



General Assembly

Substitute Bill No. 5004

January Session, 2025



***AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT
AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND
ASSOCIATED JOB SECTORS.***

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

1 Section 1. (NEW) (*Effective from passage*) (a) In the aggregate, state
2 agencies shall have the following greenhouse gas emissions reduction
3 goals: (1) A forty-five per cent reduction from 2001 levels by 2030; (2) a
4 seventy per cent reduction from 2016 levels by 2040; and (3) achieving a
5 level determined to be net-zero by 2050.

6 (b) Such state agencies shall have the goal of only utilizing zero-
7 carbon generating electricity by 2030.

8 (c) Such state agencies may use the social cost of greenhouse gas
9 emissions when evaluating the costs and benefits of activities and
10 improvements to the facilities of such agencies to meet the goals in this
11 section. For purposes of this section, "social cost" includes, but is not
12 limited to, net agricultural productivity, harms to human health,
13 property damage and the value of ecosystem services.

14 (d) Not later than January 1, 2026, the Commissioner of Energy and
15 Environmental Protection shall publish guidelines for such state
16 agencies on the social cost of greenhouse gas emissions on the

17 department's Internet web site.

18 Sec. 2. Section 22a-200a of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective from passage*):

20 (a) The state shall reduce the level of emissions of greenhouse gas:

21 (1) Not later than January 1, 2020, to a level at least ten per cent below
22 the level emitted in 1990;

23 (2) Not later than January 1, 2030, to a level at least forty-five per cent
24 below the level emitted in 2001;

25 (3) Not later than January 1, 2040, to a level at least sixty-five per cent
26 below the level emitted in 2001, including to a level of zero per cent from
27 electricity supplied to electric customers in the state;

28 (4) Not later than January 1, 2050, to [a level] an economy-wide net-
29 zero level, provided direct and indirect emissions of greenhouse gases
30 are at least eighty per cent below the level emitted in 2001; and

31 (5) All of the levels referenced in this subsection shall be determined
32 by the Commissioner of Energy and Environmental Protection.

33 (b) On or before January 1, 2010, and biannually thereafter, the state
34 agencies that are members of the Governor's Steering Committee on
35 Climate Change shall submit a report to the Secretary of the Office of
36 Policy and Management and the Commissioner of Energy and
37 Environmental Protection. The report shall identify existing and
38 proposed activities and improvements to the facilities of such agencies
39 that are designed to meet state agency energy savings goals established
40 by the Governor. The report shall also identify policies and regulations
41 that could be adopted in the near future by such agencies to reduce
42 greenhouse gas emissions in accordance with subsection (a) of this
43 section.

44 (c) [Not later than January 1, 2012, and every three years thereafter,
45 the Commissioner of Energy and Environmental Protection shall, in

46 consultation with the Secretary of the Office of Policy and Management
47 and the Governor's Steering Committee on Climate Change, report, in
48 accordance with the provisions of section 11-4a, to the joint standing
49 committees of the General Assembly having cognizance of matters
50 relating to the environment, energy and transportation on the
51 quantifiable emissions reductions achieved pursuant to subsection (a)
52 of this section. The report shall include a schedule of proposed
53 regulations, policies and strategies designed to achieve the limits of
54 greenhouse gas emissions imposed by said subsection, an assessment of
55 the latest scientific information and relevant data regarding global
56 climate change and the status of greenhouse gas emission reduction
57 efforts in other states and countries.] The Commissioner of Energy and
58 Environmental Protection shall, not later than January 1, 2026, and
59 annually thereafter, publish an inventory of greenhouse gas emissions
60 sources and carbon sequestered to (1) establish a baseline for such
61 emissions for the state, and (2) report on the quantifiable emissions
62 reductions and carbon sequestration achieved in pursuit of the
63 greenhouse gas emissions levels specified in this section.

64 (d) The Commissioner of Energy and Environmental Protection shall,
65 not later than January 1, 2026, and not more than every three years
66 thereafter, in consultation with the Secretary of the Office of Policy and
67 Management and the Governor's Council on Climate Change, produce
68 a report, with an opportunity for public comment, on the quantifiable
69 emissions reductions and carbon sequestration achieved in pursuit of
70 the greenhouse gas emissions levels specified in this section. The report
71 shall include (1) a schedule of proposed regulations, policies and
72 strategies designed to achieve the limits of greenhouse gas emissions
73 specified in this section, by the relevant date provided, (2) an assessment
74 of the latest scientific information and relevant data regarding global
75 climate change, and (3) the status of greenhouse gas emission reduction
76 efforts in other states and countries. Such proposed regulations, policies
77 and strategies may include carbon sequestration. The commissioner
78 may engage a consultant to assist in preparing such report or portions
79 of such report. The commissioner shall submit such report, in

80 accordance with the provisions of section 11-4a, to the joint standing
81 committees of the General Assembly having cognizance of matters
82 relating to the environment, energy and technology and transportation.

83 [(d)] (e) At least one year prior to the effective date of any federally
84 mandated greenhouse cap and trade program including greenhouse gas
85 emissions subject to any state cap and trade requirements adopted
86 pursuant to this section, the Commissioner of Energy and
87 Environmental Protection and the Secretary of the Office of Policy and
88 Management shall report, in accordance with the provisions of section
89 11-4a, to the joint standing committees of the General Assembly having
90 cognizance of matters relating to the environment, energy and
91 technology and transportation. Such report shall explain the differences
92 between such federal and state requirements and shall identify any
93 further regulatory or legislative actions needed to achieve consistency
94 with such federal program.

95 Sec. 3. Section 22a-200b of the general statutes is repealed and the
96 following is substituted in lieu thereof (*Effective from passage*):

97 [(a)] (a) The Commissioner of Energy and Environmental Protection
98 shall, with the advice and assistance of a nonprofit association
99 organized to provide scientific, technical, analytical and policy support
100 to the air quality and climate programs of northeastern states: (1) Not
101 later than December 1, 2009, publish an inventory of greenhouse gas
102 emissions to establish a baseline for such emissions for the state and
103 publish a summary of greenhouse gas emission reduction strategies on
104 the Department of Energy and Environmental Protection's Internet web
105 site, (2) not later than July 1, 2010, publish results of various modeling
106 scenarios concerning greenhouse gas emissions, including, but not
107 limited to, an evaluation of the potential economic and environmental
108 benefits and opportunities for economic growth based on such
109 scenarios, (3) not later than July 1, 2011, analyze greenhouse gas
110 emission reduction strategies and, after an opportunity for public
111 comment, make recommendations on which such strategies will achieve
112 the greenhouse gas emission levels specified in section 22a-200a, and (4)

113 not later than July 1, 2012, and every three years thereafter, develop,
114 with an opportunity for public comment, a schedule of recommended
115 regulatory actions by relevant agencies, policies and other actions
116 necessary to show reasonable further progress towards achieving the
117 greenhouse gas emission levels specified in section 22a-200a.]

118 [(b)] The commissioner may adopt regulations, in accordance with
119 the provisions of chapter 54, to implement the provisions of [this
120 section] subsection (d) of section 22a-200a, as amended by this act.
121 Nothing in section 4a-67h, 22a-200 or 22a-200a, as amended by this act,
122 or this section shall limit a state agency from adopting any regulation
123 within its authority in accordance with the provisions of chapter 54.

124 Sec. 4. (NEW) (*Effective from passage*) Not later than January 1, 2026,
125 the Public Utilities Regulatory Authority shall initiate an uncontested
126 proceeding regarding the future of the natural gas distribution system
127 in the state in relation to the provisions of section 22a-200a of the general
128 statutes, as amended by this act. Such proceeding shall include, but need
129 not be limited to, the consideration and implementation of beneficial
130 electrification measures such as geothermal systems and heat pumps,
131 the integration of natural gas and electric company joint planning
132 processes, transparent accounting for the full costs and benefits of
133 energy systems infrastructure, consideration of the disproportionate
134 burdens placed on environmental justice communities, as defined in
135 section 22a-20a of the general statutes, and consideration of ratepayer
136 impacts presented in any scenario. Such proceeding shall also give
137 consideration to maximizing the efficiency, ratepayer value and other
138 benefits of the existing natural gas distribution system. Upon
139 completion of such uncontested proceeding, said authority shall submit
140 a report, in accordance with the provisions of section 11-4a of the general
141 statutes, to the joint standing committees of the General Assembly
142 having cognizance of matters relating to the environment and energy
143 and technology on any recommendations for legislative changes
144 necessary to implement the findings of such docket.

145 Sec. 5. Subdivision (3) of subsection (c) of section 32-7t of the general

146 statutes is repealed and the following is substituted in lieu thereof
147 (*Effective July 1, 2025*):

148 (3) The commissioner, upon consideration of an application and any
149 additional information, may approve an application in whole or in part
150 or may approve an application with amendments, provided the
151 commissioner may give preference to applications that: (A) Make
152 significant investments in environmentally sustainable practices,
153 including, but not limited to, zero-carbon energy and energy efficiency,
154 (B) are in sectors of the economy such as renewable energy, energy
155 efficiency and zero-emission vehicles, or (C) are for farming operations
156 that are sustainable from a climate perspective. If the commissioner
157 disapproves an application, the commissioner shall identify the defects
158 in such application and explain the specific reasons for the disapproval.
159 The commissioner shall render a decision on an application not later
160 than ninety days after the date of its receipt by the commissioner.

161 Sec. 6. (NEW) (*Effective from passage*) The Secretary of the State shall
162 provide a voucher for the amount of any registration or renewal fee for
163 a benefit corporation, as defined in section 33-1351 of the general
164 statutes, provided such corporation submits proof to the secretary that
165 the corporation meets the parameters of a benefit corporation, as
166 defined in section 33-1351 of the general statutes.

167 Sec. 7. (NEW) (*Effective from passage*) (a) There is established a
168 Connecticut Clean Economy Council that shall advise on economic
169 development strategies and policies that strengthen the state's climate
170 mitigation, clean energy, resilience and sustainability programs, in
171 particular for vulnerable communities, as defined in section 16-243y of
172 the general statutes.

173 (b) Such council shall meet not less than quarterly, at dates, times and
174 locations to be established by the cochairpersons of such council. The
175 council shall: (1) Identify opportunities to leverage state and federal
176 funding to scale economic development and workforce opportunities
177 associated with climate mitigation, clean energy, resilience and

178 sustainability investments, (2) serve as a central coordinating body for
179 climate mitigation, clean energy, resilience and sustainability workforce
180 efforts and opportunities state wide for a technically advanced,
181 enduring labor force, (3) develop economic development and workforce
182 strategies that support investment and growth of climate mitigation,
183 clean energy, resilience and sustainability job growth, and (4) advise the
184 Governor on any state-wide economic or workforce action plan in clean
185 energy, climate and sustainability.

186 (c) Such council shall develop a plan to facilitate the transition of
187 workers from fossil-fuel-based employment to clean economy jobs
188 consistent with the provisions of subsection (b) of this section. Such plan
189 shall be submitted not later than July 1, 2026, to the joint standing
190 committees of the General Assembly having cognizance of matters
191 relating to the environment, energy and technology and commerce, in
192 accordance with the provisions of section 11-4a of the general statutes.

193 (d) Such council shall be composed of the following members: (1) The
194 Commissioner of Economic and Community Development, or the
195 commissioner's designee, who shall also serve as a cochairperson of the
196 council, (2) the Chief Workforce Officer, or said officer's designee, who
197 shall also serve as a cochairperson of the council, (3) the Commissioner
198 of Energy and Environmental Protection, or the commissioner's
199 designee, who shall also serve as cochairperson of the council, (4) the
200 Commissioner of Transportation, or the commissioner's designee, (5)
201 the Secretary of the Office of Policy and Management, or the secretary's
202 designee, (6) a representative from the office of the Governor, (7) the
203 chief executive officer of the Connecticut Green Bank, or the chief
204 executive officer's designee, (8) the chief executive officer of Connecticut
205 Innovations, Incorporated, or the chief executive officer's designee, (9)
206 the Labor Commissioner, or the commissioner's designee, (10) the
207 Commissioner of Consumer Protection, or the commissioner's designee,
208 (11) one member appointed by the Chief Workforce Officer who shall
209 be a representative of a regional workforce development board, (12) one
210 member appointed by the speaker of the House of Representatives, (13)
211 one member appointed by the president pro tempore of the Senate, (14)

212 one member appointed by the majority leader of the Senate, (15) one
213 member appointed by the majority leader of the House of
214 Representatives, (16) one member appointed by the minority leader of
215 the Senate, (17) one member appointed by the minority leader of the
216 House of Representatives, and (18) any other member so designated by
217 the cochairpersons. Members appointed pursuant to subdivisions (12)
218 to (17), inclusive, of this subsection shall have one or more of the
219 following backgrounds or qualifications: (A) Be a member of the
220 Connecticut Technical Education Career System, (B) be a representative
221 of a nonprofit organization that focuses on helping people overcome
222 barriers to workforce participation, (C) have expertise in hiring and
223 training employees in the trades related to green technologies, (D) be a
224 representative of a higher education institution and have expertise in
225 technical education, or (E) be a member of the Connecticut State
226 Building Trades Council. Any member appointed pursuant to
227 subdivision (18) of this subsection shall serve at the pleasure of the
228 cochairpersons of the council.

229 (e) A majority of the members of the council shall constitute a
230 quorum.

231 (f) The cochairpersons shall, in addition to their general duties, have
232 the following specific responsibilities: The cochairperson from the
233 Department of Economic and Community Development shall lead the
234 activities specified in subdivision (1) of subsection (b) of this section and
235 the cochairperson from the Office of Workforce Strategy shall lead the
236 activities specified in subdivision (2) of subsection (b) of this section.

237 (g) Not later than February 15, 2026, and biannually thereafter, the
238 council shall report on its work, findings and recommendations to the
239 Governor, the Office of Policy and Management, and the joint standing
240 committees of the General Assembly having cognizance of matters
241 relating to the environment, energy and technology, higher education
242 and commerce, in accordance with the provisions of section 11-4a of the
243 general statutes.

244 Sec. 8. Section 31-3rr of the general statutes is repealed and the
245 following is substituted in lieu thereof (*Effective from passage*):

246 (a) As used in this section and section 10a-55g:

247 (1) "Green jobs" has the same meaning as provided in section 10a-55d;

248 (2) "Green technology" has the same meaning as provided in section
249 10a-55d; and

250 (3) "Career ladder" means a description of the progression from an
251 entry level position to higher levels of pay, skill, responsibility or
252 authority.

253 (b) Not later than January 1, 2020, the Connecticut Clean Economy
254 Council, in consultation with the Office of Higher Education,
255 Department of Education, Labor Department, Department of Energy
256 and Environmental Protection, regional workforce development boards
257 and employers, shall, within available appropriations, identify a career
258 ladder for jobs in the green technology industry, including, but not
259 limited to, a listing of (1) careers at each level of the green technology
260 industry and the requisite level of education and the salary offered for
261 such career, (2) all course, certificate and degree programs in green jobs
262 offered by technical education and career schools within the Technical
263 Education and Career System and institutions of higher education in the
264 state, and (3) jobs available in the green technology industry in the state.
265 The Connecticut Clean Economy Council shall update the green jobs
266 career ladder established pursuant to this section on an as needed basis.

267 [(c) Not later than January 1, 2024, the Connecticut Clean Economy
268 Council shall develop a plan for green jobs workforce training to
269 accomplish the greenhouse gas emissions goals set forth in subsection
270 (a) of section 22a-200a. Such plan shall include, but need not be limited
271 to, (1) development of work-based learning programs for green jobs
272 with workforce shortages; (2) development of certificate and degree
273 programs related to the green technology industry at technical
274 education and career schools and institutions of higher education in the

275 state; (3) identification of available funding, whether from a public or
276 private source, to fund the development of such work-based learning
277 and certificate and degree programs and provide grants to apprentices
278 and students; and (4) a strategy to market and recruit individuals,
279 especially from underrepresented populations, to existing and newly
280 developed green jobs work-based learning programs and certificate and
281 degree programs related to the green technology industry at job centers,
282 technical education and career schools and institutions of higher
283 education. Not later than January 1, 2025, and annually thereafter, said
284 council shall update such plan as necessary.

285 (d) Not later than February 1, 2024, and annually thereafter, the
286 Connecticut Clean Economy Council shall submit, in accordance with
287 the provisions of section 11-4a, to the joint standing committee of the
288 General Assembly having cognizance of matters relating to higher
289 education and employment advancement the plan developed or
290 updated pursuant to subsection (c) of this section.]

291 Sec. 9. Subsection (b) of section 10-283 of the general statutes is
292 repealed and the following is substituted in lieu thereof (*Effective July 1,*
293 *2025*):

294 (b) Notwithstanding the application date requirements of this
295 section, at any time within the limit of available grant authorization and
296 within the limit of appropriated funds, the Commissioner of
297 Administrative Services, in consultation with the Commissioner of
298 Education, may approve applications for grants and make payments for
299 such grants, for any of the following reasons: [(A)] (1) To assist school
300 building projects to remedy damage from fire and catastrophe, [(B)] (2)
301 to correct safety, health and other code violations, [(C)] (3) to replace
302 roofs, including the replacement or installation of skylights as part of
303 the roof replacement project, [(D)] (4) to remedy a certified school
304 indoor air quality emergency, [(E)] (5) to install insulation for exterior
305 walls and attics, or [(F)] (6) to purchase and install a limited use and
306 limited access elevator, windows, photovoltaic panels, air source or
307 ground source heat pumps, wind generation systems, building

308 management systems or portable classroom buildings, provided
309 portable classroom building projects shall not create a new facility or
310 cause an existing facility to be modified so that the portable buildings
311 comprise a substantial percentage of the total facility area, as
312 determined by the commissioner.

313 Sec. 10. (NEW) (*Effective October 1, 2025*) (a) The Commissioner of
314 Energy and Environmental Protection shall develop a plan for the
315 installation of efficient heat pumps for affordable heating and cooling
316 systems in the state.

317 (b) Such plan shall provide for the availability of affordable heat
318 pump options, with a focus on heat pump applications that have the
319 greatest potential benefits, including, but not limited to, lowering
320 consumers' energy costs, reducing impacts to the electric grid, and
321 improving building resilience, including, but not limited to: (1)
322 Residences in environmental justice communities, as defined in section
323 22a-20a of the general statutes, and long-term care facilities where not
324 less than eighty per cent of such residents are Medicaid recipients in
325 good financial standing with the state, (2) access to energy efficient,
326 affordable air conditioning for residents experiencing high energy bills
327 and health risks during heat waves, (3) increased resilience during
328 extreme heat events for homes and businesses, (4) improved flood
329 resilience for homes and businesses by enabling home heating systems
330 to be located above ground, (5) low or no interest loans to replace
331 heating, ventilation and air conditioning equipment to residences
332 impacted by extreme weather events, (6) cost savings and potential
333 benefits for transitioning from electric resistance heating, (7) analysis of
334 accelerating the adoption of heat pump water heaters, including public
335 education and the possible need for contractor incentives, and (8)
336 potential for a demand response program. Such plan shall describe how
337 the state could best utilize any available or future grant or loan funding.
338 Not later than January 1, 2027, the commissioner shall submit a report,
339 in accordance with the provisions of section 11-4a of the general statutes,
340 to the joint standing committees of the General Assembly having
341 cognizance of matters relating to the environment and energy and

342 technology on the status of such plan and any recommendations for
343 expanding or revising such plan.

344 Sec. 11. (NEW) (*Effective from passage*) The Commissioner of
345 Administrative Services, in consultation with the Secretary of the Office
346 of Policy and Management, shall develop a model policy or guidelines
347 for environmentally sustainable purchasing that municipalities may
348 voluntarily utilize and implement. Such policy or guidelines shall
349 include, but need not be limited to, a list of any state contracts for
350 sustainable purchasing that allow for municipal participation. The
351 Commissioner of Administrative Services shall post such policy or
352 guidelines on the Internet web site of the Department of Administrative
353 Services not later than January 1, 2026.

354 Sec. 12. (NEW) (*Effective from passage*) (a) Not later than January 1,
355 2026, the Department of Administrative Services, in consultation with
356 the Office of Policy and Management, the Departments of Energy and
357 Environmental Protection and Transportation, and any other state
358 agency deemed necessary by the Commissioner of Administrative
359 Services, shall establish a process for said commissioner to consider
360 when making any decision to remodel, alter, repair, construct or enlarge
361 any state real asset, pursuant to section 4b-51 of the general statutes, the
362 capability of such state real asset to: (1) Increase energy efficiency, (2)
363 utilize zero-carbon heating and cooling and water heating alternatives,
364 (3) utilize Class I renewable energy, as defined in section 16-1 of the
365 general statutes, (4) facilitate electric vehicle charging, (5) reduce energy
366 use, and (6) serve as a resilience hub.

367 (b) Not later than July 1, 2027, the Department of Administrative
368 Services, in consultation with the Office of Policy and Management and
369 the Department of Energy and Environmental Protection, shall develop
370 a plan and a budget to retrofit existing fossil fuel-based heating and
371 cooling systems at state buildings to systems capable of being operated
372 without carbon-emitting fuels. Such plan and budget shall be submitted,
373 in accordance with the provisions of section 11-4a of the general statutes,
374 to the joint standing committees of the General Assembly having

375 cognizance of matters relating to the environment and energy and
376 technology.

377 Sec. 13. (NEW) (*Effective from passage*) (a) The Commissioner of
378 Energy and Environmental Protection shall evaluate how to integrate
379 and advance nature-based solutions in the state that support climate
380 change mitigation, climate change adaptation, ecosystem resilience and
381 biodiversity through (1) the microgrid and resilience grant and loan
382 pilot program authorized pursuant to section 16-243y of the general
383 statutes, (2) the open space and watershed land acquisition program
384 authorized pursuant to sections 7-131d to 7-131k, inclusive, of the
385 general statutes, as amended by this act, and (3) other applicable state
386 and federal programs administered by the Department of Energy and
387 Environmental Protection that advance nature-based solutions,
388 including, but not limited to, (A) federal Clean Water Act programs, (B)
389 the Long Island Sound Study program, and (C) the Urban Forestry
390 program. The department's efforts to advance such nature-based
391 solutions shall be known as the nature-based solutions initiative.

392 (b) The commissioner shall, as part of such evaluation, consider best
393 practices that encourage the use of the state's ecosystems to naturally
394 sequester and store carbon, reduce greenhouse gas emissions, increase
395 biodiversity and protect against climate change impacts including: (1)
396 Increasing carbon sequestration through increased forest acreage,
397 including reforestation, (2) controlling invasive species, (3) encouraging
398 soil health across all landscapes, (4) protecting carbon stocks through
399 avoiding the conversion of forests and wetlands to other purposes, (5)
400 restoring habitats to improve biodiversity, (6) increasing climate-smart
401 agriculture and soil conservation to reduce greenhouse gas emissions
402 while improving habitat and protecting biodiversity, (7) increasing
403 community resilience by improving water quality and addressing
404 flooding and drought through nature-based stormwater management
405 and shoreline protection that uses nature-based approaches such as
406 living shorelines, (8) improving air quality and reducing urban heat
407 island effects through urban forestry and increasing green spaces, and
408 (9) increase access to open space for public health benefits.

409 (c) Not later than July 1, 2026, the commissioner shall post such
410 nature-based solutions initiative program evaluation on the
411 department's Internet web site for review and written comment. As part
412 of that evaluation, the commissioner shall seek review and input from
413 the Departments of Agriculture, Public Health, Housing,
414 Transportation, the Insurance Department, the Connecticut Green Bank
415 and the Office of Policy and Management. In addition, the
416 commissioner shall host one listening session before such nature-based
417 solutions initiative is so posted in order to seek public comment.

418 Sec. 14. (*Effective from passage*) Not later than January 15, 2027, the
419 chairperson of the Public Utilities Regulatory Authority shall submit, in
420 accordance with the provisions of section 11-4a of the general statutes,
421 the results of a study to develop a solar canopy strategic plan and
422 program design to the joint standing committee of the General
423 Assembly having cognizance of matters relating to energy and
424 technology. The plan shall identify opportunities for solar canopies in
425 the state and shall prioritize the development of solar canopies in
426 environmental justice communities, as defined in section 22a-20a of the
427 general statutes. The plan shall include an examination of different ways
428 to promote solar canopies and shall include recommendations for
429 policies, programs or regulations to promote the construction of solar
430 canopies in the state, consistent with the greenhouse gas reduction goals
431 established in section 22a-200a of the general statutes, as amended by
432 this act.

433 Sec. 15. (*Effective from passage*) The Commissioner of Energy and
434 Environmental Protection shall, in accordance with the provisions of
435 section 11-4a of the general statutes, not later than February 1, 2026,
436 submit to the joint standing committees of the General Assembly having
437 cognizance of matters relating to the environment and energy and
438 technology, a report with recommended regulations, policies and
439 strategies that can significantly lower energy costs for families and
440 businesses, increase community resilience to extreme weather events,
441 including, but not limited to, flooding and extreme heat and contribute
442 to the greenhouse gas emissions reductions required in section 22a-200a

443 of the general statutes, as amended by this act. Such report may utilize
444 modeling scenarios concerning greenhouse gas emissions. The
445 commissioner may engage a consultant to assist in preparing the report
446 or portions thereof.

447 Sec. 16. (NEW) (*Effective from passage*) (a) For the purposes of this
448 section:

449 (1) "Utility-scale renewable thermal energy network" means
450 distribution infrastructure (A) established for the purpose of providing
451 thermal energy for space heating and cooling, domestic hot water
452 production, refrigeration, thermal energy storage or commercial and
453 industrial processes requiring heating or cooling, and (B) effected
454 through interconnections between one or more renewable thermal
455 energy resources, which may be owned by multiple parties, and
456 between these resources and heat pumps in multiple buildings owned
457 by multiple parties; and

458 (2) "Renewable thermal energy" means (A) ambient heating or
459 cooling provided, absorbed or stored by geothermal wells, boreholes or
460 other noncombusting, non-fossil-fuel-consuming, nonnuclear thermal
461 resources, or (B) thermal energy otherwise lost to the atmosphere or
462 other environmental compartment as waste heat.

463 (b) Notwithstanding the provisions of title 16 of the general statutes,
464 not later than twelve months after passage of this section, the Public
465 Utilities Regulatory Authority shall initiate a proceeding to establish a
466 program for development of utility-scale renewable thermal energy
467 networks by gas companies, as defined in section 16-1 of the general
468 statutes. In establishing such program, the authority shall develop
469 parameters for such networks, procedures or filing proposals for such
470 networks and a standardized data collection system enabling the
471 authority and the public to track the status and performance of utility-
472 scale renewable thermal energy networks developed pursuant to this
473 section.

474 (c) The authority shall structure the utility-scale renewable thermal

475 energy network program in the best interest of ratepayers of public
476 service companies, as defined in section 16-1 of the general statutes. For
477 purposes of this section, a determination of the best interest of
478 ratepayers shall be based on an analysis of the reasonableness of the
479 size, scope, scale and character of the project and related budget and the
480 costs and benefits of the project, including, but not limited to: (1)
481 Avoided long-term energy and infrastructure investments in extending
482 or maintaining gas infrastructure; (2) the anticipated contribution of
483 such projects to alleviation of seasonal strains on the state's natural gas
484 supply and electric distribution system; (3) consumer protections and
485 benefits for end users of the project; (4) adherence to best practices
486 emerging from thermal energy network programs and project designs
487 developed in other states or elsewhere in the state; (5) adherence to
488 workforce development practices, including the adoption of wage
489 standards pursuant to section 31-53 of the general statutes, and the use
490 of registered apprentice programs approved by the Labor Department;
491 (6) potential for accrual of capital and operational cost savings via
492 interconnection with other existing or future thermal energy networks;
493 (7) improvements in air quality in the buildings and neighborhoods
494 served by the project; (8) reductions in greenhouse gas emissions to
495 contribute to achieving the emissions reductions set forth in section 22a-
496 200a of the general statutes, as amended by this act; and (9) the potential
497 rate impact on any class of ratepayers, including a distributional equity
498 analysis that details the benefits and burdens on any such class of
499 ratepayers. The authority may approve a utility-scale renewable
500 thermal energy network proposal that meets the parameters established
501 under the program.

502 (d) The authority shall create a pilot component of the utility-scale
503 renewable thermal energy network program that requires each gas
504 company to file with the authority, for its review and approval,
505 proposals for not less than one and not more than two pilot projects for
506 the development of utility-scale renewable thermal energy networks
507 that meet the program parameters established in subsection (c) of this
508 section. The authority shall review a proposal for a pilot project based

509 on the program parameters contained in subsection (c) of this section
510 and on the basis of the project's ability to provide insights into the
511 potential for scaling up future deployment of thermal energy networks
512 in the state, for improving the performance of such networks, and for
513 bringing down the cost of broader deployment of such networks.

514 (e) The authority shall require projects submitted to the utility-scale
515 renewable thermal energy network program for approval to include a
516 proposed rate structure for thermal energy services supplied to network
517 end users as well as consumer-protection plans for end users. The
518 authority may approve the proposed rate structure if the projected
519 heating and cooling costs for end users is not greater than the heating
520 and cooling costs the end users would be projected to incur if they had
521 not participated.

522 (f) The Public Utilities Regulatory Authority shall consider the
523 appropriate cost recovery methodology for incentives established
524 pursuant to this section as part of the proceeding established pursuant
525 to section 4 of this act.

526 (g) A gas company may meet its obligation under subsection (b) of
527 section 16-20 of the general statutes through a project approved by the
528 authority pursuant to this section.

529 (h) The authority shall ensure transparency and validity of the
530 outcomes of the projects developed pursuant to this section through
531 third-party evaluation of the data the authority collects through its
532 standardized data collection requirement.

533 (i) Nothing in this section shall prohibit a municipality from
534 developing, owning or maintaining a utility-scale renewable thermal
535 energy network.

536 (j) As part of the utility-scale renewable thermal energy network
537 program, the authority shall establish a working group on thermal
538 energy networks, comprising representatives of the staffs of the
539 authority, the Department of Energy and Environmental Protection, the

540 Connecticut Green Bank, the gas and electric companies, the
541 Connecticut State Building Trades Council and environmental
542 nongovernmental organizations.

543 (k) As part of the utility-scale renewable thermal energy network
544 program, the authority shall, through the working group established
545 under subsection (j) of this section, undertake a study or studies
546 assessing the potential breadth of deployment of thermal energy
547 networks in the state. Such study shall address factors including, but not
548 limited to: (1) Technical feasibility; (2) economic feasibility, taking into
549 account the potential for: (A) Reduction in energy costs of the customer
550 that is the off-taker of the system, (B) reduction in network capital costs
551 as the scale of deployments increases, (C) reduction in capital and
552 operating costs as thermal energy networks are interconnected, (D)
553 avoided cost of expanding and maintaining portions of the gas-
554 distribution system, (E) minimization of the cost of expanding the
555 electricity-distribution system to facilitate increasing electrification of
556 thermal loads, (F) reduction in per-kilowatt-hour cost of supplying
557 electricity as more electricity is sold, (G) state and federal financial
558 incentives available, (H) employing and advancing the skills of gas-
559 utility workers, (I) providing the gas utility companies a business model
560 not dependent on continued use of combustion of fossil fuels, and (J)
561 improvement of air quality; (3) deployment strategies to maximize the
562 scope, minimize the cost, and equitably allocate the cost of thermal
563 energy networks, including systematic identification of significant
564 sources of waste heat across the state; (4) considerations regarding: (A)
565 Deployment in low and moderate-income communities, (B) deployment
566 in environmental justice communities, (C) deployment in new
567 residential and commercial construction versus deployment in
568 retrofitting existing residential and commercial buildings, (D)
569 deployment in urban versus rural communities, (E) deployment in areas
570 with existing gas service versus areas without, and (F) ownership and
571 business models; and (5) appropriate parameters for broader
572 deployment in the near and medium term, including site selection,
573 network design, interactions with and impacts on the gas and electricity

574 distribution systems, ratepayer protections, billing models, consumer
575 protections, data collection, community engagement, and deployment
576 in low-and moderate-income communities and environmental justice
577 communities, as defined in section 22a-20a of the general statutes.

578 Sec. 17. (NEW) (*Effective from passage*) (a) For the purposes of this
579 section:

580 (1) "Renewable thermal energy network" means distribution
581 infrastructure (A) established for the purpose of providing thermal
582 energy for space heating and cooling, domestic hot water production,
583 refrigeration, thermal energy storage or commercial and industrial
584 processes requiring heating or cooling, and (B) effected through
585 interconnections between one or more renewable thermal energy
586 resources, which may be owned by multiple parties, and between these
587 resources and heat pumps in multiple buildings owned by multiple
588 parties; and

589 (2) "Renewable thermal energy" means (A) ambient heating or
590 cooling provided, absorbed or stored by geothermal wells, boreholes or
591 other noncombusting, non-fossil-fuel-consuming, nonnuclear thermal
592 resources, or (B) thermal energy otherwise lost to the atmosphere or
593 other environmental compartment as waste heat.

594 (b) Notwithstanding the provisions of title 16 of the general statutes,
595 each gas company, as defined in section 16-1 of the general statutes, shall
596 develop an incentive program for renewable thermal energy networks
597 to be owned by municipalities, a municipal utility, as defined in section
598 12-265 of the general statutes, a municipal electric energy cooperative,
599 as defined in section 7-233b of the general statutes, or an entity that has
600 a contractual obligation to a municipality to construct, operate and
601 maintain a renewable thermal network for the purpose of reducing
602 natural gas and electric demand in the state. Such program shall provide
603 an incentive payment to such entities to connect end-use customers to
604 the renewable thermal energy network. Such incentive payment shall be
605 based on the projected natural gas and electric demand reduction of

606 contractually obligated demand for a period of twenty years. The
607 projected natural gas and electric demand reduction shall be based on
608 the expected gas or electric demand that the renewable thermal loop is
609 displacing.

610 (c) A gas company shall design its renewable thermal energy network
611 program in the best interest of ratepayers of public service companies,
612 as defined in section 16-1 of the general statutes, and submit its program
613 design for review and approval by the Public Utilities Regulatory
614 Authority. For purposes of this section, a determination of the best
615 interest of ratepayers shall be based on an analysis of the reasonableness
616 of the size, scope, scale and character of the project and related budget
617 and the costs and benefits of the project, including, but not limited to:
618 (1) Avoided long-term energy and infrastructure investments in
619 extending or maintaining gas infrastructure; (2) the anticipated
620 contribution of such projects to alleviation of seasonal strains on the
621 state's natural gas supply and electric distribution system; (3) consumer
622 protections and benefits for end users of the project; (4) adherence to
623 best practices emerging from thermal energy network programs and
624 project designs developed in other states or elsewhere in the state; (5)
625 potential for accrual of capital and operational cost savings via
626 interconnection with other existing or future thermal energy networks;
627 (6) improvements in air quality in the buildings and neighborhood
628 served by the project; and (7) reductions in greenhouse gas emissions to
629 contribute to achieving the emissions reductions set forth in section 22a-
630 200a of the general statutes, as amended by this act.

631 (d) The Public Utilities Regulatory Authority shall consider the
632 appropriate cost recovery methodology for incentives established
633 pursuant to this section as part of the proceeding established pursuant
634 to section 4 of this act.

635 (e) The owners of the renewable thermal energy network shall ensure
636 transparency and validity of the outcomes of the networks developed
637 pursuant to this section through submitting data to track the status and
638 performance of said network, which data shall be submitted to the

639 authority.

640 Sec. 18. Section 16a-3j of the general statutes is repealed and the
641 following is substituted in lieu thereof (*Effective from passage*):

642 (a) In order to secure cost-effective resources to provide more reliable
643 electric or gas service for the benefit of the state's electric or gas
644 ratepayers and to meet the state's energy and environmental goals and
645 policies established in the Integrated Resources Plan, pursuant to
646 section 16a-3a, and the Comprehensive Energy Strategy, pursuant to
647 section 16a-3d, the Commissioner of Energy and Environmental
648 Protection, in consultation with the procurement manager identified in
649 subsection (l) of section 16-2, the Office of Consumer Counsel and the
650 Attorney General, may, in coordination with other states in the control
651 area of the regional independent system operator, as defined in section
652 16-1, or on behalf of Connecticut alone, issue multiple solicitations for
653 long-term contracts from providers of resources described in
654 subsections (b), (c) and (d) of this section.

655 (b) In any solicitation for resources to reduce electric or gas demand
656 and improve resiliency and electric or gas grid reliability in the state,
657 issued pursuant to this subsection, the commissioner shall seek
658 proposals for (1) active or passive demand response measures,
659 including, but not limited to, energy efficiency, load management, and
660 the state's conservation and load management programs, pursuant to
661 section 16-245m; [, that are capable, either singly or through
662 aggregation, of reducing electric demand by one megawatt or more;]
663 and (2) Class I renewable energy sources and Class III sources, as
664 defined in section 16-1, provided any such project proposal is for a
665 facility that has a nameplate capacity rating of more than two megawatts
666 and less than twenty megawatts. The commissioner may also seek
667 proposals for energy storage systems, as defined in section 16-1, that are
668 capable of storing up to twenty megawatts of energy. Proposals
669 pursuant to this subsection shall not have a contract term exceeding
670 twenty years. Each electric distribution company and gas company, as
671 defined in section 16-1, shall, in consultation with the Energy

672 Conservation Management Board established pursuant to section 16-
673 245m, assess whether the submission of a proposal for active and
674 passive demand response measures is feasible pursuant to any
675 solicitation issued pursuant to subdivision (1) of this subsection,
676 provided such proposal only includes electric or gas demand reductions
677 that are in addition to existing and projected demand reductions
678 obtained through the conservation and load management programs.

679 (c) In any solicitation issued pursuant to this subsection, the
680 commissioner shall seek proposals from (1) Class I renewable energy
681 sources, as defined in section 16-1, having a nameplate capacity rating
682 of twenty megawatts or more, and any associated transmission; and (2)
683 verifiable large-scale hydropower, as defined in section 16-1, and any
684 associated transmission. The commissioner may also seek proposals for
685 energy storage systems, as defined in section 16-1, having a nameplate
686 capacity rating of twenty megawatts or more. Proposals under this
687 subsection shall not have a contract term exceeding twenty years. In
688 soliciting Class I renewable energy sources, and any associated
689 transmission, pursuant to this subsection, the commissioner may, for the
690 purpose of balancing such Class I energy deliveries and improving the
691 economic viability of such proposals, also seek proposals for electricity
692 and capacity from Class II renewable energy sources, as defined in
693 section 16-1, and existing hydropower resources other than those
694 described under section 16-1, provided such resources are
695 interconnected to such associated transmission and are located in the
696 control area of the regional independent system operator or imported
697 into the control area of the regional independent system operator from
698 resources located in an adjacent regional independent system operator's
699 control area.

700 (d) In any solicitation for natural gas resources issued pursuant to this
701 subsection, the commissioner shall seek proposals for (1) interstate
702 natural gas transportation capacity, (2) liquefied natural gas, (3)
703 liquefied natural gas storage, and (4) natural gas storage, or a
704 combination of any such resources, provided such proposals provide
705 incremental capacity, gas, or storage that has a firm delivery capability

706 to transport natural gas to natural gas-fired generating facilities located
707 in the control area of the regional independent system operator.
708 Proposals under this subsection shall not have a contract term exceeding
709 a period of twenty years.

710 (e) The Commissioner of Energy and Environmental Protection, in
711 consultation with the procurement manager identified in subsection (l)
712 of section 16-2, the Office of Consumer Counsel and the Attorney
713 General, shall evaluate project proposals received under any solicitation
714 issued pursuant to subsection (b), (c) or (d) of this section, based on
715 factors including, but not limited to, (1) improvements to the reliability
716 of the electric system, including during winter peak demand; (2)
717 whether the benefits of the proposal outweigh the costs to ratepayers;
718 (3) fuel diversity; (4) the extent to which the proposal contributes to
719 meeting the requirements to reduce greenhouse gas emissions and
720 improve air quality in accordance with sections 16-245a, 22a-174 [.] and
721 22a-200a, as amended by this act; (5) whether the proposal is in the best
722 interest of ratepayers; and (6) whether the proposal is aligned with the
723 policy goals outlined in the Integrated Resources Plan, pursuant to
724 section 16a-3a, and the Comprehensive Energy Strategy, pursuant to
725 section 16a-3d, including, but not limited to, environmental impacts. In
726 conducting such evaluation, the commissioner may also consider the
727 extent to which project proposals provide economic benefits for the
728 state. In evaluating project proposals received under any solicitation
729 issued pursuant to subsection (b), (c) or (d) of this section, the
730 commissioner shall compare the costs and benefits of such proposals
731 relative to the expected or actual costs and benefits of other resources
732 eligible to respond to the other procurements authorized pursuant to
733 this section.

734 (f) The commissioner may hire consultants with expertise in
735 quantitative modeling of electric and gas markets, and physical gas and
736 electric system modeling, as applicable, to assist in implementing this
737 section, including, but not limited to, the evaluation of proposals
738 submitted pursuant to this section. All reasonable costs, not exceeding
739 one million five hundred thousand dollars, associated with the

740 commissioner's solicitation and review of proposals pursuant to this
741 section shall be recoverable through the nonbypassable federally
742 mandated congestion charge, as defined in subsection (a) of section 16-
743 1. Such costs shall be recoverable even if the commissioner does not
744 select any proposals pursuant to solicitations issued pursuant to this
745 section.

746 (g) If the commissioner finds proposals received pursuant to this
747 section to be in the best interest of [electric] ratepayers, in accordance
748 with the provisions of subsection (e) of this section, the commissioner
749 may select any such proposal or proposals, provided the total capacity
750 of the resources selected under all solicitations issued pursuant to this
751 section in the aggregate do not exceed three hundred seventy-five
752 million cubic feet per day of natural gas capacity, or the equivalent
753 megawatts of electricity, electric demand reduction or combination
754 thereof. Any proposals selected pursuant to subsections (b) and (c) of
755 this section shall not, in the aggregate, exceed ten per cent of the load
756 distributed by the state's electric distribution companies or ten per cent
757 of the load distributed by the state's gas companies. The commissioner
758 may, on behalf of all customers of electric distribution companies, direct
759 the electric distribution companies to enter into long-term contracts for
760 active or passive demand response measures that result in electric
761 savings, electricity time-of-use shifts, electricity, electric capacity,
762 environmental attributes, energy storage, interstate natural gas
763 transportation capacity, liquefied natural gas, liquefied natural gas
764 storage, and natural gas storage, or any combination thereof, from
765 proposals submitted pursuant to this section, provided the benefits of
766 such contracts to customers of electric distribution companies outweigh
767 the costs to such companies' customers. The commissioner may, on
768 behalf of all customers of gas companies, direct the gas companies to
769 enter into long-term contracts for active or passive demand response
770 measures that result in gas savings or time-of-use shifts from proposals
771 submitted pursuant to this section, provided the benefits of such
772 contracts to customers of gas companies outweigh the costs to such
773 companies' customers.

774 (h) Any agreement entered into pursuant to this section shall be
775 subject to review and approval by the Public Utilities Regulatory
776 Authority. The electric distribution company or gas company shall file
777 an application for the approval of any such agreement with the
778 authority. The authority shall approve such agreement if it is cost
779 effective and in the best interest of electric or gas ratepayers. The
780 authority shall issue a decision not later than ninety days after such
781 filing. If the authority does not issue a decision within ninety days after
782 such filing, the agreement shall be deemed approved. Where an electric
783 distribution company or gas company both apply for recovery of net
784 costs of the same such agreement, the authority shall determine which
785 net costs are attributable to each company. The net costs of any such
786 agreement, including costs incurred by the electric distribution
787 company or gas company under the agreement and reasonable costs
788 incurred by the electric distribution company or gas company in
789 connection with the agreement, shall be recovered on a timely basis
790 through a fully reconciling component of electric rates or gas rates for
791 all customers of the electric distribution company or gas company. Any
792 net revenues from the sale of products purchased in accordance with
793 long-term contracts entered into pursuant to this section shall be
794 credited to customers through the same fully reconciling rate
795 component for all customers of the contracting electric distribution
796 company or gas company. For any contract for interstate natural gas
797 transportation capacity, liquefied natural gas, liquefied natural gas
798 storage or natural gas storage entered into pursuant to this section, the
799 electric distribution company may contract with a gas supply manager
800 to sell such interstate natural gas transportation capacity, liquefied
801 natural gas, liquefied natural gas storage or natural gas storage, or a
802 combination thereof, into the wholesale markets at the best available
803 price in a manner that meets all applicable requirements pursuant to all
804 applicable regulations of the Federal Energy Regulatory Commission.

805 (i) Certificates issued by the New England Power Pool Generation
806 Information System for any Class I renewable energy source or Class III
807 source procured by an electric distribution company pursuant to this

808 section may be: (1) Sold into the New England Power Pool Generation
809 Information System renewable energy credit market to be used by any
810 electric supplier or electric distribution company to meet the
811 requirements of section 16-245a, so long as the revenues from such sale
812 are credited to electric distribution company customers as described in
813 this subsection; or (2) retained by the electric distribution company to
814 meet the requirements of section 16-245a. In considering whether to sell
815 or retain such certificates the company shall select the option that is in
816 the best interest of such company's ratepayers.

817 Sec. 19. Subsections (a) to (e), inclusive, of section 8-240a of the
818 general statutes are repealed and the following is substituted in lieu
819 thereof (*Effective from passage*):

820 (a) As used in this section, [:

821 (1) "Alliance district" has the same meaning as provided in section 10-
822 262u;

823 (2) "Environmental justice community" has the same meaning as
824 provided in section 22a-20a; and

825 (3) "Low-income resident"] "low-income resident" means, after
826 adjustments for family size, individuals or families whose income is not
827 greater than [(A)] (1) sixty per cent of the state median income, [(B)] (2)
828 eighty per cent of the area median income for the area in which the
829 resident resides, as determined by the United States Department of
830 Housing and Urban Development, or [(C)] (3) any other definition of
831 "low-income resident" included in any program in the state that utilizes
832 federal funding, as determined by the Commissioner of Energy and
833 Environmental Protection.

834 (b) There is established a revolving loan and grant fund to be known
835 as the "Housing Environmental Improvement Revolving Loan and
836 Grant Fund". The fund may be funded from the proceeds of bonds
837 issued pursuant to section 8-240b or from any moneys available to the
838 Commissioner of Energy and Environmental Protection or from other

839 sources. Investment earnings credited to the fund shall become part of
840 the assets of the fund. Any balance remaining in the fund at the end of
841 any fiscal year shall be carried forward in the fund for the next fiscal
842 year. Payments of principal or interest on a low interest loan made
843 pursuant to this section shall be paid to the State Treasurer for deposit
844 in the Housing Environmental Improvement Revolving Loan and Grant
845 Fund. The fund shall be used to make grants or low interest loans
846 pursuant to this section to pay reasonable and necessary fees incurred
847 in administering loans under this section. The Commissioner of Energy
848 and Environmental Protection may enter into contracts with quasi-
849 public agencies, [or] nonprofit corporations, or electric distribution or
850 gas companies, as such terms are defined in section 16-1, to provide for
851 the administration of the Housing Environmental Improvement
852 Revolving Loan and Grant Fund by such entity or entities, provided no
853 grant or low interest loan shall be made from the fund without the
854 authorization of the commissioner as provided in this section.

855 (c) The Commissioner of Energy and Environmental Protection, in
856 collaboration with the Commissioner of Housing, shall establish a pilot
857 program or programs to provide financing or grants from the fund
858 established in subsection (b) of this section for retrofitting projects for
859 single and multifamily residences located in environmental justice
860 communities or alliance districts that (1) improve the energy efficiency
861 of such residences, which may include, but need not be limited to, the
862 installation of heat pumps, solar power generating systems, improved
863 roofing, exterior doors and windows, improved insulation, air sealing,
864 improved ventilation, appliance upgrades and any electric system or
865 wiring upgrades necessary for such retrofit, (2) remediate health and
866 safety concerns that are barriers to any such retrofit, including, but not
867 limited to, mold, vermiculite, asbestos, lead and radon, [or] (3) add
868 resilience measures to such residences, which may include, but need not
869 be limited to, flood mitigation, (4) provide services to assist residents
870 and building owners to access and implement the programs established
871 pursuant to this section or other available state or federal programs that
872 enable the implementation of energy efficiency retrofitting, or (5)

873 replace heating, ventilation and air conditioning equipment to
874 residences impacted by extreme weather events.

875 (d) On and after July 1, 2025, the Commissioner of Energy and
876 Environmental Protection, or any program administrator the
877 commissioner may designate, shall accept applications, in a form
878 specified by the commissioner, from any owner of a residential dwelling
879 unit for financing or a grant under the program or programs. Any such
880 financing or grant may be awarded to an owner of a residential dwelling
881 unit, as defined in section 47a-1.

882 (e) The Commissioner of Energy and Environmental Protection shall
883 [prioritize] limit the awarding of financing or grants [for] to projects that
884 benefit any resident or prospective resident who is a low-income
885 resident.

886 Sec. 20. Section 7-131d of the general statutes is repealed and the
887 following is substituted in lieu thereof (*Effective from passage*):

888 (a) There is established the protected open space and watershed land
889 acquisition grant program. The program shall provide grants to
890 municipalities and nonprofit land conservation organizations to acquire
891 land or permanent interests in land for open space and watershed
892 protection and to water companies, as defined in section 25-32a, to
893 acquire and protect land which is eligible to be classified as class I or
894 class II land, as defined in section 25-37c, after acquisition. All lands or
895 interests in land acquired under this program shall be preserved in
896 perpetuity predominantly in their natural scenic and open condition for
897 the protection of natural resources while allowing for recreation
898 consistent with such protection and, for lands acquired by water
899 companies, allowing for the improvements necessary for the protection
900 or provision of potable water.

901 (b) Grants may be made under the protected open space and
902 watershed land acquisition grant program established under subsection
903 (a) of this section or under the Charter Oak open space grant program
904 established under section 7-131t to match funds for the purchase of land

905 or permanent interests in land which purchase meets one of the
906 following criteria: (1) Protects land identified as being especially
907 valuable for recreation, forestry, fishing, conservation of wildlife or
908 natural resources; (2) protects land which includes or contributes to a
909 prime natural feature of the state's landscape, including, but not limited
910 to, a shoreline, a river, its tributaries and watershed, an aquifer,
911 mountainous territory, ridgelines, an inland or coastal wetland, a
912 significant littoral or estuarine or aquatic site or other important
913 geological feature; (3) protects habitat for native plant or animal species
914 listed as threatened or endangered or of special concern, as defined in
915 section 26-304; (4) protects a relatively undisturbed outstanding
916 example of a native ecological community which is now uncommon; (5)
917 enhances and conserves water quality of the state's lakes, rivers and
918 coastal water; (6) preserves local agricultural heritage; or (7) in the case
919 of grants to water companies, protects land which is eligible to be
920 classified as class I land or class II land after acquisition.

921 (c) Grants may be made under the protected open space and
922 watershed land acquisition grant program established under subsection
923 (a) of this section for restoration or protection of natural features or
924 habitats on open space already owned by a (1) distressed municipality,
925 as defined in section 32-9p, (2) targeted investment community, as
926 defined in section 32-222, (3) municipality, provided such open space is
927 located in an environmental justice community, as defined in section
928 22a-20a, or (4) nonprofit land conservation organization, provided such
929 open space is located in a distressed municipality, targeted investment
930 community or environmental justice community. Such restoration or
931 protection may include, but need not be limited to, wetland, wildlife or
932 plant habitat restoration or restoration of other sites to a more natural
933 condition or replacement of vegetation. Such grants may also fund the
934 development of urban agricultural sites on such open space for
935 nonprofit or commercial use. The total amount of grants made pursuant
936 to this subsection shall not exceed twenty per cent of the total amount
937 of grants made pursuant to the open space and watershed land
938 acquisition grant program in any fiscal year.

939 (d) (1) Except as provided in subdivision (2) of this subsection, no
940 grant may be made under the protected open space and watershed land
941 acquisition grant program established under subsection (a) of this
942 section or under the Charter Oak open space grant program established
943 under section 7-131t for: (A) Land to be used for commercial purposes
944 or for recreational purposes requiring intensive development,
945 including, but not limited to, golf courses, driving ranges, tennis courts,
946 ballfields, swimming pools and uses by motorized vehicles other than
947 vehicles needed by water companies to carry out their purposes,
948 provided trails or pathways for pedestrians, motorized wheelchairs or
949 nonmotorized vehicles shall not be considered intensive development;
950 (B) land with environmental contamination over a significant portion of
951 the property provided grants for land requiring remediation of
952 environmental contamination may be made if remediation will be
953 completed before acquisition of the land or any interest in the land and
954 an environmental assessment approved by the Commissioner of Energy
955 and Environmental Protection has been completed and no
956 environmental use restriction applies to the land; (C) land which has
957 already been committed for public use, except as provided in subsection
958 (c) of section 7-131g; (D) development costs, including, but not limited
959 to, construction of ballfields, tennis courts, parking lots or roadways; (E)
960 land to be acquired by eminent domain; or (F) reimbursement of in-kind
961 services or incidental expenses associated with the acquisition of land.
962 This subsection shall not prohibit the continuation of agricultural
963 activity, the activities of a water company for public water supply
964 purposes or the selling of timber incidental to management of the land
965 which management is in accordance with approved forest management
966 practices provided any proceeds of such timber sales shall be used for
967 management of the land. In the case of land acquired under this section
968 which is designated as a state park, any fees charged by the state for use
969 of such land shall be used by the state in accordance with the provisions
970 of title 23.

971 (2) Grants in a total amount not exceeding five per cent of the total
972 amount of grants made pursuant to the open space and watershed land

973 acquisition grant program in any fiscal year may be made to distressed
974 municipalities, as defined in section 32-9p, targeted investment
975 communities, as defined in section 32-222, nonprofit land conservation
976 organizations and municipalities, for the purpose of reimbursement for
977 in-kind services or incidental expenses associated with the acquisition
978 of land, including, but not limited to, survey fees, appraisal costs and
979 legal fees, provided such land is located in a distressed municipality,
980 targeted investment community or environmental justice community,
981 as defined in section 22a-20a.

982 (e) Any municipality or group of contiguous municipalities may
983 apply to the Commissioner of Energy and Environmental Protection for
984 a grant-in-aid of a program established to preserve or restrict to
985 conservation or recreation purposes the use of open space land. Such
986 grant shall be used for the acquisition of land, or easements, interests or
987 rights therein, or for the development of such land, or easements,
988 interests or rights therein, for purposes set forth in this section, or both,
989 in accordance with a plan of development adopted by the municipal
990 planning commission of the municipality within which the land is
991 located. Any application for a grant-in-aid relating to land located
992 beyond the territorial limits of the applying municipality shall be subject
993 to approval of the legislative body of the municipality within whose
994 territorial limits the land is located. A municipality applying for aid
995 under this section, may designate its conservation commission as its
996 agent to make such application.

997 (f) At closing, a permanent conservation easement, as defined in
998 section 47-42, shall be executed for any property purchased with grant
999 funds, which conservation easement shall provide that the property
1000 shall remain forever predominantly in its natural and open condition
1001 for the specific conservation, open space or water supply purposes for
1002 which it was acquired provided any improvements or changes to the
1003 property shall be supportive of such condition or purposes. The
1004 permanent conservation easement shall be in favor of the state acting
1005 through the Commissioner of Energy and Environmental Protection, or
1006 his designee, which may be a municipality or a land conservation

1007 organization. In the case of land acquired for water supply protection, a
1008 water company may hold an easement in conjunction with the state or
1009 a nonprofit entity to protect the water supply. Such permanent
1010 conservation easement shall also include a requirement that the
1011 property be made available to the general public for appropriate
1012 recreational purposes, the maintenance of which recreational access
1013 shall be the responsibility of the grantee provided such access shall not
1014 be required for land which will be classified as class I or class II land by
1015 a water company if such access is inconsistent with the provision of pure
1016 drinking water to the public. An exception to the provision of public
1017 recreational access may be made at the discretion of the Commissioner
1018 of Energy and Environmental Protection when provision for public
1019 access would be unreasonably detrimental to the wildlife or plant
1020 habitat or other natural features of the property or, for land where
1021 development rights have been purchased, would be disruptive of
1022 agricultural activity occurring on the land. Any instrument conveying
1023 an interest in land less than fee which interest is purchased under this
1024 section shall provide for the permanent preservation of the land and
1025 public access consistent with the land's use or protection and with any
1026 restrictions prescribed by the Department of Public Health in order to
1027 protect a public drinking water source.

1028 (g) (1) Notwithstanding the provisions of subsection (a) of this
1029 section, not more than ten per cent of the funds authorized for the open
1030 space and watershed land acquisition program may be allocated by the
1031 commissioner for the purpose of mitigating wildfire risks on properties
1032 acquired or protected through the program, including properties
1033 already protected by the program, through the management of
1034 vegetative fuel loads.

1035 (2) Not later than January 15, 2026, the commissioner shall establish
1036 criteria and guidelines for the allocation and use of funds under this
1037 subsection, ensuring that such funds are used efficiently and in
1038 alignment with the program's overarching goals of protecting open
1039 space and natural resources while reducing wildfire risk.

1040 Sec. 21. (*Effective from passage*) The Department of Energy and
 1041 Environmental Protection shall conduct a study on renter utilization of
 1042 state energy efficiency and clean energy programs for which such
 1043 department can obtain data, including, but not limited to, any barriers
 1044 for renters to access such programs and any attendant
 1045 recommendations for addressing any such barriers. Not later than July
 1046 1, 2026, the department shall submit a report to the joint standing
 1047 committees of the General Assembly having cognizance of matters
 1048 relating to the environment and energy and technology, in accordance
 1049 with section 11-4a of the general statutes, that contains any such
 1050 recommendations.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	22a-200a
Sec. 3	<i>from passage</i>	22a-200b
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>July 1, 2025</i>	32-7t(c)(3)
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	31-3rr
Sec. 9	<i>July 1, 2025</i>	10-283(b)
Sec. 10	<i>October 1, 2025</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>from passage</i>	New section
Sec. 18	<i>from passage</i>	16a-3j
Sec. 19	<i>from passage</i>	8-240a(a) to (e)
Sec. 20	<i>from passage</i>	7-131d
Sec. 21	<i>from passage</i>	New section

ENV Joint Favorable Subst.

