



General Assembly

Amendment

January Session, 2025

LCO No. 9977



Offered by:
REP. STEINBERG, 136th Dist.

To: Subst. House Bill No. 7087

File No. 560

Cal. No. 349

**"AN ACT CONCERNING COMMUNITY SOLAR ENERGY
GENERATING SYSTEMS."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2025*) (a) As used in this section
4 and section 2 of this act:

5 (1) "Authority" means the Public Utilities Regulatory Authority;

6 (2) "Baseline annual usage" means (A) a subscriber's accumulated
7 electricity use in kilowatt-hours for the twelve months before the
8 subscriber's most recent subscription, or (B) for a subscriber that does
9 not have a record of twelve months of electricity use at the time of the
10 subscriber's most recent subscription, an estimate of the subscriber's
11 accumulated twelve months of electricity use in kilowatt-hours,
12 determined in a manner approved by the authority;

13 (3) "Class I renewable energy source", "electric distribution

14 company", "electric supplier", "energy storage system" and "regional
15 independent system operator" have the same meanings as provided in
16 section 16-1 of the general statutes;

17 (4) "Community solar energy generating and storage system" means
18 a solar photovoltaic system and a connected energy storage system that
19 either (A) stores energy generated by a Class I renewable energy source,
20 or (B) purchases and retires certificates produced by a wind or solar
21 power generating unit located in the United States in an amount
22 equivalent to all energy dispatched by such energy storage system that
23 (i) is located in the state or in the territory of the regional independent
24 system operator, (ii) is connected to the electric meter of a subscriber or
25 is a separate facility with its own electric meter, (iii) credits its generated
26 or discharged electricity, or the value of its generated or discharged
27 electricity, to the bills of the subscribers to that system through virtual
28 net energy metering, (iv) has at least two subscribers, (v) does not have
29 individual subscriptions constituting more than sixty per cent of its
30 subscriptions, and (vi) may be owned by any person or entity that is not
31 an electric distribution company;

32 (5) "Program" means the community solar energy generating and
33 storage system pilot program;

34 (6) "Retail rate" means eighty per cent of the total cost per kilowatt-
35 hour paid by an electric customer, based on such customer's rate class.
36 "Retail rate" includes, but is not limited to, charges for generation,
37 transmission and distribution of electricity and other applicable
38 economic costs.

39 (7) "Subscriber" means a retail customer of an electric distribution
40 company that (A) holds a subscription to a community solar energy
41 generating and storage system, and (B) has identified one or more
42 individual meters or accounts to which the subscription shall be
43 attributed;

44 (8) "Subscriber organization" means a person or entity that (A) owns

45 or operates a community solar energy generating and storage system,
46 or (B) markets subscriptions to potential subscribers;

47 (9) "Subscription" means the portion of the electricity generated by a
48 community solar energy generating and storage system that is credited
49 to a subscriber;

50 (10) "Unsubscribed energy" means any community solar energy
51 generating and storage system output in kilowatt-hours that is not
52 allocated to any subscriber; and

53 (11) "Virtual net energy metering" means measurement of the
54 difference between the kilowatt-hours or value of electricity that is
55 supplied by an electric company and the kilowatt-hours or value of
56 electricity attributable to a subscription to a community solar energy
57 generating and storage system and fed back to the electric grid over a
58 subscriber's billing period.

59 (b) On or before July 1, 2025, the Public Utilities Regulatory Authority
60 shall initiate a proceeding to establish a community solar energy
61 generating and storage system pilot program. The authority shall issue
62 a final decision in the proceeding not later than December 1, 2025. The
63 program shall have a duration of three years commencing from the date
64 such decision is issued, and comply with the following:

65 (1) All electric customers, regardless of such customer's rate class,
66 shall be eligible to participate in the program, and the program shall be
67 structured such that subscribers to a community solar energy
68 generating and storage system shall pay electricity costs lower than
69 electric customers who receive standard service pursuant to section 16-
70 244c of the general statutes;

71 (2) Subscribers receiving standard service, as described in section 16-
72 244c of the general statutes, and subscribers served by an electric
73 supplier may hold subscriptions to the same community solar energy
74 generating and storage system;

75 (3) A subscriber organization shall (A) determine how to allocate
76 subscriptions to subscribers, and (B) notify each electric distribution
77 company or electricity supplier that provides services to its subscribers
78 about the regulations the authority adopts under subsection (c) of this
79 section;

80 (4) An electric distribution company shall use the tariff structure
81 adopted under subsection (c) of this section to provide each subscriber
82 with the credits calculated by a subscriber organization;

83 (5) A subscriber may not receive credit for virtual net excess
84 generation that exceeds two hundred per cent of the subscriber's
85 baseline annual usage;

86 (6) Each subscriber organization shall establish a host bank program
87 to account for any unsubscribed or overproduced energy generated or
88 unsubscribed energy dispatched by a community solar generating and
89 storage system in kilowatt-hours. A subscriber organization may
90 monetize any such unsubscribed or overproduced energy or dispatch
91 through such host bank program at the rates established pursuant to
92 this section when a subscriber contracts to utilize such energy. Any
93 dispatch of energy from a qualified energy storage system under this
94 section shall be eligible, on a monthly basis, for any incentive authorized
95 under this section. The accounting records of any such host bank
96 program shall be maintained by the subscriber organization and be
97 made available by the subscriber organization to the Public Utilities
98 Regulatory Authority upon request;

99 (7) An electric distribution company shall offer a subscriber
100 organization the option to utilize a consolidated billing system in which
101 the electric distribution company administers billing credits or charges
102 for subscribers concerning the operations of a community solar energy
103 generating and storage system. Each electric distribution company shall
104 develop and make available to any subscriber organization such
105 consolidated billing system not later than January 1, 2026. After January
106 1, 2026, an electric distribution company that has not developed and

107 made available such system shall provide a monthly billing credit on
108 electric customer bills in an amount determined by the authority,
109 provided such credit shall be in an amount of not less than twenty-five
110 dollars, for each month such company fails to develop and make
111 available such system;

112 (8) An electric distribution company shall use energy generated from
113 a community solar energy generating and storage system that is
114 delivered to the electric distribution company to offset purchases from
115 wholesale electricity suppliers for standard service. A subscriber
116 organization may enter into a contract with an electric distribution
117 company to facilitate compliance with the provisions of this section;

118 (9) A subscriber organization may contract with a third party for the
119 financing, construction, ownership or operation of a community solar
120 energy generating and storage system;

121 (10) A municipal electric utility or cooperative utility may participate
122 in the pilot program;

123 (11) The authority shall limit the pilot program to the utilization of a
124 total nameplate capacity rating of six hundred megawatts in the
125 aggregate in each year of the pilot program;

126 (12) (A) Except as provided in subparagraph (B) of this subdivision,
127 each community solar energy generating and storage system utilized
128 pursuant to this section shall incorporate an energy storage system that
129 shall (i) have a rated power capacity greater than or equal to twenty-five
130 per cent of the nameplate capacity of such community solar energy
131 generating and storage system, as measured in kilowatts; and (ii)
132 provide a minimum storage duration of two hours at such system's
133 rated power capacity;

134 (B) The requirements of subparagraph (A) of this subdivision shall
135 not apply if (i) the electric distribution company does not provide
136 interconnection approval for both the community solar energy
137 generating and storage system and the energy storage system not later

138 than ninety days after the submission of a completed application
139 pursuant to this section, (ii) the electric distribution company requires
140 the applicant to pay for infrastructure upgrades as a condition of
141 interconnection approval, or (iii) the applicant does not receive an
142 incentive award letter from the electric distribution company or the
143 Connecticut Green Bank, pursuant to the Energy Storage Solutions
144 Program established by the Public Utilities Regulatory Authority, at an
145 incentive rate not less than provided in tranche three in effect as of the
146 effective date of this section;

147 (C) An energy storage system installed pursuant to this subsection
148 may be located either on the same site as the associated community solar
149 energy generating and storage system, or at a separate location within
150 the area served by the regional independent system operator;

151 (D) An energy storage system installed pursuant to this subdivision
152 shall be entitled to the community solar energy storage incentive
153 pursuant to subdivision (13) of this subsection; and

154 (13) To encourage the adoption of energy storage systems in
155 connection with the development of any community solar energy
156 generating and storage system, the authority shall design an incentive
157 for the output of an energy storage system associated with a solar
158 photovoltaic system utilized pursuant to this section. The incentive
159 developed pursuant to this subdivision shall apply to community solar
160 energy systems that are configured to discharge electricity during
161 system periods of peak demand, as defined by the authority, and shall
162 be available for energy storage systems that dispatch electricity at least
163 fifty-two times per year during such peak periods. Such incentive shall
164 be paid by the electric distribution company at a rate of five cents per
165 kilowatt-hour of discharged energy from a battery storage system
166 installed pursuant to this section. The incentive provided in this section
167 shall be in addition to any other applicable incentives or programs for
168 which a battery storage system may qualify.

169 (c) Not later than July 1, 2026, the authority shall adopt regulations,

170 in accordance with the provisions of chapter 54 of the general statutes,
171 to implement the provisions of this section, including establishing (1)
172 electric consumer protections, (2) a tariff structure for a subscriber
173 organization or an electric distribution company to provide a subscriber
174 with the kilowatt-hours or value of the subscriber's subscription at the
175 retail rate for electricity in the state, (3) a method for crediting subscriber
176 electric bills based on virtual net energy metering, (4) a protocol for
177 electric distribution companies, electricity suppliers and subscriber
178 organizations to communicate the information necessary to calculate
179 and provide monthly electric bill credits and any yearly net excess
180 generation payments required by this section, and (5) a protocol for a
181 subscriber organization to coordinate with an electric distribution
182 company for the interconnection of a community solar energy
183 generating and storage system with the distribution grid operated by
184 such company or the commencement of operations of such system.

185 (d) Any contract relating to a community solar energy generating and
186 storage system or subscriber organization executed during the pilot
187 program shall not be affected by the termination of the program.

188 (e) After the program terminates, (1) a subscriber organization may
189 continue the operation of a community solar energy generating and
190 storage system that was contracted for during the program, including
191 the creation and trading of subscriptions, and (2) each electric
192 distribution company shall continue to facilitate the operation of a
193 community solar energy generating and storage system that began
194 operation during the pilot program, in accordance with the pilot
195 program requirements and regulations adopted by the authority
196 pursuant to this section for a period of twenty years or the useful life of
197 the system, whichever duration is greater.

198 (f) A subscriber organization may post content on the Internet web
199 site of the Energy Conservation Management Board, established
200 pursuant to section 16-245m of the general statutes, to inform customers
201 of an electric distribution company of potential offers and subscriptions
202 provided by such organization, including offers or subscriptions that

203 may be used by such customers in combination with electric supply
204 offers from other sources. Each electric distribution company shall place
205 a monthly message on each customer's electric bill informing such
206 customer how to subscribe to a community solar energy generating and
207 storage system and information concerning offers on the Energy
208 Conservation Management Board Internet web site during the pilot
209 program.

210 Sec. 2. (*Effective October 1, 2025*) (a) There is established a working
211 group to study the value and costs of the pilot program established
212 pursuant to section 1 of this act and make recommendations to the
213 Public Utilities Regulatory Authority on the advisability of establishing
214 a permanent program. Such working group shall consist of (1) the
215 chairperson of the Public Utilities Regulatory Authority, or the
216 chairperson's designee, (2) the Commissioner of Energy and
217 Environmental Protection, or the commissioner's designee, (3) the
218 Consumer Counsel, or the Consumer Counsel's designee, and (4) such
219 other persons as the chairperson of the Public Utilities Regulatory
220 Authority believes may serve to accomplish the purpose of the working
221 group.

222 (b) All initial appointments to the working group shall be made not
223 later than July 1, 2026. Any vacancy shall be filled by the chairperson of
224 the Public Utilities Regulatory Authority. The chairperson of the Public
225 Utilities Regulatory Authority shall serve as chairperson of the working
226 group and shall schedule the first meeting of the working group, which
227 shall be held not later than October 1, 2026.

228 (c) In conducting the study, the working group shall identify and
229 examine (1) a framework for valuation of the costs and benefits related
230 to community solar and virtual net energy metering, (2) the costs and
231 benefits of community solar energy generating and storage systems to
232 participating subscribers and to nonsubscriber ratepayers, (3) an
233 appropriate credit mechanism and operational structure that allows a
234 community renewable solar energy generating and storage system to
235 minimize administrative costs to an electric company, electric supplier

236 or subscriber organization, (4) the benefits to and the technical and cost
237 impacts of community solar programs and virtual net energy metering
238 on an electric company's distribution grid, (5) issues, benefits and
239 concerns related to the participation of electric companies, including
240 investor-owned utilities, in community solar programs and projects,
241 including owners and operators of the projects, (6) whether and how
242 community solar projects or virtual net energy metering have a
243 substantially different technical impact on the distribution system than
244 traditional net energy metering, (7) identification of any impacts on the
245 standard offer service procurement process, (8) a review of community
246 solar programs and cost-benefit studies in other states, (9) whether and
247 how community solar programs can help reduce the cost of compliance
248 with the renewable energy portfolio standard, (10) how community
249 solar energy generating and storage systems can impact locational
250 marginal prices in the state, (11) the impacts of the pilot program on
251 energy costs, reliability and equitable cost allocation for ratepayers, (12)
252 how community solar project developers can increase participation by
253 low and moderate-income retail electric customers in community solar
254 projects, (13) the progress of the community solar energy generating and
255 storage system pilot program established pursuant to section 1 of this
256 act, in attracting low and moderate-income retail electric customers,
257 (14) whether community solar energy generating and storage systems
258 are an overall net benefit in helping the state achieve its distributed
259 generation and renewable goals, and (15) any other matters the working
260 group considers relevant and appropriate.

261 (d) Not later than February 1, 2028, the chairperson of the Public
262 Utilities Regulatory Authority shall submit a report, in accordance with
263 the provisions of section 11-4a of the general statutes, to the joint
264 standing committee of the General Assembly having cognizance of
265 matters relating to energy and technology. Such report shall include an
266 analysis of the factors identified in subsection (c) of this section. The
267 working group shall terminate on the date that it submits such report or
268 January 1, 2028, whichever is later.

269 Sec. 3. (NEW) (*Effective October 1, 2025*) (a) Notwithstanding any
270 provision of the general statutes, on and after July 1, 2025, any customer
271 of an electric distribution company may enter into a contract with an
272 electric supplier for a guaranteed saving plan. The purpose of any such
273 plan shall be to guarantee a customer a lower electric rate compared to
274 standard service provided by an electric distribution company. Any
275 such contract shall (1) specify how the electric supplier will provide
276 annual savings to customers compared to the standard service
277 generation rate, (2) allow the electric supplier to make changes to a
278 customer's generation service provider to the electric supplier and to
279 standard service on billing cycles during the agreement, and (3) allow
280 the electric supplier to alter the price of generation rates, provided such
281 rates are lower than the current standard service rates, up to three days
282 prior to a billing cycle. An electric supplier may comply with the savings
283 requirements imposed on contracts entered into pursuant to this section
284 through reduced electric generation rates, billing credits on customer
285 electric bills provided through a billing system maintained by an electric
286 distribution company, or other methods of monetary transfer that
287 benefit a customer of such supplier.

288 (b) No contract entered into pursuant to subsection (a) of this
289 subsection shall contain any provision imposing a termination fee on
290 any customer. Nothing in this section shall be construed to limit the
291 maximum or minimum duration of any such contract.

292 (c) Any electric supplier, or an electric supplier's agent, may submit
293 content to be posted on the Internet web site of the Energy Conservation
294 Management Board, established pursuant to section 16-245m of the
295 general statutes, to inform customers of such guaranteed savings plans.
296 Any such posting shall allow the listing to direct consumers to the
297 Internet web site of the supplier, or such agent, to review available offers
298 from one or multiple electric suppliers or subscriber organizations.

299 Sec. 4. (NEW) (*Effective October 1, 2025*) Any customer of an electric
300 distribution company may request the installation of an advanced
301 metering device capable of identifying electric consumption in five-

302 minute intervals, at no cost to such customer. An electric distribution
303 company shall install such device not later than sixty days after such
304 customer's request. An electric distribution company that installs a
305 device pursuant to this section shall provide the customer, the
306 customer's electric supplier and a customer's designee, if any, with
307 electric consumption data in such five-minute intervals. Any customer
308 that has a device installed pursuant to this section may request the
309 allocation of capacity specific to the consumption measured by such
310 device."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2025</i>	New section
Sec. 2	<i>October 1, 2025</i>	New section
Sec. 3	<i>October 1, 2025</i>	New section
Sec. 4	<i>October 1, 2025</i>	New section