2a, for zero-
1376 carbon electricity generating resources, including, but not limited to,
1377 [eligible nuclear power generation facilities, hydropower,] Class I
1378 renewable energy sources, as defined in section 16-1, as amended by this
1379 act, including eligible nuclear power generation facilities and
1380 hydropower, and energy storage systems, provided (1) the total annual
1381 energy output of any proposals selected, in the aggregate, shall be not
1382 more than twelve million megawatt hours of electricity, (2) any
1383 agreement entered into pursuant to this subdivision with an eligible
1384 nuclear power generation facility or hydropower shall be for a period of
1385 not less than three years and not more than ten years, and (3) any
1386 agreement entered into pursuant to this subdivision with (A) Class I
1387 renewable energy sources, as defined in section 16-1, as amended by this
1388 act, other than an eligible nuclear power generation facility or
1389 hydropower, and (B) energy storage systems shall be for a period of not
1390 more than twenty years. On or before May 1, 2018, if the results of such
1391 appraisal demonstrate that one or more solicitations pursuant to this
1392 subsection are necessary, the commissioner shall initiate such
1393 solicitation process pursuant to this subsection, in accordance with
1394 subsection (e) of this section, provided any changes made, contracts
1395 entered into or agreements entered into are in the best interest of
1396 ratepayers.

1397 (e) (1) Any solicitation issued pursuant to subsection (d) of this
1398 section for zero-carbon electricity generating resources, including, but
1399 not limited to, [eligible nuclear power generation facilities,
1400 hydropower,] Class I renewable energy sources, as defined in section
1401 16-1, as amended by this act, including eligible nuclear power

1402 generation facilities and hydropower, and energy storage systems, shall
1403 be for resources delivered into the control area of the regional
1404 independent system operator, as defined in section 16-1, as amended by
1405 this act, and any agreement entered into pursuant to subdivision (2) of
1406 this subsection shall be in the best interest of ratepayers. If the
1407 commissioner finds proposals received pursuant to such solicitations to
1408 be in the best interest of ratepayers, the commissioner may select any
1409 such proposal or proposals, provided (A) the total annual energy output
1410 of any proposals selected, in the aggregate, shall be not more than
1411 twelve million megawatt hours of electricity, (B) any agreement entered
1412 into pursuant to this subdivision with an eligible nuclear power
1413 generation facility or hydropower shall be for a period of not less than
1414 three years and not more than ten years, and (C) any agreement entered
1415 into pursuant to this subdivision with (i) Class I renewable energy
1416 sources, as defined in section 16-1, as amended by this act, other than an
1417 eligible nuclear power generation facility or hydropower, and (ii)
1418 energy storage systems shall be for a period of not more than twenty
1419 years.

1420 (2) If the commissioner has made the determination and finding
1421 pursuant to subdivision (1) of this subsection, the commissioner shall,
1422 on behalf of all customers of electric distribution companies, direct the
1423 electric distribution companies to enter into agreements for energy,
1424 capacity and any environmental attributes, or any combination thereof,
1425 from proposals submitted pursuant to this subdivision.

1426 (3) Any agreement entered into pursuant to subdivision (2) of this
1427 subsection shall be subject to review and approval by the Public Utilities
1428 Regulatory Authority. The electric distribution company shall file an
1429 application for the approval of any such agreement with the authority.
1430 The authority's review shall commence upon the filing of the signed
1431 power purchase agreement with the authority. The authority shall
1432 approve agreements that it determines (A) provide for the delivery of
1433 adequate and reliable products and services, for which there is a clear
1434 public need, at a just and reasonable price, (B) are prudent and cost

1435 effective, and (C) that the respondent to the solicitation has the technical,
1436 financial and managerial capabilities to perform pursuant to such
1437 agreement. The authority shall issue a decision not later than one
1438 hundred eighty days after such filing. If the authority does not issue a
1439 decision within one hundred eighty days after such filing, the
1440 agreement shall be deemed approved. The net costs of any such
1441 agreement, including costs incurred by the electric distribution
1442 company under the agreement and reasonable costs incurred by the
1443 electric distribution company in connection with the agreement, shall be
1444 recovered on a timely basis through a nonbypassable fully reconciling
1445 component of electric rates for all customers of the electric distribution
1446 company. Any net revenues from the sale of products purchased in
1447 accordance with long-term contracts entered into pursuant to this
1448 section shall be credited to customers through the same nonbypassable
1449 fully reconciling rate component for all customers of the contracting
1450 electric distribution company.

1451 Sec. 14. Subsection (a) of section 16a-51 of the general statutes is
1452 repealed and the following is substituted in lieu thereof (*Effective October*
1453 *1, 2023*):

1454 (a) As used in this section, (1) "qualifying project" means a combined
1455 heat and power system, as [described] defined in [subdivision (38) of
1456 subsection (a) of] section 16-1, as amended by this act, that (A) provides
1457 commercial, industrial or residential facilities with both electrical
1458 generation and heat output, (B) has a nameplate capacity of between
1459 five hundred and five thousand kilowatts, (C) is placed into service
1460 between January 1, 2012, and January 1, 2015, and (D) is not eligible
1461 under section 16-245hh or section 103 of public act 11-80, and (2) "electric
1462 distribution company" has the same meaning as provided in section 16-
1463 1, as amended by this act.

1464 Sec. 15. (*Effective from passage*) (a) There is established a task force to
1465 study electric distribution companies' procurement of electric
1466 generation services for standard service. Such study shall include, but

1467 need not be limited to, (1) reviewing electric distribution companies'
1468 procurement policies for standard service, (2) reviewing the procedures
1469 used by municipal electric utilities to procure electric generation
1470 services and identifying practices that could be adopted by electric
1471 distribution companies to lower rates for ratepayers in the state, (3)
1472 reviewing the procurement practices of electric distribution companies
1473 in other deregulated states and identifying practices that could result in
1474 lower rates for ratepayers in the state, (4) reviewing the process for
1475 power purchase agreements in the state and identifying best practices
1476 to increase stability in the market, and (5) reviewing the state's gas
1477 supply system and evaluating whether current supply and capacity is
1478 adequate to meet the energy needs of residences and power plants in
1479 the state.

1480 (b) The task force shall consist of the following members:

1481 (1) One appointed by the president pro tempore of the Senate, who
1482 has expertise in energy procurement;

1483 (2) A representative of a municipal electric utility, who shall be
1484 appointed by the majority leader of the Senate;

1485 (3) A representative of a municipal electric utility, who shall be
1486 appointed by the minority leader of the Senate;

1487 (4) A representative of a customer advocacy organization, who shall
1488 be appointed by the majority leader of the House of Representatives;

1489 (5) A representative of an electric distribution company that has a
1490 service area of eighteen or more cities and towns, who shall be
1491 appointed by the speaker of the House of Representatives;

1492 (6) A representative of an electric distribution company that has a
1493 service area of not more than seventeen cities and towns, who shall be
1494 appointed by the minority leader of the House of Representatives;

1495 (7) The chairperson of the Public Utilities Regulatory Authority, or

1496 the chairperson's designee;

1497 (8) The procurement manager of the Public Utilities Regulatory
1498 Authority;

1499 (9) The Commissioner of Energy and Environmental Protection, or
1500 the commissioner's designee;

1501 (10) The Consumer Counsel; and

1502 (11) The chairpersons and ranking members of the joint standing
1503 committee of the General Assembly having cognizance of matters
1504 relating to energy.

1505 (c) All initial appointments to the task force shall be made not later
1506 than thirty days after the effective date of this section. Any vacancy shall
1507 be filled by the appointing authority.

1508 (d) The speaker of the House of Representatives and the president
1509 pro tempore of the Senate shall select the chairpersons of the task force
1510 from among the members of the task force. Such chairpersons shall
1511 schedule the first meeting of the task force, which shall be held not later
1512 than sixty days after the effective date of this section.

1513 (e) The administrative staff of the joint standing committee of the
1514 General Assembly having cognizance of matters relating to energy shall
1515 serve as administrative staff of the task force.

1516 (f) Not later than January 1, 2024, the task force shall submit a report
1517 on its findings and recommendations, including recommended
1518 legislation, to the joint standing committee of the General Assembly
1519 having cognizance of matters relating to energy, in accordance with the
1520 provisions of section 11-4a of the general statutes. The task force shall
1521 terminate on the date that it submits such report or January 1, 2024,
1522 whichever is later.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	16-19tt(b)
Sec. 2	<i>October 1, 2023</i>	16-19jj
Sec. 3	<i>from passage</i>	16-245d(a)
Sec. 4	<i>October 1, 2023</i>	16-1
Sec. 5	<i>October 1, 2023</i>	16-244c(b) to (h)
Sec. 6	<i>October 1, 2023</i>	16-244bb(a)
Sec. 7	<i>October 1, 2023</i>	16-245(k)
Sec. 8	<i>October 1, 2023</i>	16-245a
Sec. 9	<i>October 1, 2023</i>	16a-3j(c)
Sec. 10	<i>October 1, 2023</i>	12-81(57)
Sec. 11	<i>October 1, 2023</i>	16a-3g
Sec. 12	<i>October 1, 2023</i>	16a-3i(e)
Sec. 13	<i>October 1, 2023</i>	16a-3m(d) and (e)
Sec. 14	<i>October 1, 2023</i>	16a-51(a)
Sec. 15	<i>from passage</i>	New section

Statement of Purpose:

To lower the cost of energy for ratepayers in the state.

[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.]

Co-Sponsors: SEN. FAZIO, 36th Dist.; REP. BUCKBEE, 67th Dist.
REP. DELNICKI, 14th Dist.; REP. ANDERSON, 62nd Dist.

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