

OFFICE OF FISCAL ANALYSIS

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sSB-385

AN ACT CONCERNING ENERGY PROCUREMENTS.

As Amended by Senate "A" (LCO 5637)

House Calendar No.: 486

Senate Calendar No.: 236

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Public Utilities Regulatory Authority (PURA)	CC&PUCF - Potential Cost	See Below	See Below

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact: None

Explanation

The bill makes a variety of changes regarding energy procurement and results in the fiscal impacts outlined below.

Section 1 makes several changes regarding energy procurements and results in no direct fiscal impact to the state.

Section 3 extends a sunset clause for the purchase of Class III renewables beyond December 2024 under certain circumstances and results in no fiscal impact.

Section 4 increases power purchase agreement terms, from 20 to 30 years, allowed under an existing procurement authorization for run-of-the-river hydropower resources resulting in no fiscal impact to the state or municipalities.

Section 6 establishes procedures by which the Department of Energy and Environmental Protection (DEEP) to instruct electric distribution

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companies to purchase biomass generated power resulting in no fiscal impact.

Section 7 creates a taskforce to study the improvement of photovoltaic solar systems sales for customers and is expected to be completed within existing resources, resulting in no fiscal impact to the state.

Section 8 empowers the Public Utilities Regulatory Authority (PURA) to work with DEEP and The Connecticut Green Bank, electric distribution companies and third-party companies to implement a variety of PURA programs and results in a potential cost. The exact impact will depend on the implementation of the program and whether third-party companies will be required for implementation.

Ratepayer Impact Statement¹:

The bill creates a variety of provisions expanding the procurement options available for DEEP to direct electric distribution companies to procure and results in a potential ratepayer impact. The exact impact would depend on the extent the provisions of the bill and result in the procurement of energy that is either more or less costly.

Senate "A" strikes the underlying bill and results in the fiscal impacts outlined above.

The Out Years

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

explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

¹ The state and municipalities are ratepayers, and they may be impacted by policy changes that affect electric rates.