



Acts Affecting Energy and Utilities

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June 29, 2022 | 2022-R-0124

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Notice to Readers

This report provides summaries of new laws (public acts and special acts) significantly affecting energy and utilities enacted during the 2022 legislative session. OLR's other Acts Affecting reports, including Acts Affecting Environment, are, or will soon be, available on OLR's website:

<https://www.cga.ct.gov/olr/actsaffecting.asp>.

Each summary indicates the public act (PA) or special act (SA) number. Not all provisions of the acts are included. The report does not include vetoed acts unless the veto was overridden.

Complete summaries of public acts are, or will soon be, available on OLR's website:

<https://www.cga.ct.gov/olr/olrsums.asp>.

Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, House Clerk's Office, or General Assembly's website: <http://www.cga.ct.gov>.

Clean Energy Initiatives

Class II RPS & Sustainable Materials Management Program

In general, the state's Renewable Portfolio Standard (RPS) requires a portion of the power supplied to electric ratepayers to come from certain renewable energy sources. Starting on January 1, 2023, a new law limits the Class II RPS requirement to only Class II renewable energy sources (i.e., trash to energy facilities), instead of allowing both Class I (e.g., wind and solar) and Class II renewables to meet the Class II requirement.

Starting on that same date, the new law also requires that the payments for failing to meet the Class II requirement be deposited into a new sustainable materials management account, rather than being refunded to ratepayers as prior law required. In addition, the Department of Energy and Environmental Protection (DEEP) commissioner must establish and administer a sustainable materials management program to support solid waste reduction in the state using funds from the new account ([PA 22-118](#), §§ 163-167, effective October 1, 2022).

Eliminating Electric Sector Emissions

The state's Global Warming Solutions Act (GWSA) requires the state to reduce greenhouse gas emissions to specified levels by 2020, 2030, and 2050. In practice, these targets apply economy-wide to various sectors including electricity consumption, transportation, and agriculture. A new law sets a requirement within the GWSA for the state to eliminate greenhouse gas emissions from electricity supplied to the state's electric customers by January 1, 2040 ([PA 22-5](#), effective July 1, 2022).

Green Bank C-PACE Program

A new law expands the types of projects that the Connecticut Green Bank's Commercial Property Assessed Clean Energy Program (C-PACE) may finance to include installing zero-emission vehicle refueling infrastructure and resilience improvements on qualifying commercial real property. Generally, C-PACE secures financing from third-party capital providers for certain energy improvement projects and the property owner repays the costs through an assessment on the property, backed by a lien ([PA 22-6](#), effective October 1, 2022).

Hydrogen Power Task Force

This year, the legislature established a task force to study hydrogen-fueled energy in the state's economy and infrastructure. The 21-member task force must, among other things, (1) review regulations and legislation needed to achieve economies of scale in the hydrogen ecosystem, (2)

examine how to position the state to take advantage of programs created by the federal Infrastructure Investment and Jobs Act, and (3) examine potential sources of clean hydrogen.

The task force must make recommendations on workforce initiatives, funding and tax preferences for facilities at brownfield sites, funding sources to develop hydrogen-fueled energy programs and infrastructure, and potential end uses of hydrogen-fueled energy. It must report its findings to the Energy and Technology Committee by January 15, 2023 ([SA 22-8](#), effective upon passage).

Non-Residential Energy Solutions (NRES) and Shared Clean Energy Facility (SCEF) Programs Expansion

This session, the legislature expanded two state clean energy programs: the Non-Residential Energy Solutions (NRES) program and the Shared Clean Energy Facility (SCEF) program. Under these programs, electric distribution companies (EDCs, i.e., Eversource and United Illuminating) enter long-term contracts with selected renewable energy projects (e.g., solar projects) and participating customers may benefit by offsetting their energy use.

The new law generally doubles the size of these programs by raising the caps on the amount of energy available under them. It also (1) increases the maximum size of individual projects under the programs, (2) allows commercial and industrial customers in the NRES program to use their entire rooftops to site projects and (3) increases the percentage of SCEF projects that must benefit low-income customers ([PA 22-14](#), §§ 1-4, effective October 1, 2022).

Solar Panels in Planned Community Associations

A new law prohibits planned community associations (but not condominiums and cooperatives) from adopting or enforcing rules that effectively prohibit unit owners from installing solar panels on their roofs. However, it allows the associations to adopt rules governing (1) these system's size; (2) how they are attached, installed, and removed; and (3) the unit owner's responsibility for their maintenance and periodic upkeep ([PA 22-25](#), § 16, effective October 1, 2022).

Solar Projects and Property Tax Study

A new law requires the Office of Policy and Management (OPM) to study how property taxes apply to commercial solar generation projects with a nameplate capacity rating of at least 50 kilowatts. The act requires OPM to summarize the current statutory framework for personal and real estate property taxes on these projects and recommend changes that would remove inconsistencies in these statutes and allow for equitable property tax treatment of these projects across the state. OPM must report its findings to the Energy and Technology and Planning and Development committees by January 1, 2023 ([PA 22-14](#), § 5, effective upon passage).

Utility Ownership of Energy Storage Systems

A new law restricts utility ownership of energy storage systems to those systems that enhance distribution reliability or resiliency. It requires the Public Utilities Regulatory Authority (PURA) to authorize EDCs to recover their prudently incurred costs for these systems during the company's next rate case, rather than allowing the recovery through a fully reconciling rate component. The act also requires PURA to direct each EDC to submit proposals for a pilot program in which the EDC would build, own, and operate energy storage systems to show how they can improve critical infrastructure resiliency and electric distribution system reliability ([PA 22-55](#), effective October 1, 2022, except provisions on the pilot program are effective upon passage).

Clean Transportation

Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) Program

This year the legislature made numerous changes to the CHEAPR program, including:

1. making DEEP responsible for the program's administration instead of the CHEAPR board;
2. making the CHEAPR board advisory-only and adding new members, including PURA's chairperson and representation from electric vehicle (EV) and e-bike manufacturers;
3. expanding eligibility for rebates to businesses, municipalities, and nonprofits, subject to certain limitations;
4. establishing incentives for e-bike purchases; and
5. requiring DEEP to prioritize rebates to residents of environmental justice communities and participants in certain state and federal assistance programs.

The legislature also increased funding for the program by directing to the CHEAPR account (1) all of the greenhouse gas reduction fee, rather than limiting it to \$3 million of fee revenue as prior law did, and (2) part of the state's Regional Greenhouse Gas Initiative proceeds ([PA 22-25](#), §§ 7, 10 & 18, effective July 1, 2022).

EV Charging Requirements for New Construction

A new law generally requires that:

1. after January 1, 2023, each new construction of a state facility that costs over \$100,000 be built with level two EV charging stations in at least 20% of the parking spaces designated for cars or light-duty trucks;

2. any new construction school building project submitted to the legislature after July 1, 2023, include level two EV charging stations in at least 20% of the parking spaces for cars or light-duty trucks; and
3. after January 1, 2023, each new construction of a commercial building or multi-unit residential building with at least 30 parking spaces have EV charging infrastructure in at least 10% of parking spaces ([PA 22-25](#), §§ 5 & 17, effective October 1, 2022).

Property Tax Exemptions for EV Charging Stations and Zero-Emission School Buses

To help encourage greater use of EVs and other low-emission transportation, the legislature enacted property tax exemptions for (1) level two EV charging stations located on commercial or industrial property, (2) any EV charging stations located on residential property, (3) refueling equipment for fuel cell electric vehicles, and (4) zero-emission school buses ([PA 22-25](#), § 6, effective October 1, 2022, and applicable to assessment years starting on or after that date).

Right to Charge in Condominiums, Common Interest Communities, and Rentals

A new law gives unit owners in condominiums and common interest communities, and tenants in leased residences, a right to install EV chargers under certain conditions. For condos and common interest communities, the new law generally voids governing document provisions that unreasonably restrict installing EV chargers in a unit or limited common element parking space. Among other things, it also establishes requirements, procedures, and various conditions and criteria for installing a charging station.

For tenants, the new law (1) generally requires landlords to approve a tenant's written request to install an EV charging station at the tenant's dedicated parking space, as long as the tenant agrees to certain terms and conditions; (2) specifies the contents and terms of the written request and the landlord-tenant agreement; (3) phases-in implementation of the requirement based on the landlord's number of units; and (4) exempts rental properties that meet certain conditions (e.g., those with less than five parking spaces) ([PA 22-25](#), §§ 2-4, effective October 1, 2022).

State Agency EV Charging Stations

A new law sets policies and procedures for installing and operating EV charging stations on state agency property. It authorizes the agencies to (1) determine authorized users; (2) establish and post time limits; and (3) establish fees to recover operational, maintenance, and electric costs ([PA 22-118](#), § 128, effective October 1, 2022).

State Fleet Electrification

The legislature modified the schedule for electrifying the state's vehicle fleet this session. Instead of requiring at least 50% of the cars and light duty trucks acquired by the state to be zero-emission vehicles by 2030 (as under prior law), a new law requires 50% of the cars and light duty trucks the state acquires to be battery electric vehicles by 2026. The percentage of those cars and trucks must then increase to 75% by 2028 and 100% by January 1, 2030.

The new law also prohibits the state from acquiring diesel-fueled transit buses after January 1, 2024 ([PA 22-25](#), § 1, effective October 1, 2022).

Zero-Emission School Buses

New legislation contains several provisions that aim to help the transition to zero-emission school buses. These provisions, among other things:

1. allow boards of education to enter into school transportation contracts for up to 10-year terms if the contract includes providing transportation by at least one zero-emission bus (the law otherwise generally limits these contracts to five-year terms);
2. require that all school buses be zero-emission by (a) January 1, 2030, in school districts that have an environmental justice community as of July 1, 2022, and (b) January 1, 2040, in the remaining districts; and
3. require DEEP to establish a grant program that provides the matching funds municipalities, school districts, and school bus operators need to submit federal grant applications and maximize federal funding for zero-emission school buses and EV charging or fueling infrastructure ([PA 22-25](#), §§ 12 & 13, effective July 1, 2022, except that the school bus contract provision is effective October 1, 2022).

The bond bill also authorizes an additional \$20 million in bonds to fund the school bus matching grant program ([PA 22-118](#), § 314, effective July 1, 2022).

Emergency Communications

E 9-1-1 Commission and DESPP Coordinating Advisory Board

A new law expands the E 9-1-1 Commission and Department of Emergency Services and Public Protection (DESPP) Coordinating Advisory Board by adding the Department of Mental Health and Addiction Services commissioner and others as members. The commission generally advises DESPP on planning, designing, implementing, and coordinating the statewide emergency 9-1-1 telephone system and the public safety data network. The advisory board advises DESPP on ways

to improve emergency response communications and related issues ([PA 22-47](#), §§ 23-24, effective October 1, 2022).

Statewide Emergency Service Telecommunications Plan

By law, DESPP’s Division of Statewide Emergency Telecommunications, in cooperation with PURA, must develop a statewide emergency service telecommunications plan that identifies certain systems needed to provide coordinated emergency service telecommunications to all state residents, including people with physical disabilities. A new law specifies that the plan must also address residents who need mental health, behavioral health, or substance use disorder services ([PA 22-47](#), § 22, effective October 1, 2022).

Gas Systems

Gas Transportation & Call Before You Dig

A new law expands PURA’s authority over certain gas transportation entities (e.g., propane systems and municipal gas distribution systems). Among other things, this (1) gives PURA access to their facilities and brings them under PURA’s investigatory powers, (2) provides whistleblower protections to their employees, and (3) allows PURA to order them to make certain improvements or repairs and impose certain penalties on them. It also establishes a process by which the PURA commissioners can stop work on a project covered by the “Call Before You Dig” law if there is an immediate life-threatening hazard resulting from a willful violation of the law ([PA 22-20](#), effective October 1, 2022).

Municipal Gas Company Gross Earnings Tax Exemption

Beginning July 1, 2022, a new law exempts municipal gas utilities from the utility company tax. Under prior law, municipal gas utilities paid a 4% tax on gross receipts from their residential customers and 5% on those from nonresidential customers ([PA 22-118](#), §§ 433 & 434, effective July 1, 2022; the changes to the utility company tax rate are applicable to tax quarters beginning on or after July 1, 2022).

Nuclear Power

Nuclear Facility Moratorium Exemption

Existing law prohibits construction from starting on a new nuclear power facility unless and until DEEP finds that the federal government has identified and approved a way to dispose of high-level nuclear waste. A new law exempts from this moratorium any nuclear power generating facility

currently operating in the state (i.e., the Millstone Power Station in Waterford) ([PA 22-76](#), effective October 1, 2022).

Radiation Regulation

Several provisions in a new law further the state’s transition to “agreement state status” with the U.S. Nuclear Regulatory Commission (NRC). This status allows states to assume responsibility for regulating and licensing radiation byproduct material, source material, and certain amounts of special nuclear materials. Among the minor and technical changes to advance the transition, the new law (1) specifies that NRC keep regulatory oversight over certain materials and activities; (2) allows the DEEP commissioner to enter into certain agreements for inspections and other control functions; and (3) applies to the radiation and radioactive materials law existing penalties for failing to file, obtain, or display certain documents, or improperly maintaining a condition or activity involving radiation or radioactive material ([PA 22-143](#), §§ 12-16, most sections effective upon passage).

Water

Public Health Concerns in Distressed Water Systems

By law, if PURA, in consultation with the Department of Public Health (DPH), determines that the costs to acquire and improve a distressed water system are necessary and reasonable, it must order the system to be acquired by the most suitable public or private entity. PURA must consider various factors when making this determination (e.g., whether the acquiring entity has the resources to operate the system reliably and efficiently), and a new law requires PURA to also consider public health concerns related to the system, including any closed or active consent decrees or deficiencies DPH identifies ([PA 22-29](#), effective October 1, 2022).

Sales and Use Tax Exemption for Water Companies

A new law creates a sales and use tax exemption for the goods and services water companies buy to maintain, operate, manage, or control a pond, lake, reservoir, stream, well, or distributing plant or system that supplies water to at least 50 customers. The exemption applies to PURA-regulated water companies (i.e., private, investor-owned water companies) ([PA 22-118](#), § 430, effective July 1, 2022, and applicable to sales occurring on or after that date).

Miscellaneous

Advanced Notice of Road Projects

A new law requires municipalities, utilities, and the Office of Policy and Management (OPM) to submit certain reports about road projects affecting utility infrastructure. Among other things, each municipality must report to OPM whether it (1) provides advanced notice to utility companies about impending projects on roads with utility infrastructure that could impede vehicle operation and (2) performs a final inspection and approval of the project. The utility companies must report to OPM on their experience with advance project notification from municipalities. The municipalities and utilities must submit these reports to OPM by December 1, 2022, and OPM must compile this information and report it to the legislature by January 1, 2023 ([PA 22-118](#), § 462, effective upon passage).

Community Access TV Study

To better understand certain issues related to funding community access TV programming, the legislature required PURA to study the operations of the certified third-party nonprofit organizations responsible for community access operations and facilities. The study must review the operations and funding structures for the organizations' operational and capital needs. It must also consider (1) the degree of financial support that the organizations receive from their communities and the public, educational, and governmental programming and education technology investment account and (2) the appropriateness of the salaries the organizations pay their personnel. PURA must report the study's results to the Energy and Technology Committee by December 15, 2023 ([SA 22-23](#), effective upon passage).

Consumer Heating Fuel Dealers

Under certain conditions, a heating fuel dealer who owns a residential tank and has exclusive fill requirements cannot refuse to make fuel deliveries to a consumer because of a complaint the Department of Consumer Protection is mediating or investigating. Prior law barred these dealers from refusing deliveries between October 1 and March 31 if the dealer was the only supplier and the consumer paid cash upon delivery. A new law eliminates the seasonal nature of this ban, making it apply year-round. It also expands this prohibition to include deliveries of fuel used for cooking or power generation ([PA 22-104](#), §§ 38-41, effective upon passage).

Energy Efficiency Standards and Assessments at DDS Residential Facilities

A new law requires the Department of Developmental Services (DDS) to encourage DDS-licensed residential facility owners building new residential facilities to adopt standards and practices that promote energy efficiency and include environmentally friendly construction materials and techniques.

It also allows any DDS-licensed residential facility to participate in energy use assessment programs under the state's Conservation and Load Management Plan. And it requires facilities to give DDS a copy of any energy assessment report it receives within 10 days after receipt. The new law requires the DDS commissioner, by July 1, 2023, to report to the Public Health Committee on the findings of the energy assessments done on these facilities and their recommended energy efficiency improvements ([PA 22-140](#), § 4, effective upon passage).

Hartford Energy Production Plants

A new law generally authorizes the administrative services commissioner to purchase energy production plants in the Hartford area to power the Capitol Area System (CAS), which provides heating and cooling services to the ten state-owned and five privately owned buildings in the Capitol District. The law specifically contemplates buying the private power plant that currently provides service to the CAS (currently under contract through September 30, 2022) and expands the commissioner's existing powers in managing and operating the CAS to also cover this plant if purchased ([PA 22-118](#), § 169, effective July 1, 2022).

Low-Income Energy Advisory Board (LIEAB) Membership

This year, the legislature expanded LIEAB's membership by six to include representatives from the Connecticut Fair Housing Center, the Center for Children's Advocacy, and the Connecticut Green Building Council; two water company representatives; and an additional community action agency representative. By law, the board advises executive branch agencies on developing, planning, implementing, and coordinating energy assistance-related programs and policies ([PA 22-105](#), effective July 1, 2022).

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