

# Energy and Technology Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-5356

AN ACT CONCERNING MODIFICATIONS TO THE RENEWABLE PORTFOLIO

**Title:** STANDARD.

**Vote Date:** 3/21/2024

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/7/2024

**File No.:**

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## **SPONSORS OF BILL: INTRODUCED BY THE ENERGY AND TECHNOLOGY COMMITTEE**

### **REASONS FOR BILL:**

As Connecticut aims to reduce its greenhouse gas emissions, its programs must be evaluated so they can work efficiently, and new technology should be implemented if proven efficient at reducing greenhouse gas emissions. This bill aims to incorporate linear generators, a new technology source, to the U.S. Congress's definition of fuel cells in the Inflation Reduction Act (IRA). Class III resources make an important contribution to reducing greenhouse gas emissions, even though they make up a small amount of the total Connecticut energy resources. This bill analyzes the current state of obtaining output from electric suppliers to be from Class III sources. Currently, Connecticut General Statutes Section 16-243q outlines that until December 31<sup>st</sup>, 2024, not less than 5 percent of the output of an electric supplier or electric distribution company be from Class III sources, but after this date, the required amount drops to 4 percent. This bill would remove this change and maintain that not less than 5 percent of the output of the electric supplier or electric distribution company be from Class III sources.

### **SUBSTITUTE LANGUAGE:**

Adds section three to the bill. Section 3 includes the study of natural gas capacity in the state by The Commissioner of Energy and Environmental Protection. The study will include an evaluation of natural gas capacity and an examination of ways to expand natural gas capacity in the state. By January 1, 2025, the commissioner should report the results of the study to the General Assembly.

### **RESPONSE FROM ADMINISTRATION/AGENCY:**

Claire Coleman, Consumer Counsel, Connecticut Office of Consumer Counsel: OCC presents testimony on wanting a greater insight towards the reasoning for the changes stated in the bill proposal and if there are any details on the effects of the changes towards electric ratepayers.

Katie Dykes, Commissioner, Connecticut Department of Energy and Environmental Protection: DEEP comments on wanting to work alongside the committee to better comprehend the reasoning on Section 1 and give their support on Section 2 of the bill.

#### **NATURE AND SOURCES OF SUPPORT:**

Susan Bruce, Attorney, McNees-Wallace and Nurick LLC: On behalf of the Kimberly-Clark Corporation this testimony presents support of the bill because it commemorates the 5% demand level for class III REC's. At this stage, it will cause the supply and demand for them to be at a more stable point. Furthermore, this bill will provide guarantee towards the liveliness of the Class III program to CHP owners that work in sectors that drive the State's economy.

Derek Rudd, Executive Vice President, Hartford Steam Company: The Hartford Steam Company is in support of making the current 5% Class III requirement permanent because it furthers CT's greenhouse gas emissions reduction goals and strengthens the RPS program. In addition, it will help meet the states' goal of 0% emissions by 2040.

Thomas Jacobsen, Executive Vice President, Blue Delta Energy: Blue Delta Energy provides 3 reasons on why they presented testimony in support. The benefits include providing important grid resiliency from the impacts of climate change while reducing greenhouse gas emissions associated with thermal loads, it represents investment in state's economy, and facilitating the integration of existing renewable projects and promoting emerging technologies as part of a diverse distributed grid.

Kevin Hennessy, Senior Director of Policy, Mainspring Energy: Is in favor of the bill due to it holding linear generators and fuel cells to the same standards. This will open opportunities for linear generators to compete in various programs and procurements to help the state reduce its energy emissions and costs.

The following people presented testimony in support and like the above statements.

Paul Lavoie, Chief Manufacturing Officer, State of Connecticut  
Rodney Butler, Chairman, Mashantucket Pequot Tribe  
Branch Sinkule, Sr. Director of Government Relations, Kimberly-Clarke Corporation  
James Turner, Director of Connecticut Site Lead, Global Work Place Solutions  
Jennifer Gardner, CEO, Darien YMCA

#### **NATURE AND SOURCES OF OPPOSITION:**

Shannon Laun, Vice President, Conservation Law Foundation: CLF is in opposition because they are not in favor of fuel cell power plants being incorporated towards Class I renewables. Most hydrogen used as a feedstock for fuel cells are non-renewable. CLF states that it is

more coherent to use renewable electricity directly versus using it to create hydrogen. In conclusion, the use of electricity to make clean hydrogen would enlarge demand and make it difficult for the state to decarbonize the grid to meet its 2040 zero-carbon electricity supply goal (Global Warming Solutions Act).

The following people presented testimony like the above statement by Shannon Laun:

Samantha Dynowski, State Director, Sierra Club

Chris Phelps, State Director, Environment Connecticut

The following people presented testimony in opposition of HB-5356.

Mark Mitchell, Co-Chair, CEEJAC

Julia Witruszynski

Diane Keefe

### **Informational Testimony & Comments**

Natalie Treat, Director of Public Policy, Northeast Clean Energy Council: This bill would give an opportunity for a leveled playing field for more technologies to compete towards reduction of emissions and costs for the state.

Aziz Dehkan, Executive Director, CT Roundtable on Climate and Jobs: CRCJ urges the committee in considering specification towards only fuel cells being powered by hydrogen that are produced via hydrolysis with zero emissions electricity sources to qualify as Class I renewable energy sources.

**Reported by:**  
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**Date: 4/2/2024**