Energy and Technology Committee JOINT FAVORABLE REPORT

Bill No.:SB-4
AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS, AND
Title:Title:ACCOUNTABILITY.Vote Date:3/13/2025Vote Action:Joint Favorable SubstitutePH Date:3/6/2025File No.:Vote Action:

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The Energy and Technology Committee

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REASONS FOR BILL:

As a response to these increasing costs of utility rates along with the changing energy market, this bill aims to improve energy affordability, access, and accountability for Connecticut's ratepayers by strengthening the energy procurement process along with providing protections for vulnerable ratepayers and line crew workers. Proposed changes include implementing new regulations for nuclear power facilities and giving the Department of Energy and Environmental Protection (DEEP) and the Public Utilities Regulatory Authority

(PURA) more authority with energy procurement. DEEP would be given additional procurement authority to include natural gas efficiency measures, and PURA would be given the option to direct utilities to use energy from grid scale clean energy contracts for standard service. Additionally, the bill encourages the advancement of new energy facilities by establishing an Advanced Nuclear Reactor and Offshore Wind Energy Facility State Readiness fund and would allow DEEP to be a liaison for municipalities with furthering atomic development. PURA would also be required to establish a program for thermal energy networks, which includes a working group. This bill also protects workers from being forced to work unsafely or from being terminated due to the 96-hour response in Connecticut's 2021 "Take Back Our Grid" Act. PURA will also be required to evaluate the protection standards for electric or gas service termination for customers with a serious illness or life-threatening medical condition. This bill would thus increase ratepayer protections with a focus on expanding energy efficiency and forming a stronger grid.

SUBSTITUTE LANGUAGE:

Changed in the blank in line 91 to "five million dollars" and added section 11, which is section 6 from HB-7088, concerning protections from service termination for customers with a serious illness or life-threatening medical condition.

RESPONSE FROM ADMINISTRATION/AGENCY:

Katie S. Dykes, Commissioner, Department of Energy & Environmental Protection:

Supports Sections 1 through 7 of the Bill as they ensure Connecticut has a reliable and affordable electric grid, open opportunities for investment in advanced nuclear reactors, enable additional cost-effective energy efficiency resources, and create a thermal energy network program that will alleviate seasonal strains on the state's natural gas supply which will minimize the ratepayer cost of expanding the electric grid to serve increasing load. Recommends modifying Section 7 to allow gas and electric utility incorporation.

Claire E. Coleman, Office of Consumer Counsel:

Supports section one and tapping into state bond funding to explore concepts of nuclear and offshore wind as nuclear energy will be a key part of zero carbon emission energy generation and both nuclear and offshore wind will assist in a clean energy future. Expanding DEEPs authority to conduct demand management to include gas local distribution companies will aid in avoiding costly pipeline expansion and in lowering costs for natural gas heating customers. Supports adding another tool to the state procurement managers toolbox in the form of the flexibility to use any power purchasing agreement from a nuclear power plant as supply for standard service, though it should be noted that Millstone costs or credits are currently passed through to all electricity customers through a nontypical line item on electric bills. Supports the Section 7 proposal because geothermal projects will play a key role in the future of heating. Gas utilities are not the only viable candidates for thermal energy networks and that these networks may not necessitate the monopolistic exclusive franchise ownership model of a natural gas distribution system. There are concerns about the loss of SEC oversight of Avangrid because of its acquisition by international companies. This comes with a loss of strong whistleblower protection programs and the protection afforded by the Dodd-Frank Act, as well as Avangrid no longer being required to publicly report financial information that the Office of Consumer Counsel has relied upon to evaluate operating company finances. Recommends the committee supplement the bill to provide the whistleblower protections lost because of this.

NATURE AND SOURCES OF SUPPORT:

Senator Martin M. Looney and Senator Bob Duff, Connecticut General Assembly:

Support the bill for its focus on building a strong energy base. This Bill allows the Department of Environmental & Energy Protection (DEEP) to test the energy market for more cost savings, derive more value from existing energy contracts, and demonstrate the States commitment to protecting Connecticut workers from unsafe working conditions. All of these provide greater energy reliability and affordability to Connecticut businesses and residents.

Christine Csizmadia, Senior Director, Nuclear Energy Institute:

Supports growing the nuclear industry to match Connecticut's growing energy demand.

David Weidlich Jr, President of CWA Local 1298:

Supports the bill as a step towards improving the labor-management relations of line-workers and telecommunications companies.

Mr.Jerry Geci:

Supports efficiency initiatives.

Michael Bender:

Supports investing in nuclear and offshore wind. Believes other proposals are short-term cost shifts while this bill has an approach that addresses the root causes of high energy prices.

Lili Michols:

Claims they received \$460 bills for months they had no power due to floods.

Sixty-Seven testimonies were submitted, twelve anonymously, in support of this Bill because of opposition to the public benefits charge. These individuals include:

Jessica A., Mr. Tracy Barrette, Steve Bartlett, Susan Bastien, Kelli Botteon, Mrs. Lisa Bova, Janice Coyle, Mr. Brian Cummings, Mr. Robert Cummiskey, Donna Doyker, Donna Dupuis, Nizette Dunn, Alan Edelman, Mary Fairchild, David Fasi, Andrew Faust, Sandra Felicissimo, Kim Fischer, Mrs. Norene Foster, Kelly Fowler, Dawn Fritzell, Mariano Frulla, Jeffrey Forde, Jennifer Godere, Eva Goutzos, Casey Grenier, Martha Guglielmetti, Mrs. Linda Hatch, Jennifer Hoydilla, Janet Keener, Mr. Chris Kuen, Peter Lawrie, Joanne LoBrutto, Mr. Peter Lombardozzi, Bruce Maguire, Maryann Malsheske, Michael Maturo, Tom Mcgrath, Ellen Monforte, Erin Morrow, Theresa Mueller, Ms. Diane O'Rielly, Michele Pepe, Miss Morgan Pepin, Maria Reynolds, Eunice Rhodes, Amy Rozmus, Joanne Rubin, Mia Senior Citizen, Laurene Shewan, William Smith, Felicia Sternberg, C. Thomas, Jeffrey Vuocolo, Peter Vuoto, Anonymous, Anonymous,

Thirty-Nine testimonies were submitted, twelve anonymously, in support of this Bill because electricity rates are too high. These individuals include:

Ismael Arciniegas, Deb Abel, Chris Arnold, Allyson Beals, Clementina Boccuzzi, Glen Brooks, Stephen Chase, Randy Cyr, Heather DeLeon, Susan Green, John Juniet, Jennifer Lawson, Deborah Legg, Dane Lopes, Andrew Lucibello, Ms. Tina Marchese, Laura Marinelli, Kelly Mcmerriman, Roni Mizrahi, Veronica Puleo, Christine Robbins, Karen Roy, Joseph Ruggiero, Mr. Frank Scalcione, Elena Sharnoff, Steven Vesco, Sandra Wainwright, Anonymous, Anonym

Six testimonies were submitted, two anonymously, in support of this Bill because of opposition to Electric Vehicle initiatives. These individuals include: Vicki Brink, Wendy Costa, Peter Lawrie, David Lyon, Anonymous, Anonymous.

Eight testimonies were submitted, two anonymously, with uncharacterized support for this Bill. These individuals include:

Luigi Casatelli, Jose Costa, Kathleen D'Emanuele, Pina Gentile, Mike Lyon, Iuri Nievolin, Dr. Diane Sholomaskas, Mickey Wells, Anonymous, Anonymous.

NATURE AND SOURCES OF OPPOSITION:

Ashen Harper, Fridays for Future Stamford:

Opposes eliminating energy efficiency programs and increasing reliance on fossil fuels. Environmental issues will be far more expensive in the long term than any short-term costs from energy efficiency initiatives.

Tim Anop, Director, Yankee Institute:

Believes this Bill will overregulate the energy market which will reduce market flexibility, increase the State's debt, and undermine free-market competition. Wants the State to pursue energy policies that promote free-market competition, energy affordability, and private-sector led innovation.

Samantha Dynowski, State Director, Sierra Club Connecticut:

Believes nuclear power is too expensive, will not be built fast enough, and is a distraction from solar and wind energy generation.

Joseph A. Malcarne, Business Manager, IBEW Local 420:

Feels the Bill does not address the root of issues for electric workers. Section 8 states that the committee must keep minutes of meetings, submit those minutes to PURA, and must vote on a plan for emergency response – the committee already works with company management to develop emergency response procedures and does not want to be regulated in their meetings by PURA. The two new paragraphs added to the 06-hour restoration deadline are already addressed by federal law and do not solve the issues line-workers have. Line-workers issue is the 96-hour deadline itself as it is inherently unsafe for line-workers.

Christine Lynch:

Supports the public benefits charge as it funds energy efficiency programs and does not want to see funding for them cut.

John Weir:

Opposed to UI Rate increases. Believes they pose an undue financial impact, the rate increase far exceeds inflation, has concerns over system efficiency and performance, and believes the timing of the rate increase is poor.

Twenty-Eight testimonies were submitted, two anonymously, in opposition to this Bill because of opposition to the public benefits charge. These individuals include: Lynne Auch, Cindy Belopavlovic, Diana Bergeron, ILIR Berisha, James Bulick, Tracy Crutchfield, Laurene Darling, Mrs. Claire Dwyer, Ann Fabian, Laura Gallager, Paul Hefele, Jonathan Jejer, Laraine Johnson, Jeffrey Jones, Akeylah Khandwala, Matt Kowalsky, Miss Jodi Lovely, Robert M., Thomas Mazuroski, Sandra Montgomery, Mr. Patrick Napolitano, Penny Ozza, Glenn Peterson, Brian O'reilly, Maria Theam, Tracy Webb, Betty Webber, Anonymous, Anonymous.

Twenty testimonies were submitted, three anonymously, in opposition to this Bill because electricity rates are too high. These individuals include:

Renae Albert, Nicole Audet, Sara Cassano, Frank DeFelice, Dennis Desmarais, Daniel Fabian, Staci Fabian, Mr. Ross Fournier, Mr. Michael Guglielmo, Matthew Hamler, Andreas Karagiannis, Mrs. Maureen Myers, Michael Page, Mrs. Stacie S., Joseph Swart, Jennifer C. Zebarth, Anonymous, Anonymous, Anonymous.

Twelve testimonies were submitted, one anonymously, in opposition to this Bill because of opposition to nuclear energy. These individuals include: Vivienne Vincent DeSimone, David Englert, Kate Klein, Adelheid Koepfer, Jessica Kurose, R. Paul Maidment, Ms. Claire Matthews, Mrs. Joan Mccoy, Cindy Scannell, Sandra Tosi, Kathleen VanDuzee, Anne Weisberg, Anonymous.

Seven testimonies were submitted, two anonymously, in opposition to this Bill because of support for environmental initiatives. These individuals include: Debra Bologna, Jennifer O'Conner, Alison Correia, Christine Lynch, Parker Russell, Anonymous, Anonymous.

Two testimonies were submitted in opposition to this Bill because of opposition to electric vehicle initiatives. These individuals include: Marilina Imperati and James Nawracay.

One testimony by Dr. Linda Dalessio was submitted with uncharacterized opposition to this Bill.

GENERAL COMMENTS:

Nikki L. Bruno, Eric W. Bosworth, and Justin M. Pelkowski, Eversource Energy:

Eversource does not profit from or markup the energy supply portion of a utility bill. Eversource acts as a collection agent that collects these costs and remits them to unaffiliated wholesale electric suppliers. Eversource requests modification of Section 6 to allow PURA's Procurement Manager, not the electric distribution companies, to elect to use some or all the energy from state-mandated nuclear power purchase agreements to serve standard service. Eversource supports Section 7 as it matches programs initiated in Massachusetts that have benefited ratepayers.

Dr. Donald A. Dube, Retired Nuclear Engineer:

No proposed Bill addresses the root causes of skyrocketing energy prices in Connecticut. There are no sources of oil, coal, and/or natural gas in the six New England states and there are pipeline constraints for importing natural gas. The surrounding states are blocking, slowing down, or generally against new pipeline construction. Six of New England's nine nuclear power plants have been permanently shuttered because of age or anti-nuclear policy. Capacity at Millstone is limited, and offshore wind projects have been scaled back because of high costs. Solar grows but the total costs to consumers are being hidden by subsidies and passed on to ratepayers who do not install solar. Even then, solar is only 15% as efficient as its nameplate capacity suggests and there is a gross shortage of energy storage capacity leaving us unable to make full use of these solar assets. Power from Millstone has been a bargain compared to the wholesale price of electricity. ISO New England has noted the accelerating costs associated with meeting in the Northeast's Regional Greenhouse Gas Initiative. Nearly half a cent per kilowatt is being added to the price of power from natural gas plants, and this cost is growing. At some points in time at the end of 2024, 40% of the price of natural gas for power production had come from these costs. Despite energy efficiency initiatives, emissions will continue to increase as we electrify more with heat pumps, electric vehicle charging, and data centers. If the proposed Millstone data center siphons off 300-400 megawatts of power, there is that much less to feed the New England grid. This power must be made up elsewhere and right now that would need to come from natural gas. The only way to truly achieve net zero from this data center powering up is to build more nuclear capacity at the Millstone site. To truly reduce emissions, we need to overbuild nuclear capacity.

Duncan S. Broatch, Chairperson, Connecticut Small Power Producers Association:

Requests omitting the restriction of projects under 2 Megawatts and to ensure that the Department of Environmental & Energy Protection hydro power procurements is retained moving forward. Also requests that hydro power procurement terms be allowed for up to 20 years instead of the current 10-year limit.

John Erlingheuser, Senior Director, American Association of Retired Persons:

Supports the energy conservation measures in Section 2, the requirements for utilities to provide bill credits to customers as outlined in Section 5, and the emergency preparedness changes in Section 4. Expresses concerns with Section 3 as the provisions could impact ratepayers due to incorporation of nuclear energy and increased incentives for offshore wind energy.

Ed Hawthore, President, AFL-CIO:

Urges inclusion in Section 2 of the language that was required in Public Act 19-71. Approves of Section 8 as it gives line restoration crews more voice in developing emergency restoration plans that they execute. Approves of Sections 9 and 10 as they alleviate pressure from line restoration crews.

Robert A. Maddox Jr, LEED AP, MBA:

Believes the bill will not provide any relief to ratepayers over the next 5 years. Believes nuclear to be financially irresponsible and that modular nuclear is too far away technologically to be implemented. Suggests authorizing municipalities or groups of municipalities or divisions of state government to participate in thermal loops alongside gas companies. Suggests enacting building labeling and building performance standards as done in New York City and Boston. Suggests a temporary property tax exemption for newly constructed net-zero households under 4000 square feet. Suggests increasing solar generation within the most grid constrained nodes of the state, changing the RPS to encourage more efficiency and off-peak renewable power production, and to incentivize peak renewable energy.

Kenneth McClellan, President, Middletown Military Museum:

Believes all delivery fees should be lumped under one line item. Opposes the revenue decoupling charge. Opposes the Federally Mandated Congestion Charge, and the Combined Public Benefits Charge. Opposes all Demand charges. Appeals to Eversource to review rates to non-profit, educational organizations.

Amanda Trinsey, Connecticut Industrial Energy Consumers:

Notes that Section 1 does not account for costs associated with development of nuclear generation. Has concerns with Section 5 as gas demand response programs are historically expensive with little return for customers and imposing another volumetric surcharge for large customers is not tenable and exacerbates the State's energy affordability crisis. Requests a cost-benefit analysis performed on proposals from Section 6 before procurement agreements are entered into.

Denise Rodosevich:

Suggests adding to section 5 that air emission requirement compliance and appropriate permitting be a precedent to entering and long-term contract with gas companies and continued compliance be a contract requirement. Suggests adding to Section 7 a specified date for working group formation and to set a start and completion date for the thermal energy study.

Julianna McVeigh, Climate and Resilience Campaigns Manager of Save the Sound:

Supports promotion of offshore wind development. Supports efforts to expand active and passive demand response measures. Recommends aligning it with HB5004. Strongly supports thermal energy network efforts.

Tom Swan, Executive Director of Connecticut Citizen Action Group:

Opposes nuclear expansion. Supports energy efficiency and conservation efforts. Supports increased protections for line workers.

Dee Flanagan:

Believes that the electricity rate increases are a result of Governor Lamont's policies and appointments.

CK and Jennifer Siemon:

Questions how electricity bill can be so much higher in CT versus Florida when Florida has frequent costs incurred from hurricane preparation and damages.

Kristin Robinson:

Supports nuclear power and keeping people's power on during the pandemic. Opposes passing cost of power onto public and increases to public benefits fund.

Linda Miner:

Opposes solar initiatives.

Twenty-Seven testimonies were submitted, three anonymously, commenting opposition to the public benefits charge. These individuals include:

Robert Bartley, Randy Boyer, Lexi Caldwell, Michael Charron, Mary Lou Clark, William O'Connell, Ralph Correia, Virginia Gutbrod, William Hanson, Nancy Harris, William Jones, Denise Krista, Kelly Melton, Paul Nicholas, Cathy Nye, Mr. Thomas Prete, Romil Shah, Scott Shapiro, Shawn Stanton, Catarina Totten, Edward Tytor, Bob Weitzel, Susan Young, Dottie Younken, Anonymous, Anonymous, Anonymous.

Fifteen testimonies were submitted, three anonymously, commenting that electricity rates are too high. These individuals include:

Charlene Anderson, Mary Feldman, Courtney Ferris, Patricia Fritz, Christopher Fuller, Mary Gold, Lauren Gray, Nancy Griswold, Jennifer Howell, Donna Marie, Louise Maynard, Ms. Merryll Simon, Anonymous, Anonymous, Anonymous.

Three testimonies were submitted with opposition to electric vehicle and/or renewable initiatives. These individuals include: Mary Gold, Daphne McPhail, Heidi Wright, Dottie Younken.

One testimony was submitted with support for nuclear energy. These individuals include: William McCarthy,

Reported by: Aston Foley and Abigail Lockwood

Date: 03/24/2025