

General Assembly

January Session, 2025

Amendment

LCO No. 10202



Offered by: SEN. NEEDLEMAN, 33rd Dist.

To: Subst. Senate Bill No. 4

File No. 325

Cal. No. 199

"AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY."

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

³ "Section 1. (*Effective July 1, 2025*) (a) For the purposes described in ⁴ subsection (b) of this section, the State Bond Commission shall have the ⁵ power from time to time to authorize the issuance of bonds of the state ⁶ in one or more series and in principal amounts not exceeding in the ⁷ aggregate one hundred fifty million dollars in each of the fiscal years ⁸ ending June 30, 2026 and June 30, 2027.

9 (b) The proceeds of the sale of such bonds, to the extent of the amount 10 stated in subsection (a) of this section, shall be used by the Office of 11 Policy and Management for the purpose of reducing the annual costs of 12 hardship protection measures and other hardship protections within the 13 systems benefits charge as defined in section 16-245*l* of the general 14 statutes to the average annual cost of such measures and protections in 15 the five years from 2016 to 2020, inclusive, preceding the COVID-19 16 pandemic.

17 (c) All provisions of section 3-20 of the general statutes, or the exercise 18 of any right or power granted thereby, that are not inconsistent with the 19 provisions of this section are hereby adopted and shall apply to all 20 bonds authorized by the State Bond Commission pursuant to this 21 section. Temporary notes in anticipation of the money to be derived 22 from the sale of any such bonds so authorized may be issued in 23 accordance with section 3-20 of the general statutes and from time to 24 time renewed. Such bonds shall mature at such time or times not 25 exceeding twenty years from their respective dates as may be provided 26 in or pursuant to the resolution or resolutions of the State Bond 27 Commission authorizing such bonds. None of such bonds shall be 28 authorized except upon a finding by the State Bond Commission that 29 there has been filed with it a request for such authorization that is signed 30 by or on behalf of the Secretary of the Office of Policy and Management 31 and states such terms and conditions as said commission, in its 32 discretion, may require. Such bonds issued pursuant to this section shall 33 be general obligations of the state and the full faith and credit of the state 34 of Connecticut are pledged for the payment of the principal of and 35 interest on such bonds as the same become due, and accordingly and as 36 part of the contract of the state with the holders of such bonds, 37 appropriation of all amounts necessary for punctual payment of such 38 principal and interest is hereby made, and the State Treasurer shall pay 39 such principal and interest as the same become due.

Sec. 2. (*Effective July 1, 2025*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate thirty million dollars in the fiscal year ending June 30, 2026, and twenty million dollars in the fiscal year ending June 30, 2027.

(b) The proceeds of the sale of such bonds, to the extent of the amount
stated in subsection (a) of this section, shall be used by the Office of
Policy and Management for the purpose of funding any electric vehicle

charging program implemented pursuant to section 16-244dd of thegeneral statutes, as amended by this act.

51 (c) All provisions of section 3-20 of the general statutes, or the exercise 52 of any right or power granted thereby, that are not inconsistent with the 53 provisions of this section are hereby adopted and shall apply to all 54 bonds authorized by the State Bond Commission pursuant to this 55 section. Temporary notes in anticipation of the money to be derived 56 from the sale of any such bonds so authorized may be issued in 57 accordance with section 3-20 of the general statutes and from time to 58 time renewed. Such bonds shall mature at such time or times not 59 exceeding twenty years from their respective dates as may be provided 60 in or pursuant to the resolution or resolutions of the State Bond 61 Commission authorizing such bonds. None of such bonds shall be 62 authorized except upon a finding by the State Bond Commission that 63 there has been filed with it a request for such authorization that is signed 64 by or on behalf of the Secretary of the Office of Policy and Management 65 and states such terms and conditions as said commission, in its 66 discretion, may require. Such bonds issued pursuant to this section shall 67 be general obligations of the state and the full faith and credit of the state 68 of Connecticut are pledged for the payment of the principal of and 69 interest on such bonds as the same become due, and accordingly and as 70 part of the contract of the state with the holders of such bonds, 71 appropriation of all amounts necessary for punctual payment of such 72 principal and interest is hereby made, and the State Treasurer shall pay 73 such principal and interest as the same become due.

Sec. 3. Section 16-244dd of the general statutes is repealed and the
following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) Notwithstanding the provisions of this title and title 16a, the
Public Utilities Regulatory Authority may select the Connecticut Green
Bank, the Department of Energy and Environmental Protection, the
electric distribution companies, as defined in section 16-1, as amended
by this act, a third party that the authority deems appropriate or any
combination thereof to implement the non-residential renewable energy

program established pursuant to section 16-244z, as amended by this act, the residential renewable energy program established pursuant to said section, the shared clean energy facility program established pursuant to said section, the light-duty electric vehicle charging program established by the authority in a proceeding or a medium-duty to heavy-duty electric vehicle charging program established by the authority in a proceeding.

89 (b) On and after January 1, 2026, the authority shall limit the expenses for electric vehicle charging stations, as defined in section 16-19f, as 90 91 amended by this act, and customer wiring upgrades of any light-duty electric vehicle charging program established by the authority in a 92 proceeding to twenty million dollars per year and further limit any 93 94 expenses for electric vehicle charging stations and customer wiring 95 upgrades incentivized as part of any residential single-family customer 96 program to residents who make less than or equal to three hundred per 97 cent of the federal poverty level or reside in any concentrated poverty census tract, as defined in section 32-7x. 98

99 Sec. 4. Subsection (b) of section 16-262c of the general statutes is
100 repealed and the following is substituted in lieu thereof (*Effective April*101 15, 2026):

102 (b) (1) From November [first to May first] fifteenth to April fifteenth, 103 inclusive, or during any period in which the Governor has activated the 104 state's severe cold weather protocol, no electric distribution company, 105 as defined in section 16-1, as amended by this act, no electric supplier 106 and no municipal utility furnishing electricity shall terminate, deny or 107 refuse to reinstate residential electric service in hardship cases where the 108 customer [lacks the financial resources to pay his or her entire account] 109 fails to pay their entire outstanding balance owed to the electric 110 distribution company or municipal utility. From November [first to May 111 first] fifteenth to April fifteenth, inclusive, or during any period in which 112 the Governor has activated the state's severe cold weather protocol, no 113 gas company and no municipal utility furnishing gas shall terminate, 114 deny or refuse to reinstate residential gas service in hardship cases

115 where the customer uses such gas for heat and [lacks the financial 116 resources to pay his or her entire account] fails to pay their entire 117 outstanding balance owed to the gas company or municipal utility, 118 except a gas company that, between [May second] April sixteenth and 119 [October thirty-first] November fourteenth, terminated gas service to a 120 residential customer who uses gas for heat and who, during the 121 previous period of November [first to May first] fifteenth to April 122 fifteenth, had gas service maintained because of hardship status, may 123 refuse to reinstate the gas service from November [first to May first] 124 fifteenth to April fifteenth, inclusive, only if the customer has failed to 125 pay, since the preceding November [first] fifteenth, the lesser of: (A) 126 Twenty per cent of the outstanding principal balance owed the gas 127 company as of the date of termination, (B) one hundred dollars, or (C) 128 the minimum payments due under the customer's amortization 129 agreement. Notwithstanding any provision of the general statutes, no 130 electric distribution or gas company, no electric supplier and no 131 municipal utility furnishing electricity or gas shall terminate, deny or 132 refuse to reinstate residential electric or gas service where the customer 133 lacks the financial resources to pay his or her entire account and if the 134 termination, denial of or failure to reinstate such service would create a 135 life-threatening situation for such customer or a member of such 136 customer's household. No electric distribution or gas company, no 137 electric supplier and no municipal utility furnishing electricity or gas 138 shall terminate, deny or refuse to reinstate residential electric or gas 139 service where the customer is a hardship case and lacks the financial 140 resources to pay his or her entire account and a child not more than 141 twenty-four months old resides in the customer's household and such 142 child has been admitted to the hospital and received discharge papers 143 on which the attending physician, physician assistant or an advanced 144 practice registered nurse has indicated such service is a necessity for the 145 health and well-being of such child.

(2) During any period in which a residential customer is subject to
termination, an electric distribution or gas company, an electric supplier
or a municipal utility furnishing electricity or gas shall provide such

149 residential customer whose account is delinquent an opportunity to 150 enter into a reasonable amortization agreement with such company, 151 electric supplier or utility to pay such delinquent account and to avoid 152 termination of service. Such amortization agreement shall allow such 153 customer adequate opportunity to apply for and receive the benefits of 154 any available energy assistance program. An amortization agreement 155 shall be subject to amendment [on] upon customer request if there is a 156 change in the customer's financial circumstances.

157 (3) As used in this section, (A) "household income" means the 158 combined income over a twelve-month period of the customer and all 159 adults, except children of the customer, who are and have been 160 members of the household for six months or more, and (B) "hardship 161 case" includes, but is not limited to: (i) A customer receiving local, state 162 or federal public assistance; (ii) a customer whose sole source of 163 financial support is Social Security, United States Department of 164 Veterans Affairs or unemployment compensation benefits; (iii) a 165 customer who is head of the household and is unemployed, and the 166 household income is less than three hundred per cent of the poverty 167 level determined by the federal government; (iv) a customer who is 168 seriously ill or who has a household member who is seriously ill; (v) a 169 customer whose income falls below one hundred twenty-five per cent 170 of the poverty level determined by the federal government; and (vi) a 171 customer whose circumstances threaten a deprivation of food and the 172 necessities of life for himself or dependent children if payment of a 173 delinquent bill is required.

174 (4) (A) Each gas company and electric distribution company shall 175 deduct an arrearage from the account of a residential customer of such 176 company if the customer (i) meets the income eligibility requirements of 177 the Connecticut energy assistance program or state appropriated fuel 178 assistance program; (ii) authorizes the gas or electric distribution 179 company to send a copy of the customer's monthly bill directly to any 180 energy assistance agency for payment; (iii) enters into and complies 181 with an amortization agreement, which agreement is consistent with

182 decisions and policies of the Public Utilities Regulatory Authority; and 183 (iv) is eligible for financial hardship programs with the gas or electric distribution company. The amount of an arrearage deducted under this 184 185 subparagraph shall be equal to the customer's monthly payment 186 pursuant to an amortization agreement under this subdivision, 187 provided the customer meets the requirements of subparagraphs (A)(i) 188 to (A)(iv), inclusive, of this subdivision for the month immediately 189 preceding such payment.

190 (B) Each gas company and electric distribution company shall deduct 191 an arrearage from the account of a residential customer who meets the 192 requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this 193 subdivision in an amount equal to any payment such customer receives 194 from the Connecticut energy assistance program, state appropriated 195 fuel assistance program or other energy assistance sources. Such 196 deduction shall be in addition to any amount deducted pursuant to 197 subparagraph (A) of this subdivision.

198 (C) Notwithstanding the provisions of subdivision (7) of this 199 subsection, any amortization agreement under this subdivision shall 200 distribute customer payments over a period of twelve months, from 201 November first to October thirty-first, and shall create a monthly 202 payment that is affordable to the customer in accordance with the 203 decisions and policies of the authority.

204 (D) In no event shall the deduction of any amounts pursuant to this 205 subdivision result in a credit balance to the customer's account. No 206 customer shall be denied the benefits of this subdivision due to an error 207 by the gas or electric distribution company. If the customer fails to 208 comply with the terms of the amortization agreement, any decision of 209 the authority rendered in lieu of such agreement or the requirements of 210 subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision, the 211 company may terminate service to the customer, pursuant to all 212 applicable regulations, provided such termination shall not occur 213 between November [first] fifteenth and [May first] April fifteenth, or 214 during any period in which the Governor has activated the state's severe

215 <u>cold weather protocol</u>.

216 (E) Each gas and electric distribution company shall submit to the 217 Public Utilities Regulatory Authority annually, on or before June first, 218 an implementation plan that shall include information concerning 219 amortization agreements, counseling, reinstatement of eligibility, rate 220 impacts and any other information deemed relevant by the authority. 221 The Public Utilities Regulatory Authority may approve or modify such 222 plan not later than one hundred twenty-seven days after receipt of the 223 plan. If the authority does not take any action on such plan by such date, 224 the plan shall automatically take effect at the end of such one-hundred-225 twenty-seven-day period, provided the authority may extend such 226 period for an additional thirty days by notifying the company before the 227 end of such one-hundred-twenty-seven-day period. The authority may deny all or part of the recovery of costs incurred pursuant to this 228 229 subsection if it determines that the company seeking recovery has been 230 imprudent, inefficient or acting in violation of statutes or regulations 231 regarding amortization agreements.

232 (5) (A) All electric distribution and gas companies, electric suppliers 233 and municipal utilities furnishing electricity or gas shall collaborate in 234 developing, subject to approval by the Public Utilities Regulatory 235 Authority, standard provisions for the notice of delinquency and 236 impending termination under subsection (a) of section 16-262d, as 237 amended by this act. Each such company and utility shall place on the 238 front of such notice a provision that the company, electric supplier or 239 utility shall not effect termination of service to a residential dwelling for 240 nonpayment of disputed bills during the pendency of any complaint. In 241 addition, the notice shall state that the customer is required to pay 242 current and undisputed bill amounts during the pendency of the 243 complaint. (B) At the beginning of any discussion with a customer 244 concerning a reasonable amortization agreement, any such company or 245 utility shall inform the customer (i) of the availability of a process for 246 resolving disputes over what constitutes a reasonable amortization 247 agreement, (ii) that the company, electric supplier or utility will refer sSB 4

248 such a dispute to one of its review officers as the first step in attempting 249 to resolve the dispute, and (iii) that the company, electric supplier or 250 utility shall not effect termination of service to a residential dwelling for 251 nonpayment of a delinquent account during the pendency of any 252 complaint, investigation, hearing or appeal initiated by the customer, 253 unless the customer fails to pay undisputed bills, or undisputed 254 portions of bills, for service received during such period. (C) Each such 255 company, electric supplier and utility shall inform and counsel all 256 customers who are hardship cases as to the availability of all public and 257 private energy conservation programs, including programs sponsored 258 or subsidized by such companies and utilities, eligibility criteria, where 259 to apply, and the circumstances under which such programs are 260 available without cost.

261 (6) The Public Utilities Regulatory Authority shall adopt regulations 262 in accordance with the provisions of chapter 54 to carry out the 263 provisions of this subsection. Such regulations shall include, but not be 264 limited to, criteria for determining hardship cases and for reasonable 265 amortization agreements, including appeal of such agreements, for 266 categories of customers. Such regulations may include the 267 establishment of a reasonable rate of interest that a company may charge 268 on the unpaid balance of a customer's delinquent bill and a description 269 of the relationship and responsibilities of electric suppliers to customers.

270 (7) The Public Utilities Regulatory Authority may find that a 271 reasonable amortization agreement, other than a reasonable 272 amortization agreement under subdivision (4) of this subsection, is a 273 period of not more than thirty-six months, unless the authority 274 determines that a longer period is warranted. Not later than October 1, 275 2024, the authority shall amend any regulations adopted pursuant to 276 subdivision (6) of this subsection to carry out the provisions of this 277 subsection.

(8) The chairperson of the Public Utilities Regulatory Authority may
distribute not more than one million dollars in total each year to
organizations or individuals providing legal services with the express

purpose of attaining participation in public service company programs designed to assist customers with utility bill or arrearage payments, including negotiating a reasonable amortization agreement pursuant to this subsection. Any funds distributed pursuant to this subdivision shall be paid by all public service companies, in proportion to such companies' annual load and the amount of services provided to end use customers or revenue, as determined by the authority.

288 Sec. 5. (*Effective from passage*) (a) Not later than July 1, 2025, the Public 289 Utilities Regulatory Authority shall open an uncontested proceeding, or 290 amend the notice of proceeding in an active proceeding, to evaluate the 291 criteria and standards related to appropriate protections from service 292 termination or disconnection for medically protected customers of a 293 regulated gas company or electric distribution company, as defined in 294 section 16-1 of the general statutes, as amended by this act. Such 295 evaluation shall include, but need not be limited to: (1) Reviewing the 296 definitions of a serious illness or life-threatening medical condition, 297 including evaluating, in consultation with the Probate Court 298 Administrator, whether and how mental health conditions should be 299 included in such definitions, and recommending revisions in 300 consideration of ratepayer costs and laws and regulations adopted in 301 other similar jurisdictions; (2) recommending revisions to the current 302 protections for customers with a serious illness or life-threatening 303 medical condition that reflect limitations on the duration of termination 304 or disconnection protection; (3) reviewing protections for customers 305 with a serious illness or life-threatening medical condition, and 306 evaluating standards for conditioning protections to such customers on 307 their ability to pay; (4) evaluating additional notice requirements prior to shutoff for customers with a serious illness and life-threatening 308 309 medical condition; (5) evaluating the current procedures and practices 310 and the relevant processes for verification of hardship status and 311 medical protections; (6) evaluating the impact of limitations on 312 medically protected customer service terminations and disconnections 313 on all other ratepayers; (7) evaluating the requirement for a medical 314 protection customer to enroll in a payment plan; and (8) evaluating 315 standards to ensure that electric or gas companies have in good faith 316 attempted to secure payment from medically protected customers by 317 reasonable means other than termination, and that adequate notice is 318 provided to the customer prior to any termination.

(b) Not later than March 16, 2026, the chairperson of the Public Utilities Regulatory Authority shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to energy and technology, summarizing the results of such proceeding and providing recommendations regarding service termination policies and procedures evaluated in such proceeding.

Sec. 6. Section 16-262d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

328 (a) No electric distribution, gas, telephone or water company, no 329 electric supplier and no municipal utility furnishing electric, gas or 330 water service may terminate such service to a residential dwelling on 331 account of nonpayment of a delinquent account unless such company, 332 electric supplier or municipal utility first gives notice of such 333 delinquency and impending termination by first class mail addressed to 334 the customer to which such service is billed, [at least] not less than 335 thirteen calendar days prior to the proposed termination, except that if 336 an electric distribution or gas company, electric supplier or municipal 337 utility furnishing electric or gas service has issued a notice under this 338 subsection but has not terminated service prior to issuing a new bill to 339 the customer, such company, electric supplier or municipal utility may 340 terminate such service only after mailing the customer an additional 341 notice of the impending termination, addressed to the customer to 342 which such service is billed either (1) by first class mail at least thirteen 343 calendar days prior to the proposed termination, or (2) by certified mail, 344 [at least] not less than seven calendar days prior to the proposed 345 termination. In the event that multiple dates of proposed termination 346 are provided to a customer, no such company, electric supplier or 347 municipal utility shall terminate service [prior to] before the latest of

348 such dates. For purposes of this subsection, the thirteen-day periods and 349 seven-day period shall commence on the date such notice is mailed. If 350 such company, electric supplier or municipal utility does not terminate 351 service within one hundred twenty days after mailing the initial notice 352 of termination, such company, electric supplier or municipal utility shall 353 give the customer a new notice [at least] not less than thirteen days prior 354 to termination. Every termination notice issued by a public service 355 company, electric supplier or municipal utility shall contain or be 356 accompanied by an explanation of the rights of the customer provided 357 in subsection (c) of this section.

358 (b) No such company, electric supplier or municipal utility shall 359 effect termination of service for nonpayment during such time as any 360 resident of a dwelling to which such service is furnished is seriously ill, if the fact of such serious illness is certified to such company, electric 361 362 supplier or municipal utility by a registered physician, a physician 363 assistant or an advanced practice registered nurse within such period of 364 time after the mailing of a termination notice pursuant to subsection (a) 365 of this section as the Public Utilities Regulatory Authority may by 366 regulation establish, provided the customer agrees to amortize the 367 unpaid balance of his account over a reasonable period of time and 368 keeps current his account for utility service as charges accrue in each 369 subsequent billing period.

370 (c) No such company, electric supplier or municipal utility shall effect 371 termination of service to a residential dwelling for nonpayment during 372 the pendency of any complaint, investigation, hearing or appeal, 373 initiated by a customer within such period of time after the mailing of a 374 termination notice pursuant to subsection (a) of this section as the Public 375 Utilities Regulatory Authority may by regulation establish; provided, 376 any telephone company during the pendency of any complaint, 377 investigation, hearing or appeal may terminate telephone service if the 378 amount of charges accruing and outstanding subsequent to the 379 initiation of any complaint, investigation, hearing or appeal exceeds on 380 a monthly basis the average monthly bill for the previous three months

or if the customer fails to keep current [his] <u>such</u> telephone account for
all undisputed charges or fails to comply with any amortization
agreement as hereafter provided.

384 (d) Any customer who has initiated a complaint or investigation 385 under subsection (c) of this section shall be given an opportunity for 386 review of such complaint or investigation by a review officer of the 387 company, electric supplier or municipal utility other than a member of 388 such company's, electric supplier's or municipal utility's credit 389 authority, provided the Public Utilities Regulatory Authority may 390 waive this requirement for any company, electric supplier or municipal 391 utility employing fewer than twenty-five full-time employees, which 392 review shall include consideration of whether the customer should be 393 permitted to amortize the unpaid balance of his account over a 394 reasonable period of time. No termination shall be effected for any 395 customer complying with any such amortization agreement, provided 396 such customer also keeps current [his] such account for utility service as 397 charges accrue in each subsequent billing period.

(e) Any customer whose complaint or request for an investigation has
resulted in a determination by a company, electric supplier or municipal
utility which is adverse to [him] <u>such customer</u> may appeal such
determination to the Public Utilities Regulatory Authority or a hearing
officer appointed by the authority.

403 (f) If, following the receipt of a termination notice or the entering into 404 of an amortization agreement, the customer makes a payment or 405 payments amounting to twenty per cent of the balance due, the public 406 service company or electric supplier shall not terminate service without 407 giving notice to the customer, in accordance with the provisions of this 408 section, of the conditions the customer must meet to avoid termination, 409 but such subsequent notice shall not entitle such customer to further 410 investigation, review or appeal by the company, electric supplier, 411 municipal utility or authority.

412 (g) No electric distribution, gas or water company, gas registrant or

413 municipal utility furnishing electric, gas or water service shall submit to 414 a credit rating agency, as defined in section 36a-695, any information 415 about a residential customer's nonpayment for electric, gas or water 416 service unless the customer is more than one hundred twenty days 417 delinquent in paying for such service. In no event shall such a company, 418 gas registrant or municipal utility submit to a credit rating agency any 419 information about a residential customer's nonpayment for such service 420 if the customer has initiated a complaint, investigation, hearing or 421 appeal with regard to such service under subsection (c) of this section 422 that is pending before the authority. If such a company, gas registrant 423 or municipal utility intends to submit to a credit rating agency 424 information about a customer's nonpayment for service, it shall, at least 425 thirty days before submitting such information, send the customer by 426 first class mail notification that includes the statement, "AS 427 AUTHORIZED BY LAW, FOR RESIDENTIAL ACCOUNTS, WE 428 PAYMENT INFORMATION SUPPLY TO CREDIT RATING AGENCIES. IF YOUR ACCOUNT IS MORE THAN ONE HUNDRED 429 430 TWENTY DAYS DELINQUENT, THE DELINQUENCY REPORT 431 COULD HARM YOUR CREDIT RATING".

432 (h) No telephone company or certified telecommunications provider 433 shall submit to a credit rating agency, as defined in section 36a-695, any 434 information about a residential customer's nonpayment for telephone or 435 telecommunications service, unless the customer is more than sixty days 436 delinquent in paying for such service. In no event shall a telephone 437 company or certified telecommunications provider submit to a credit 438 rating agency any information about a residential customer's 439 nonpayment for such service if the customer has initiated a complaint, 440 investigation, hearing or appeal with regard to such service under 441 subsection (c) of this section that is pending before the authority. If a 442 telephone company or certified telecommunications provider intends to 443 submit to a credit rating agency information about a customer's 444 nonpayment for service, it shall, at least thirty days before submitting 445 such information, send the customer, by first class mail, notification that 446 includes the statement, "AS AUTHORIZED BY LAW, FOR

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447	RESIDENTIAL A	CCOUNTS,	WE	SUPPLY	PAYMENT
448	INFORMATION TO	CREDIT RAT	TING <u>C</u>	OR DEBT C	<u>COLLECTION</u>
449	AGENCIES. IF YOU	R ACCOUNT	IS MO	RE THAN	SIXTY DAYS
450	DELINQUENT, THE I	DELINQUENC	Y REPO	RT COULD	HARM YOUR
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451 CREDIT RATING".

452 Sec. 7. Section 2 of public act 24-31 is repealed and the following is 453 substituted in lieu thereof(*Effective from passage*):

454 The chairperson of the Public Utilities Regulatory Authority shall conduct a study regarding the renewable energy tariff programs 455 established pursuant to section 16-244z of the general statutes, as 456 457 amended by [this act] public act 24-31. Such study shall include, but not 458 be limited to, an examination of (1) whether to extend such programs 459 beyond the procurement years authorized in said section; (2) potential 460 processes that can be adopted to avoid stranded projects; and (3) 461 potential successor programs. An examination conducted pursuant to 462 subdivisions (2) and (3) of this section shall include, but not be limited 463 to: (A) An examination of potential programs that do not incorporate 464 any megawatt cap; (B) consideration of different possible criteria and 465 procedures for choosing projects, such as choosing projects by lottery or 466 on a first-come, first-served basis; [and] (C) an identification of 467 alternative bidding frameworks, such as awarding solicitations based 468 on what projects can be deployed soonest; (D) a framework to 469 encourage the aggregation of distributed energy resources that can 470 respond and provide grid and retail market services; (E) an evaluation 471 of how nonparticipating electric customers may be impacted by 472 renewable energy tariff programs, and strategies for minimizing any 473 unintended duplication of incentives or subsidies between participating 474 and nonparticipating electric customers, including a fair and complete 475 evaluation of costs and benefits of the renewable energy tariff programs 476 and methods to maximize benefits to nonparticipating customers, such 477 as reducing electric system distribution congestion; and (F) 478 consideration of different compensation structures to encourage 479 deployment in areas of grid under-utilization. Not later than [January

March 1, 2026, the chairperson shall submit, in accordance with the
provisions of section 11-4a of the general statutes, the results of such
study, including any recommendations, to the joint standing committee
of the General Assembly having cognizance of matters relating to
energy and technology.

485 Sec. 8. (NEW) (Effective July 1, 2025) Any low-income rates 486 implemented by the Public Utilities Regulatory Authority pursuant to 487 section 16-19 of the general statutes, as amended by this act, 16-19e, 16-488 1900 or 16-19zz of the general statutes in any rate case or other 489 proceeding initiated on or after October 1, 2025, or in a pending rate case 490 for which a final decision has not been issued prior to November 1, 2025, 491 shall include, but not be limited to, the following cost-containment 492 measures to protect ratepayers: (1) A monthly kilowatt hour usage cap 493 applied to the low-income rate for customers of an electric distribution 494 company, a monthly centum cubic feet usage cap applied to the low-495 income rate for customers of a gas company and a monthly gallon usage 496 cap applied to the low-income rate for customers of a water company; 497 (2) a budgetary target-triggering review by the authority if an electric 498 distribution company, gas company or water company's total cost to 499 fund the low-income rate exceeds a certain percentage of the electric 500 distribution company, gas company or water company's annual billed 501 total revenues; and (3) a recertification process to confirm income 502 eligibility for the program and appropriate tier placement at least once 503 every twelve months of program enrollment.

504 Sec. 9. (NEW) (Effective from passage) Not later than November 15, 505 2029, the chairperson of the Public Utilities Regulatory Authority shall 506 submit a report, in accordance with the provisions of section 11-4a of the 507 general statutes, to the joint standing committee of the General 508 Assembly having cognizance of matters relating to energy and 509 technology regarding the implementation of low-income rates pursuant 510 to sections 16-19 of the general statutes, as amended by this act, 16-19e, 511 16-1900 and 16-19zz of the general statutes, during the period from 512 January 1, 2024, to December 31, 2028, inclusive. The report shall include, but need not be limited to, a review of the low-income rate
program, including the effectiveness of the cost-containment measures,
the effectiveness of the low-income rate in reducing uncollectibles and
the effectiveness of the low-income rate in encouraging bill payment.

517 Sec. 10. Section 16-244z of the general statutes is repealed and the 518 following is substituted in lieu thereof (*Effective October 1, 2025*):

519 (a) (1) (A) On or before September 1, 2018, the Public Utilities 520 Regulatory Authority shall initiate a proceeding to establish a 521 procurement plan for each electric distribution company pursuant to 522 this subsection and may give a preference to technologies 523 manufactured, researched or developed in the state, provided such 524 procurement plan is consistent with and contributes to the requirements 525 to reduce greenhouse gas emissions in accordance with section 22a-526 200a. Each electric distribution company shall develop such 527 procurement plan in consultation with the Department of Energy and 528 Environmental Protection and shall submit such procurement plan to 529 the authority not later than sixty days after the authority initiates the 530 proceeding pursuant to this subdivision, provided the department shall 531 submit the program requirements pursuant to subparagraph (C) of this 532 subdivision on or before July 1, 2019. The authority may require such 533 electric distribution companies to conduct separate solicitations 534 pursuant to subdivision (4) of this subsection for the resources in 535 subparagraphs (A), (B) and (C) of said subdivision, including separate 536 solicitations based upon the size of such resources to allow for a 537 diversity of selected projects.

538 (B) On or before September 1, 2018, the authority shall initiate a 539 proceeding to establish tariffs that provide for twenty-year terms of 540 service described in subdivision (3) of this subsection for each electric 541 distribution company pursuant to subparagraphs (A) and (B) of 542 subdivision (2) of this subsection. In such proceeding, the authority shall 543 establish the period of time that will be used for calculating the net 544 amount of energy produced by a facility and not consumed, provided 545 the authority shall assess whether to incorporate time-of-use rates or other dynamic pricing and such period of time shall be either (i) in real time, (ii) in one day, (iii) in any fraction of a day not to exceed one day, or (iv) in any period of time greater than one day up to and including one month. In such proceeding, the authority shall consider the findings of the study of the value of distributed energy resources conducted pursuant to section 16a-30. The rate for such tariffs shall be established by the solicitation pursuant to subdivision (2) of this subsection.

553 (C) On or before September 1, 2018, the Department of Energy and 554 Environmental Protection shall (i) initiate a proceeding to develop 555 program requirements and tariff proposals for shared clean energy 556 facilities eligible pursuant to subparagraph [(C)] (B) of subdivision (2) 557 of this subsection, including, but not limited to, the requirements in 558 subdivision (6) of this subsection, and (ii) establish either or both of the 559 following tariff proposals: (I) A tariff proposal that includes a price cap 560 on a cents-per-kilowatt-hour basis for any procurement for such 561 resources based on the procurement results of any other procurement 562 issued pursuant to this subsection, and (II) a tariff proposal that includes 563 a tariff rate for customers eligible under subparagraph [(C)] (B) of 564 subdivision (2) of this subsection based on energy policy goals identified 565 by the department in the Comprehensive Energy Strategy pursuant to 566 section 16a-3d. On or before July 1, 2019, the department shall submit 567 any such program requirements and tariff proposals to the authority for 568 review and approval. On or before January 1, 2020, the authority shall 569 approve or modify such program requirements and tariff proposals 570 submitted by the department. If the authority approves two tariff 571 proposals pursuant to this subparagraph, the authority shall determine 572 how much of the total compensation authorized for customers eligible 573 under this subparagraph pursuant to subparagraph (A) of subdivision 574 (1) of subsection (c) of this section shall be available under each tariff.

575 (2) Not less than once per year, each electric distribution company 576 shall jointly or individually solicit and file with the Public Utilities 577 Regulatory Authority for its approval one or more projects selected 578 resulting from any procurement issued pursuant to subdivision (1) of 579 this subsection that are consistent with the tariffs approved by the 580 authority pursuant to subparagraphs (B) and (C) of subdivision (1) of 581 this subsection and that are applicable to (A) [customers that own or 582 develop new generation projects on a customer's own premises that are 583 less than five megawatts in size, serve the distribution system of an 584 electric distribution company, are constructed after the solicitation 585 conducted pursuant to subdivision (4) of this subsection to which the 586 customer is responding, and use a Class I renewable energy source that 587 either (i) uses anaerobic digestion, or (ii) has emissions of no more than 588 0.07 pounds per megawatt-hour of nitrogen oxides, 0.10 pounds per 589 megawatt-hour of carbon monoxide, 0.02 pounds per megawatt-hour of 590 volatile organic compounds and one grain per one hundred standard 591 cubic feet, (B)] customers that own or develop new generation projects 592 on a customer's own premises that are less than five megawatts in size, 593 serve the distribution system of an electric distribution company, are 594 constructed after the solicitation conducted pursuant to subdivision (4) 595 of this subsection to which the customer is responding, and use a Class 596 I renewable energy source that emits no pollutants, and [(C)] (B) 597 customers that own or develop new generation projects that are a shared 598 clean energy facility, consistent with the program requirements 599 developed pursuant to subparagraph (C) of subdivision (1) of this 600 subsection. For purposes of this section, "shared clean energy facility" 601 means a Class I renewable energy source [, as defined in section 16-1,] 602 that (i) emits no pollutants, (ii) is served by an electric distribution company, [as defined in section 16-1,(ii)] (iii) has a nameplate capacity 603 rating of five megawatts or less, and [(iii)] (iv) has at least two 604 605 subscribers. Any project that is eligible pursuant to subparagraph [(C)] 606 (B) of this subdivision shall not be eligible pursuant to subparagraph (A) 607 [or (B)] of this subdivision.

(3) A customer that is eligible pursuant to subparagraph (A) [or (B)]
of subdivision (2) of this subsection may elect in any such solicitation to
utilize either (A) a tariff for the purchase of all energy and renewable
energy certificates on a cents-per-kilowatt-hour basis, or (B) a tariff for
the purchase of any energy produced by a facility and not consumed in

613 the period of time established by the authority pursuant to 614 subparagraph (B) of subdivision (1) of this subsection and all renewable 615 energy certificates generated by such facility on a cents-per-kilowatt-616 hour basis, subject to any tariff terms, conditions or other stipulations of 617 the authority, including, but not limited to, stipulations regarding the 618 capacity rights of a given facility.

619 (4) Each electric distribution company shall jointly or individually 620 conduct an annual solicitation or solicitations, as determined by the 621 authority, for the purchase of energy and renewable energy certificates 622 produced by eligible generation projects under this subsection over the 623 duration of each applicable tariff. Generation projects eligible pursuant 624 to [subparagraphs] subparagraph (A) [and (B)] of subdivision (2) of this 625 subsection shall be sized so as not to exceed the load at the customer's 626 individual electric meter or a set of electric meters, when such meters 627 are combined for billing purposes, as determined by the authority, 628 unless such customer is a state, municipal or agricultural customer, then 629 such generation project shall be sized so as not to exceed the load at such 630 customer's individual electric meter or a set of electric meters at the 631 same customer premises, when such meters are combined for billing 632 purposes, and the load of up to five state, municipal or agricultural 633 beneficial accounts, as defined in section 16-244u, identified by such 634 state, municipal or agricultural customer, and such state, municipal or 635 agricultural customer may include the load of up to five additional 636 nonstate or municipal beneficial accounts, as defined in section 16-244u, 637 when sizing such generation project, provided such accounts are critical 638 facilities, as defined in subdivision (2) of subsection (a) of section 16-639 243y, and are connected to a microgrid.

640 (5) The maximum selected purchase price of energy and renewable 641 energy certificates on a cents-per-kilowatt-hour basis in any given 642 solicitation shall not exceed such maximum selected purchase price for 643 the same resources in the prior year's solicitation, unless the authority 644 makes a determination that there are changed circumstances in any 645 given year. For the first year solicitation issued pursuant to this kilowatt-hour basis for any resources authorized under this subsection.

(6) The program requirements for shared clean energy facilities
developed pursuant to subparagraph (C) of subdivision (1) of this
subsection shall include, but not be limited to, the following:

(A) The department shall allow cost-effective projects of various
nameplate capacities that may allow for the construction of multiple
projects in the service area of each electric distribution company that
operates within the state.

(B) The department shall determine the billing credit for any
subscriber of a shared clean energy facility that may be issued through
the electric distribution companies' monthly billing systems, and
establish consumer protections for subscribers and potential subscribers
of such a facility, including, but not limited to, disclosures to be made
when selling or reselling a subscription.

662 (C) Such program shall utilize one or more tariff mechanisms with 663 the electric distribution companies for a term not to exceed twenty years, 664 subject to approval by the Public Utilities Regulatory Authority, to pay 665 for the purchase of any energy products and renewable energy 666 certificates produced by any eligible shared clean energy facility, or to 667 deliver any billing credit of any such facility.

668 (D) The department shall limit subscribers to (i) low-income 669 customers, (ii) moderate-income customers, (iii) small business 670 customers, (iv) state or municipal customers, (v) commercial customers, 671 and (vi) residential customers who can demonstrate, pursuant to criteria 672 determined by the department in the program requirements 673 recommended by the department and approved by the authority, that 674 they are unable to utilize the tariffs offered pursuant to subsection (b) of 675 this section.

(E) The department shall require that (i) not less than twenty per cent

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677 of the total capacity of each shared clean energy facility is sold, given or 678 provided to low-income customers, and (ii) not less than sixty per cent 679 of the total capacity of each shared clean energy facility is sold, given or 680 provided to low-income customers, moderate-income customers or 681 low-income service organizations. The authority may modify such 682 shared clean energy facility capacity requirements for the limited 683 purpose of aligning the allocation of shared clean energy facility 684 capacity with the requirements of any federal acts providing renewable 685 energy incentives.

(F) The department may allow preferences to projects that serve lowincome customers and shared clean energy facilities that benefit
customers who reside in environmental justice communities.

(G) The department may create incentives or other financingmechanisms to encourage participation by low-income customers.

(H) The department may require that not more than forty per cent ofthe total capacity of each shared clean energy facility is sold tocommercial customers.

694 (7) For purposes of this subsection:

(A) "Environmental justice community" has the same meaning asprovided in subsection (a) of section 22a-20a;

(B) "Low-income customer" means an in-state retail end user of an
electric distribution company (i) whose income does not exceed sixty
per cent of the state median income, adjusted for family size, or (ii) that
is an affordable housing facility. The authority may modify such
definition for the limited purpose of aligning such definition with the
requirements of any federal acts providing renewable energy incentives;

(C) "Low-income service organization" means a for-profit or
nonprofit organization that provides service or assistance to low-income
individuals; and

(D) "Moderate-income customer" means an in-state retail end user of
an electric distribution company whose income is between sixty per cent
and one hundred per cent of the state median income, adjusted for
family size. The authority may modify such definition for the limited
purpose of aligning such definition with the requirements of any federal
acts providing renewable energy incentives.

712 (b) (1) On or before July 1, 2020, the authority shall initiate a 713 proceeding to establish (A) tariffs for each electric distribution company 714 pursuant to subdivision (2) of this subsection, (B) a rate for such tariffs, 715 which may be based upon the results of one or more competitive 716 solicitations issued pursuant to subsection (a) of this section, or on the 717 average cost of installing the generation project and a reasonable rate of return that is just, reasonable and adequate, as determined by the 718 719 authority, and shall be guided by the Comprehensive Energy Strategy 720 prepared pursuant to section 16a-3d, and (C) the period of time that will 721 be used for calculating the net amount of energy produced by a facility 722 and not consumed, provided the authority shall assess whether to 723 incorporate time-of-use rates or other dynamic pricing and such period 724 of time shall be either (i) in real time, (ii) in one day, (iii) in any fraction 725 of a day not to exceed one day, or (iv) in any period of time greater than 726 one day up to and including one month. In such proceeding, the 727 authority shall consider the findings of the study of the value of 728 distributed energy resources conducted pursuant to section 16a-3o. The 729 authority shall issue a final decision in such proceeding on or before July 730 1, 2021. The authority may modify such rate for new customers under 731 this subsection based on changed circumstances and may establish an 732 interim tariff rate prior to the expiration of the residential solar 733 investment program pursuant to subsection (b) of section 16-245ff as an 734 alternative to such program, provided any residential customer 735 utilizing a tariff pursuant to this subsection at such customer's electric 736 meter shall not be eligible for any incentives offered pursuant to section 737 16-245ff at the same such electric meter and any residential customer 738 utilizing any incentives offered pursuant to section 16-245ff at such 739 customer's electric meter shall not be eligible for a tariff pursuant to this

subsection at the same such electric meter. For rates offered pursuant to
subparagraph (A) or (B) of subdivision (2) of this subsection, on and
after January 1, 2026, the authority shall establish a nonbypassable
charge as part of the netting tariff offering at a rate equal to at least three
and one-quarter cents and shall adjust the compensation offered
pursuant to the buy-all tariff such that the rates offered pursuant to both
tariff offerings are substantially similar.

747 (2) On and after January 1, 2022, each electric distribution company 748 shall offer the following options to residential customers for the 749 purchase of products generated from a Class I renewable energy source 750 that emits no pollutants and that is located on a customer's own 751 premises and has a nameplate capacity rating of twenty-five kilowatts 752 or less for a term not to exceed twenty years: (A) A tariff for the purchase 753 of all energy and renewable energy certificates on a cents-per-kilowatt-754 hour basis; and (B) a tariff for the purchase of any energy produced and 755 not consumed in the period of time established by the authority 756 pursuant to subparagraph (C) of subdivision (1) of this subsection and 757 all renewable energy certificates generated by such facility on a cents-758 per-kilowatt-hour basis, subject to any tariff terms, conditions or other 759 stipulations of the authority, including, but not limited to, stipulations 760 regarding the capacity rights of a given facility. A residential customer 761 shall select either option authorized pursuant to subparagraph (A) or 762 (B) of this subdivision, consistent with the requirements of this section. 763 Such generation projects shall be sized so as not to exceed the load at the 764 customer's individual electric meter or, in the case of a multifamily 765 dwelling that qualifies under this subsection, the load of the premises, 766 from the electric distribution company providing service to such 767 customer, pursuant to any rules established by the authority and as 768 determined by such electric distribution company. For purposes of this 769 section, "residential customer" means a customer of a single-family 770 dwelling, a multifamily dwelling consisting of two to four units, or a 771 multifamily dwelling consisting of five or more units, provided in the 772 case of a multifamily dwelling consisting of five or more units, (i) not 773 less than sixty per cent of the units of the multifamily dwelling are

774 occupied by persons and families with income that is not more than 775 sixty per cent of the area median income for the municipality in which 776 it is located, as determined by the United States Department of Housing 777 and Urban Development, or (ii) such multifamily dwelling is 778 determined to be affordable housing by the Public Utilities Regulatory 779 Authority in consultation with the Department of Energy and 780 Environmental Protection, Department of Housing, Connecticut Green 781 Bank, Connecticut Housing Finance Authority and United States 782 Department of Housing and Urban Development. In the case of a 783 multifamily dwelling consisting of five or more units, a generation 784 project shall only qualify under this subsection if: (I) Each of the 785 dwelling units receives an appropriate share of the benefits from the 786 generation project, and (II) no greater than an appropriate share of the 787 benefits from the generation project is used to offset common area 788 usage. The Public Utilities Regulatory Authority shall initiate an 789 uncontested proceeding to implement the distribution of the benefits 790 from the generation project pursuant to this section.

791 (c) (1) (A) Except as provided in subparagraph (B) of this subdivision, 792 for procurement and tariff years commencing on and after January 1, 793 2025, [the total megawatts available to customers eligible under 794 subparagraph (A) of subdivision (2) of subsection (a) of this section shall 795 not exceed ten megawatts per year,] the total megawatts available to 796 customers eligible under subparagraph [(B)] (A) of subdivision (2) of 797 subsection (a) of this section shall not exceed one hundred megawatts 798 per year and the total megawatts available to customers eligible under 799 subparagraph [(C)] (B) of subdivision (2) of subsection (a) of this section 800 shall not exceed fifty megawatts per year. The authority shall monitor 801 the competitiveness of any procurements authorized pursuant to 802 subsection (a) of this section and may adjust the annual purchase 803 amount established in this subsection or other procurement parameters 804 to maintain competitiveness. Any megawatts not allocated in any given 805 year shall roll into the next year's available megawatts. The obligation 806 to purchase energy and renewable energy certificates shall be 807 apportioned as determined by the authority.

808 (B) For procurement and tariff years commencing on and after 809 January 1, 2025, the authority may exceed the limits on total available 810 megawatts described in subparagraph (A) of this subdivision for any 811 procurement and tariff program authorized pursuant to subsection (a) 812 of this section in any such year, if, during the period commencing on 813 January first and ending on the date that the last project is selected 814 pursuant to the usual procurement process for such program, as 815 determined by the authority, the aggregate dollar amount of 816 procurements of energy and renewable energy credits over the tariff 817 term for all selected projects does not exceed the aggregate dollar 818 amount of procurements of energy and renewable energy credits over 819 the tariff term for all projects selected in such program during the 820 calendar year 2024. The authority shall determine the manner of 821 exceeding such limits.

(C) (i) The electric distribution companies shall continue to offer any
tariffs developed pursuant to subparagraph (B) of subdivision (1) of
subsection (a) of this section for six years, inclusive of previous years of
such procurement and tariff program. The sixth and final year of such
procurement and tariff program shall be the calendar year 2027.

(ii) The electric distribution companies shall continue to offer any
tariffs developed pursuant to subparagraph (C) of subdivision (1) of
subsection (a) of this section for eight years, inclusive of previous years
of such procurement and tariff program. The eighth and final year of
such procurement and tariff program shall be the calendar year 2027.

832 (D) The electric distribution companies shall offer any tariffs 833 developed pursuant to subsection (b) of this section for six years. At the 834 end of the tariff term pursuant to subparagraph (B) of subdivision (2) of 835 subsection (b) of this section, residential customers that elected the 836 option pursuant to said subparagraph shall be credited all cents-per-837 kilowatt-hour charges pursuant to the tariff rate for such customer for 838 energy produced by the Class I renewable energy source against any 839 energy that is consumed in real time by such residential customer.

(E) The authority shall establish tariffs for the purchase of energy on
a cents-per-kilowatt-hour basis at the expiration of any tariff terms
authorized pursuant to this section.

(2) The department, in consultation with the authority, shall assess
the tariff offerings pursuant to this section and determine if such
offerings are competitive compared to the cost of the technologies and
shall report, in accordance with section 11-4a, the results of such
determination to the General Assembly not later than January 15, 2027.

(3) For any tariff established pursuant to this section, the authority
shall examine how to incorporate the following energy system benefits
into the rate established for any such tariff: (A) Energy storage systems
that provide electric distribution benefits, (B) location of a facility on the
distribution system, (C) time-of-use rates or other dynamic pricing, and
(D) other energy policy benefits identified in the Comprehensive Energy
Strategy prepared pursuant to section 16a-3d.

855 (d) In accordance with subsection [(h)] (g) of section 16-245a, as 856 amended by this act, the authority shall [determine which of the 857 following two options is in the best interest of ratepayers and shall direct 858 each electric distribution company to either (1) retire the renewable 859 energy certificates it purchases pursuant to subsections (a) and (b) of 860 this section on behalf of all ratepayers to satisfy the obligations of all 861 electric suppliers and electric distribution companies providing 862 standard service or supplier of last resort service pursuant to section 16-863 245a, or (2) sell such renewable energy certificates into the New England 864 Power Pool Generation information system renewable energy credit 865 market. The authority shall establish procedures for the retirement of 866 such renewable energy certificates. Any net revenues from the sale of 867 products purchased in accordance with this section shall be credited to 868 customers through a nonbypassable fully reconciling component of 869 electric rates for all customers of the electric distribution company] 870 follow the procedures established pursuant to subsection (g) of section 871 16-245a, as amended by this act, for certificates issued by the New 872 England Power Pool Generation Information System for any Class I

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873 <u>renewable energy source purchased by an electric distribution company</u> 874 <u>pursuant to this section</u>.

875 (e) The costs prudently and reasonably incurred by an electric 876 distribution company pursuant to this section shall be recovered on a 877 timely basis through a nonbypassable fully reconciling component of 878 electric rates for all customers of the electric distribution company. Any 879 net revenues from the sale of products purchased in accordance with 880 any tariff offered pursuant to this section shall be credited to customers 881 through the same fully reconciling rate component for all customers of 882 such electric distribution company.

883 (f) Notwithstanding the size-to-load provisions of subdivision (4) of 884 subsection (a) of this section, the entire rooftop space of a customer's 885 own premises developed pursuant to subparagraph (B) of subdivision 886 (1) of subsection (a) of this section and owned by a commercial or 887 industrial customer may be used for purposes of electricity generation 888 and participation in the solicitation conducted by each electric 889 distribution company pursuant to subdivision (4) of subsection (a) of 890 this section.

(g) State, municipal and agricultural customers shall be exempt from
the requirement that generation projects owned or developed pursuant
to subparagraph (A) [or (B)] of subdivision (2) of subsection (a) of this
section be located on a customer's own premises.

(h) Notwithstanding any provision of this section, the authority shall
incorporate the program established pursuant to section 16-244ee into
the programs authorized pursuant to this section.

- Sec. 11. Section 16-245e of the general statutes is repealed and the
 following is substituted in lieu thereof (*Effective July 1, 2025*):
- 900 (a) As used in this section, sections 16-245f to 16-245k, inclusive, as
 901 <u>amended by this act</u>, and section 16-245m, as amended by this act:
- 902 (1) "Rate reduction bonds" means bonds, notes, certificates of

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903 participation or beneficial interest, or other [evidences] evidence of 904 indebtedness or ownership, issued pursuant to an executed indenture 905 or other agreement of a financing entity, in accordance with this section 906 and sections 16-245f to 16-245k, inclusive, as amended by this act, the 907 proceeds of which are used, directly or indirectly, to provide, recover, 908 finance, or refinance stranded costs, financed utility services or 909 economic recovery transfer, or to sustain funding of conservation and 910 load management and renewable energy investment programs by 911 substituting for disbursements to the General Fund from the 912 Conservation and Load Management Plan established by section 16-913 245m, as amended by this act, and from the Clean Energy Fund 914 established by section 16-245n, and which, directly or indirectly, are 915 secured by, evidence ownership interests in, or are payable from, 916 transition property;

917 (2) "Competitive transition assessment" means those nonbypassable 918 rates and other charges, that are authorized by the authority (A) in a 919 financing order in respect to the economic recovery transfer, or in a 920 financing order, to sustain funding of conservation and load 921 management and renewable energy investment programs by 922 substituting disbursements to the General Fund from proceeds of rate 923 reduction bonds for such disbursements from the Conservation and 924 Load Management Plan established by section 16-245m, as amended by 925 this act, and from the Clean Energy Fund established by section 16-245n, 926 or to recover those stranded costs or financed utility services that are 927 eligible to be funded with the proceeds of rate reduction bonds pursuant 928 to section 16-245f, as amended by this act, and the costs of providing, 929 recovering, financing, or refinancing the economic recovery transfer or 930 such substitution of disbursements to the General Fund or such 931 stranded costs or financed utility services through a plan approved by 932 the authority in the financing order, including the costs of issuing, 933 servicing, and retiring rate reduction bonds, (B) to recover those 934 stranded costs or financed utility services determined under this section 935 but not eligible to be funded with the proceeds of rate reduction bonds 936 pursuant to section 16-245f, as amended by this act, or (C) to recover 937 costs determined under subdivision (1) of subsection (e) of section 16938 244g. If requested by the electric distribution company, the authority
939 shall include in the competitive transition assessment nonbypassable
940 rates and other charges to recover federal and state taxes whose
941 recovery period is modified by the transactions contemplated in this
942 section and sections 16-245f to 16-245k, inclusive, as amended by this
943 act;

(3) "Customer" means any individual, business, firm, corporation,
association, tax-exempt organization, joint stock association, trust,
partnership, limited liability company, the United States or its agencies,
this state, any political subdivision thereof or state agency that
purchases electric generation or distribution services as a retail end user
in the state from any electric supplier or electric distribution company;

(4) "Finance authority" means the state, acting through the office ofthe State Treasurer;

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

[(5)] (6) "Net proceeds" means the book income from the sale or
divestiture of assets, consisting of sales price less reasonable expenses of
sale, related income and other;

[(6)] (7) "Stranded costs" means that portion of generation assets,
generation-related regulatory assets or long-term contract costs
determined by the authority in accordance with the provisions of
subsections (e), (f), (g) and (h) of this section;

[(7)] (8) "Generation assets" means the total construction and other capital asset costs of generation facilities approved for inclusion in rates before July 1, 1997, but does not include any costs relating to the decommissioning of any such facility or any costs which the authority found during a proceeding initiated before July 1, 1998, were incurred because of imprudent management;

966 [(8)] (9) "Generation-related regulatory assets" means generation-

967 related costs authorized or mandated before July 1, 1998, by the Public 968 Utilities Regulatory Authority, approved for inclusion in the rates, and include, but are not limited to, costs incurred for deferred taxes, 969 970 conservation programs, environmental protection programs, public 971 policy costs and research and development costs, net of any applicable 972 credits payable to customers, but does not include any costs which the 973 authority found during a proceeding initiated before July 1, 1998, were 974 incurred because of imprudent management;

[(9)] (10) "Long-term contract costs" mean the above-market portion
of the costs of contractual obligations approved for inclusion in the rates
that were entered into before January 1, 2000, arising from independent
power producer contracts required by law or purchased power
contracts approved by the Federal Energy Regulatory Commission;

[(10)] (11) "Financing entity" means the finance authority or any special purpose trust or other entity that is authorized by the finance authority, or, in the case of rate reduction bonds to recover financed utility services, authorized by the Public Utilities Regulatory Authority pursuant to a financing order, to issue rate reduction bonds or acquire transition property pursuant to such terms and conditions as the finance authority, or said authority, if applicable, may specify, or both;

[(11)] (12) "Financing order" means an order of the authority adopted
in accordance with this section and sections 16-245f to 16-245k,
inclusive, as amended by this act;

990 [(12)] (13) "Transition property" means the irrevocable property right 991 created pursuant to this section and sections 16-245f to 16-245k, 992 inclusive, as amended by this act, in respect to the economic recovery 993 transfer or in respect of disbursements to the General Fund to sustain 994 funding of conservation and load management and renewable energy 995 investment programs or those stranded costs or financed utility services 996 that are eligible to be funded with the proceeds of rate reduction bonds 997 pursuant to section 16-245f, as amended by this act, including, without 998 limitation, the right, title, and interest of an electric distribution

999	company or its transferee or the financing entity (A) in and to the rates				
1000	and charges established pursuant to a financing order, as adjusted from				
1001	time to time in accordance with subdivision (2) of subsection (b) of				
1002	section 16-245i <u>, as amended by this act</u> , and the financing order, (B) to				
1003	be paid the amount that is determined in a financing order to be the				
1004	amount that the electric distribution company or its transferee or the				
1005	financing entity is lawfully entitled to receive pursuant to the provisions				
1006	of this section and sections 16-245f to 16-245k, inclusive, as amended by				
1007	this act, and the proceeds thereof, and in and to all revenues, collections,				
1008	claims, payments, money, or proceeds of or arising from the rates and				
1009	charges or constituting the competitive transition assessment that is the				
1010	subject of a financing order including those nonbypassable rates and				
1011	other charges referred to in subdivision (2) of this subsection, and (C) in				
1012	and to all rights to obtain adjustments to the rates and charges pursuant				
1013	to the terms of subdivision (2) of subsection (b) of section 16-245i, as				
1014	amended by this act, and the financing order. "Transition property" shall				
1015	constitute a current and irrevocable property right notwithstanding the				
1016	fact that the value of the property right will depend on consumers using				
1017	electricity or, in those instances where consumers are customers of a				
1018	particular electric distribution company, the electric distribution				
1019	company performing certain services;				

[(13)] (14) "State rate reduction bonds" means the rate reduction 1020 1021 bonds issued on June 23, 2004, by the state to sustain funding of 1022 conservation and load management and renewable energy investment 1023 programs by substituting for disbursements to the General Fund from 1024 the Conservation and Load Management Plan, established by section 1025 16-245m, as amended by this act, and from the Clean Energy Fund, 1026 established by section 16-245n. The state rate reduction bonds for the 1027 purposes of section 4-30a shall be deemed to be outstanding 1028 indebtedness of the state;

[(14)] (15) "Operating expenses" means, with respect to state rate
reduction bonds or economic recovery revenue bonds, (A) all expenses,
costs and liabilities of the state or the trustee incurred in connection with

1032 the administration or payment of the state rate reduction bonds or 1033 economic recovery revenue bonds, or in discharge of its obligations and 1034 duties under the state rate reduction bonds or economic recovery 1035 revenue bonds, or bond documents, expenses and other costs and 1036 expenses arising in connection with the state rate reduction bonds or 1037 economic recovery revenue bonds, or pursuant to the financing order 1038 providing for the issuance of such bonds including any arbitrage rebate 1039 and penalties payable under the code in connection with such bonds, 1040 and (B) all fees and expenses payable or disbursable to the servicers or 1041 others under the bond documents;

1042 [(15)] (<u>16</u>) "Bond documents" means, with respect to state rate 1043 reduction bonds or economic recovery revenue bonds, the following 1044 documents: The servicing agreements, the tax compliance agreement 1045 and certificate, and the continuing disclosure agreement and indenture 1046 entered into in connection with the state rate reduction bonds or the 1047 economic recovery revenue bonds;

1048 [(16)] (17) "Indenture" means the indenture executed in connection 1049 with the state rate reduction bonds or the economic recovery revenue 1050 bonds, or, with respect to state rate reduction bonds, the RRB Indenture, 1051 dated as of June 23, 2004, by and between the state and the trustee, as 1052 amended from time to time;

1053 [(17)] (18) "Trustee" means, with respect to state rate reduction bonds,
1054 the trustee appointed under the indenture;

1055 [(18)] (19) "Economic recovery transfer" means the disbursement to 1056 the General Fund of nine hundred fifty-six million dollars from 1057 proceeds of the issuance of the economic recovery revenue bonds; [and]

1058 [(19)] (20) "Economic recovery revenue bonds" means rate reduction 1059 bonds issued to fund the economic recovery transfer, the costs of 1060 issuance, credit enhancements, operating expenses and such other costs 1061 as the finance authority deems necessary or advisable, and which shall 1062 be payable from competitive transition assessment charges that replace

1063	the competitive transition assessment charges funding stranded costs;		
1064	(21) "Financed utility services" means costs determined by the Public		
1065	Utilities Regulatory Authority consistent with the principles set forth in		
1066	sections 16-11 and 16-19e that (A) do not exceed public necessity or		
1067	convenience and have been prudently and efficiently incurred between		
1068	the period of January 1, 2018, to January 1, 2025, by an electric		
1069	distribution company to prepare for and restore power to customers		
1070	following storms, (B) have been or are reasonably expected to not exceed		
1071	public necessity or convenience and be prudently and efficiently		
1072	incurred after January 1, 2025, by an electric distribution company for		
1073	any accelerated initial procurement, installation and operational		
1074	deployment of advanced metering infrastructure, including capital		
1075	expenses and one-time non-capital operating expenses to implement		
1076	and promote customer adoption of advanced metering infrastructure,		
1077	including information and education for customers or licenses, fees,		
1078	training and other necessary costs, to replace existing traditional		
1079	noninterval metering infrastructure utilized by customers of such		
1080	company, including any reasonable fees, expenses and transaction costs		
1081	incurred in connection with the issuance, servicing, retirement or		
1082	refinancing of rate reduction bonds, (C) the unrecovered balance of		
1083	legacy infrastructure, including stranded costs, being replaced in		
1084	connection with the deployment of advanced metering infrastructure,		
1085	and (D) any reasonable fees, expenses and transaction costs incurred in		
1086	connection with the issuance, servicing, retirement or refinancing of rate		
1087	reduction bonds issued to finance such costs; and		
1088	(22) "Advanced metering infrastructure" means an integrated system		
1089	of metering equipment, two-way communications networks and		
1090	information management systems, including billing and customer		
1091	information systems, used by an electric distribution company to collect		
1092	and transmit interval or real-time data concerning a customer's energy		
1093	consumption.		

1094 (b) The authority shall, in accordance with the provisions of this 1095 section, identify and calculate, upon application by an electric 1096 distribution company, those stranded costs or financed utility services 1097 that may be collected through the competitive transition assessment 1098 which shall be calculated and collected in accordance with the 1099 provisions of section 16-245g, as amended by this act. No electric 1100 distribution company shall be eligible to claim stranded costs unless a 1101 public auction has been held to divest itself of all nonnuclear generation 1102 assets or the electric distribution company has sold its nonnuclear 1103 generation assets in accordance with section 16-43.

1104 (c) (1) Notwithstanding subdivision (1) of subsection (e) of section 16-1105 244g, any electric distribution company seeking to claim stranded costs 1106 shall, in accordance with this subsection, mitigate such costs to the 1107 fullest extent possible. Prior to the approval by the authority of any 1108 stranded costs, the electric distribution company shall show to the 1109 satisfaction of the authority that the electric distribution company has 1110 taken all reasonable steps to mitigate to the maximum extent possible 1111 the total amount of stranded costs that it seeks to claim and to minimize 1112 the cost to be recovered from customers. Mitigation shall include: (A) 1113 Except to the extent provided in collective bargaining agreements or 1114 agreements to purchase generation assets entered into prior to July 1, 1115 1998, the obtaining of written commitments from purchasers of 1116 generation facilities divested pursuant to section 16-244g, that the 1117 purchasers will offer employment to persons who were employed in 1118 nonmanagerial positions by a divested generation facility at any time 1119 during the three-month period prior to the divestiture, at levels of wages 1120 and overall compensation not lower than the employees' lowest level 1121 during the six-month period prior to the date the contract to divest the 1122 asset was entered into; (B) good faith efforts to negotiate the buyout, 1123 buydown or renegotiation of independent power producer contracts 1124 and purchased power contracts approved by the Federal Energy 1125 Regulatory Commission, provided the fixed present value of any 1126 contract to which a political subdivision of the state is a party shall be 1127 calculated using the political subdivision's tax-exempt borrowing rate 1128 as the discount rate; and (C) the reasonable costs of the consultants 1129 appointed to conduct the auctions of generation assets pursuant to 1130 section 16-244g. Mitigation may include, but is not limited to, 1131 reallocation of depreciation reserves to existing generation assets to the 1132 extent consistent with generally accepted accounting principles; 1133 reduction of book assets by application of net proceeds of any sale of 1134 existing assets; maximization of market revenues from existing 1135 generation assets; efforts to maximize current and future operating 1136 efficiency, including appropriate and timely maintenance, trouble 1137 shooting, aggressive identification and correction of potential problem 1138 areas; voluntary write-offs of above-market generation assets; the 1139 decision to retire uneconomical generation assets and efforts to divest 1140 generating sites at market prices reflective of best use of sites. Mitigation 1141 shall not include any expenditures to restart a nuclear generation asset 1142 that was not operating for reasons other than scheduled maintenance or 1143 refueling at the time such expenditure was made. Any mitigation efforts 1144 and associated costs shall be subject to approval by the authority.

(2) The authority shall allow the cost of such mitigation efforts to be
included in the calculation of stranded costs to the extent that such
mitigation costs are reasonable relative to the amount of the reduction
in stranded costs resulting from the mitigation.

1149 (d) An electric distribution company shall submit to the authority an 1150 application for recovery of that portion of generation-related regulatory 1151 assets, long-term contract costs, generation assets and mitigation costs 1152 which are determined by the authority in accordance with subsections 1153 (c), (e), (f) and (g) of this section and subdivision (1) of subsection (e) of 1154 section 16-244g. The application shall include a description of mitigation 1155 efforts and a request for recovery through the competitive transition 1156 assessment and may include a request for a financing order. The 1157 authority shall hold a hearing for each electric distribution company and 1158 issue a finding of the calculation of stranded costs in a time frame that 1159 allows for collection of the competitive transition assessment to begin 1160 on January 1, 2000. Any hearing shall be conducted as a contested case 1161 in accordance with chapter 54.

(e) The authority shall calculate the stranded costs for generation-

related regulatory assets to be their book value as of January 1, 2000. In calculating the value of generation-related regulatory assets that are being provided in a lump sum as the result of a funding with the proceeds of rate reduction bonds, the authority shall adjust the value of each such asset to reflect the time value of such lump sum, if any.

1168 (f) (1) The authority shall calculate the stranded costs for long-term 1169 contract costs that have been reduced to a fixed present value through 1170 the buyout, buydown, or renegotiation of independent power producer 1171 contracts and purchased power contracts approved by the Federal 1172 Energy Regulatory Commission as such present value. In making such 1173 calculation, the authority shall net purchased power contracts approved 1174 by the Federal Energy Regulatory Commission that are below market 1175 value against any such contracts that are above-market value.

1176 (2) The authority shall calculate the stranded costs for any portion of 1177 a long-term contract cost that has not been reduced to a fixed present 1178 value by comparing the contract price to the market price at least 1179 annually. In making such calculation, the authority shall net purchased 1180 power contracts approved by the Federal Energy Regulatory 1181 Commission that are below market value against any such contracts that 1182 are above-market value. The costs described in this subdivision shall be 1183 included in the competitive transition assessment pursuant to section 1184 16-245g, as amended by this act, but shall not be included in any funding 1185 with the proceeds of rate reduction bonds.

1186 (g) The authority shall calculate the stranded cost for each generation 1187 asset to be the difference between its book value and the market value 1188 of a prudently and efficiently managed nonnuclear generating facility 1189 of comparable size, age and technical characteristics in a competitive 1190 market. In determining the market value of any such asset, the authority 1191 may consider (A) the dollars per kilowatt received from the sale of 1192 similar generation facilities, if any, (B) income capitalization based on the operating history and capacity of the facility, the market rates for 1193 power, and any existing long-term contracts for the sale of power or 1194 1195 capacity, (C) independent market appraisals, or (D) other relevant

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1196	factors. The authority shall calculate the stranded costs for generation
1197	assets at least every three years. The costs described in this subsection
1198	shall be included in the competitive transition assessment pursuant to
1199	section 16-245g, as amended by this act, but shall not be included in any
1200	funding with the proceeds of rate reduction bonds.

1201 (h) (1) On or before January 1, 2004, an electric distribution company 1202 may submit to the authority an application for recovery of that portion 1203 of nuclear generation assets which is determined by the authority in 1204 accordance with this subsection, which application shall include a 1205 request for recovery through the competitive transition assessment. The 1206 authority shall hold a hearing for each electric distribution company and 1207 issue a finding of the calculation of such nuclear generation assets in 1208 accordance with the provisions of this subsection. Any hearing shall be 1209 conducted as a contested case proceeding in accordance with chapter 1210 54. The costs described in this subsection shall be included in the 1211 competitive transition assessment pursuant to section 16-245g, as 1212 amended by this act, but shall not be included in any funding with 1213 proceeds of rate reduction bonds.

(2) The authority shall calculate the stranded costs for each nuclear
generation asset that was divested at a price less than book value as
described in subdivision (5) of subsection (c) of section 16-244g as the
difference between the book value of this asset and the final bid price of
the asset. The authority's calculation of stranded costs pursuant to this
subdivision shall be final and shall not be subject to further adjustment
by the authority.

1221 (3) The authority shall calculate the stranded costs for each 1222 nondivested nuclear generation asset described in subdivision (1) of 1223 subsection (d) of section 16-244g to be the difference between its book 1224 value and the market value of a prudently and efficiently managed 1225 nuclear generating facility of comparable size, age and technical 1226 characteristics in a competitive market. In determining the market value of any such asset, the authority may consider (A) the dollars per kilowatt 1227 received from the sale of similar generation facilities, if any, (B) income 1228

1229 capitalization based on the operating history and capacity of the facility, 1230 the market rates for power, and any existing long-term contracts for the 1231 sale of power or capacity, (C) the provision for decommissioning and 1232 related costs to be paid from the systems benefits charge provided in 1233 section 16-245l, (D) independent market appraisals, or (E) other relevant 1234 factors. At least every four years after the date when the authority issues 1235 an initial finding of the calculation of the stranded costs for such 1236 nondivested nuclear generation assets as provided in this subdivision 1237 until the earlier of (i) the expiration of the collection of the competitive 1238 transition assessment, or (ii) the date when such an asset is divested, the 1239 authority shall hold a hearing and issue a finding to adjust the stranded 1240 cost calculation of each such asset and to adjust the competitive 1241 transition assessment accordingly to true up the stranded cost recovery 1242 for the difference between the market value projected in such initial 1243 finding and the actual market value of a prudently and efficiently 1244 managed nuclear generating facility of comparable size, age and 1245 technical characteristics during the time period between the initial 1246 finding and the adjustment date, provided the second and subsequent 1247 adjustments shall reflect the difference during the time period since the 1248 most recent true-up. The authority shall calculate the value of each such 1249 asset in accordance with the methodology provided in this subdivision. 1250 Any hearing shall be conducted as a contested case in accordance with 1251 chapter 54.

1252 (4) After the authority has calculated the total value of stranded costs 1253 for all nuclear generation assets, the authority shall (A) reduce such 1254 amount by the net proceeds that are above book value realized by an 1255 electric distribution company from the sale of nonnuclear generation 1256 assets, (B) reduce such valuation to reflect the total net proceeds that are 1257 above book value realized by an electric distribution company from the 1258 sale of any nuclear generation assets pursuant to subsection (c) of 1259 section 16-244g, and (C) reduce such amount by the net proceeds that 1260 are above book value received by an electric distribution company for 1261 the sale or lease of any real property after July 1, 1998.

(i) If any net proceeds described in subdivision (4) of subsection (h)
of this section remain after the reduction in the calculation of nuclear
generation assets pursuant to said subdivision (4) or are realized after
said reduction is calculated, the additional amount of such net proceeds
shall be netted against long-term contract costs described in subdivision
(2) of subsection (f) of this section, and the competitive transition
assessment shall be adjusted accordingly.

1269 (j) No electric distribution company shall be eligible to claim any 1270 stranded costs for a nuclear generation asset or for any generation-1271 related regulatory asset related to such generation asset, if the 1272 generation asset is not operating as a result of an order issued by the 1273 United States Nuclear Regulatory Commission that applies specifically 1274 to such asset. Any such asset that is not eligible to be claimed as a 1275 stranded cost shall be eligible after it is permitted to and has resumed 1276 operation and is selling power.

1277 (k) If an electric distribution company elected to transfer any of its 1278 nuclear generation assets and related operations and functions to a 1279 separate corporate affiliate or to a division that is functionally separate 1280 from the electric distribution company pursuant to section 16-244g and 1281 subsequently sold any such assets in an arm's length transaction to an 1282 unrelated entity prior to January 1, 2012, the net proceeds realized from 1283 such sale that exceed book value for such assets shall be netted against 1284 the total amount of stranded costs, and the competitive transition 1285 assessment shall be adjusted accordingly and, if appropriate, other 1286 reimbursement shall be ordered by the authority.

1287 (l) Upon receipt of a petition from an electric distribution company, 1288 or upon its own motion, the authority may determine, at its sole 1289 discretion, that the issuance of rate reduction bonds is in the best interest 1290 of ratepayers. Upon the issuance of a financing order by the authority 1291 that specifies the appropriate amount, timing and terms of such rate 1292 reduction bond issuance, the financing entity shall issue such rate 1293 reduction bonds in accordance with the financing order, provided the 1294 aggregate principal amount of such bonds shall not exceed two billion

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1295	two hundred million dollars. Subject to the reconciliation process set
1296	forth in this subsection, the costs of any rate reduction bonds, including
1297	all principal, interest, premium, costs, and arrearages on such bonds,
1298	shall be recovered through the competitive transition assessment
1299	pursuant to section 16-245g, as amended by this act. Upon the issuance
1300	of any rate reduction bonds as ordered by the authority to recover any
1301	financed utility services, the authority shall periodically adjust the
1302	competitive transition assessment in accordance with section 16-245j to
1303	allow, as amended by this act, the recovery of the cost of such bonds,
1304	including through a reconciliation of the actual revenues from the
1305	competitive transition assessment to the actual cost of such bonds. If the
1306	proceeds used to purchase transition property with respect to rate
1307	reduction bonds issued for the deployment of advanced metering
1308	infrastructure is subsequently determined by the authority pursuant to
1309	the standards set forth in sections 16-11, 16-19, as amended by this act,
1310	or 16-19e to exceed the amount prudently and efficiently incurred for
1311	the deployment of advanced metering infrastructure, the total cost of
1312	such bonds resulting from the excess shall be returned to ratepayers,
1313	with interest, in a manner determined by the authority, including by
1314	decreasing another nonbypassable rate charged by such electric
1315	distribution company to proportionately account for such decrease, or
1316	through the revenue decoupling mechanism line item, provided the
1317	competitive transition assessment shall not be decreased in connection
1318	with such reconciliation.
1319	(m) Notwithstanding any provision of the general statutes, the net
1320	benefits of accumulated deferred income taxes relating to amounts that
1321	will be recovered through the issuance of rate reduction bonds for
1322	financed utility services shall be credited to retail customers of electric
1323	distribution companies by reducing the amount of such rate reduction
1324	bonds that would otherwise be issued by the net present value of the
1325	related tax cash flows, using a discount rate equal to the expected
1326	interest rate on such rate reduction bonds.
1327	Sec. 12. Subsection (a) of section 16-245f of the general statutes is

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

1330 (a) (1) An electric distribution company shall submit to the authority 1331 an application for a financing order with respect to any proposal to 1332 sustain funding of conservation and load management and renewable 1333 energy investment programs by substituting disbursements to the 1334 General Fund from proceeds of rate reduction bonds for such 1335 disbursements from the Conservation and Load Management Plan 1336 established by section 16-245m, as amended by this act, and from the 1337 Clean Energy Fund established by section 16-245n, and may submit to 1338 the authority an application for a financing order with respect to the 1339 following stranded costs: [(1)] (A) The cost of mitigation efforts, as 1340 calculated pursuant to subsection (c) of section 16-245e, as amended by 1341 this act; [(2)] (B) generation-related regulatory assets, as calculated 1342 pursuant to subsection (e) of section 16-245e, as amended by this act; 1343 and [(3)] (C) those long-term contract costs that have been reduced to a 1344 fixed present value through the buyout, buydown, or renegotiation of 1345 such contracts, as calculated pursuant to subsection (f) of section 16-1346 245e, as amended by this act. No stranded costs shall be funded with the 1347 proceeds of rate reduction bonds unless [(A)] (i) the electric distribution 1348 company proves to the satisfaction of the authority that the savings 1349 attributable to such funding will be directly passed on to customers 1350 through lower rates, and [(B)] (ii) the authority determines such funding 1351 will not result in giving the electric distribution company or any 1352 generation entities or affiliates an unfair competitive advantage.

1353 (2) An electric distribution company may submit to the authority a 1354 petition for a financing order with respect to financed utility services 1355 that have been determined by the authority in a separate proceeding to 1356 be appropriate for cost recovery pursuant to the standards set forth in 1357 section 16-19, as amended by this act, or 16-19e. The authority shall issue 1358 its response to such petition not more than one hundred twenty days 1359 after its receipt of a petition for a financing order pursuant to this 1360 subdivision.

1361 (3) The authority shall hold a hearing for each such electric 1362 distribution company to determine the amount of disbursements to the 1363 General Fund from proceeds of rate reduction bonds that may be 1364 substituted for such disbursements from the Conservation and Load 1365 Management Plan established by section 16-245m, as amended by this 1366 act, and from the Clean Energy Fund established by section 16-245n, and 1367 thereby constitute transition property and the portion of stranded costs 1368 or financed utility services that may be included in such funding and 1369 thereby constitute transition property. Any hearing shall be conducted 1370 as a contested case in accordance with chapter 54, except that any 1371 hearing with respect to a financing order or other order to sustain 1372 funding for conservation and load management and renewable energy 1373 investment programs by substituting the disbursement to the General 1374 Fund from the Conservation and Load Management Plan established by 1375 section 16-245m, as amended by this act, and from the Clean Energy 1376 Investment Fund established by section 16-245n, shall not be a contested 1377 case, as defined in section 4-166. The authority shall not include any rate 1378 reduction bonds as debt of an electric distribution company in 1379 determining the capital structure of the company in a rate-making 1380 proceeding, for calculating the company's return on equity or in any 1381 manner that would impact the electric distribution company for rate-1382 making purposes, and shall not approve such rate reduction bonds that 1383 include covenants that have provisions prohibiting any change to their 1384 appointment of an administrator of the Conservation and Load 1385 Management Plan.

1386 Sec. 13. Section 16-245g of the general statutes is repealed and the 1387 following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) The Public Utilities Regulatory Authority shall assess and
beginning January 1, 2000, or a later date determined by the authority
in a finance order with respect to any subsequent issuance of rate
reduction bonds, impose the competitive transition assessment which
shall be imposed on all customers of each electric distribution company
to provide funds for the purposes described in subsection (d) of this

section. The authority shall hold a hearing that shall be conducted as a
contested case in accordance with chapter 54, except as otherwise
provided in section 16-245f, as amended by this act, to determine the
amount of the competitive transition assessment.

(b) The authority shall consider the effect on all customer rates and
other factors relevant to reducing rates in determining the amount of the
competitive transition assessment and the manner in which and the
period over which it shall be imposed in any decision of the authority
to set or adjust the competitive transition assessment.

1403 (c) The competitive transition assessment shall be determined by the 1404 authority in a general and equitable manner and, in accordance with the 1405 provisions of subsection (b) of section 16-245f, shall be imposed on all 1406 customers at a rate that is applied equally to all customers of the same 1407 class in accordance with methods of allocation in effect on July 1, 1998, 1408 or a later date determined by the authority in a finance order with 1409 respect to any subsequent issuance of rate reduction bonds, provided 1410 the competitive transition assessment shall not be imposed on 1411 customers receiving services under a special contract which is in effect 1412 on July 1, 1998, or a later date determined by the authority in a finance order with respect to any subsequent issuance of rate reduction bonds, 1413 1414 until such special contract expires. The competitive transition 1415 assessment shall be imposed beginning on January 1, 2000, or a later 1416 date determined by the authority in a finance order with respect to any 1417 subsequent issuance of rate reduction bonds, on all customers receiving 1418 services under a special contract [which] that is entered into or renewed 1419 after July 1, 1998, or a later date determined by the authority in a finance 1420 order with respect to any subsequent issuance of rate reduction bonds. 1421 The competitive transition assessment shall have a generally applicable 1422 manner of determination that may be measured on the basis of 1423 percentages of total costs of retail sales of electric generation services. 1424 Subject to the provisions of subsection (b) of section 16-245f, the 1425 competitive transition assessment shall be payable by customers on an 1426 equal basis on the same payment terms and shall be eligible or subject to prepayment on an equal basis. Any exemption of the competitive
transition assessment by customers under a special contract shall not
result in an increase in rates to any customer.

1430 (d) The authority shall establish, fix and revise the competitive 1431 transition assessment in an amount sufficient at all times to: (1) Pay the 1432 principal of and the interest and any credit enhancement or premium 1433 on rate reduction bonds as the same shall become due and payable; (2) 1434 to pay all reasonable and necessary expenses relating to the financing; 1435 and (3) to pay an electric distribution company stranded costs or 1436 financed utility services that are not funded with the proceeds of rate 1437 reduction bonds and interim capital costs determined under 1438 subdivision (1) of subsection (e) of section 16-244g.

1439 (e) The competitive transition assessment shall be charged to 1440 customers until the rate reduction bonds are paid in full, including all 1441 principal, interest, premium, costs and arrearages on such bonds, by the 1442 financing entity and stranded costs and financed utility services not 1443 funded with the proceeds of rate reduction bonds are fully recovered by 1444 the electric distribution company. Amounts collected from a customer 1445 shall be allocated on a pro rata basis among (1) rates and charges 1446 described in subparagraph (A) of subdivision (2) of subsection (a) of 1447 section 16-245e, as amended by this act, (2) rates and charges described 1448 in subparagraph (B) of subdivision (2) of subsection (a) of section 16-1449 245e, as amended by this act, and (3) other charges. To the extent that the authority, when issuing a financing order, determines that special 1450 1451 treatment on customers' bills is necessary or desirable to distinguish 1452 rates and charges described in subparagraph (A) of subdivision (2) of 1453 subsection (a) of section 16-245e, as amended by this act, from rates and 1454 charges described in subparagraph (B) of subdivision (2) of subsection 1455 (a) of section 16-245e, as amended by this act, in order to facilitate the 1456 successful issuance and sale of rate reduction bonds, it may so provide 1457 as part of such financing order.

1458 Sec. 14. Subsection (a) of section 16-245h of the general statutes is 1459 repealed and the following is substituted in lieu thereof (*Effective July 1*, 1460 2025):

1461	(a) The competitive transition assessment described in subparagraph
1462	(A) of subdivision (2) of subsection (a) of section 16-245e, as amended
1463	by this act, shall constitute transition property when, and to the extent
1464	that, a financing order authorizing such portion of the competitive
1465	transition assessment has become effective in accordance with sections
1466	16-245e to 16-245k, inclusive, as amended by this act, and the transition
1467	property shall thereafter continuously exist as property for all purposes
1468	with all of the rights and privileges of sections 16-245e to 16-245k,
1469	inclusive, as amended by this act, for the period and to the extent
1470	provided in the financing order, but in any event until the rate reduction
1471	bonds are paid in full, including all principal, interest, premium, costs,
1472	and arrearages on such bonds. Prior to its sale or other transfer by the
1473	electric distribution company pursuant to sections 16-245e to 16-245k,
1474	inclusive, as amended by this act, transition property, other than
1475	transition property in respect of the economic recovery transfer or in
1476	respect to disbursements to the General Fund to sustain funding of
1477	conservation and load management and renewable energy investment
1478	programs, shall be a vested contract right of the electric distribution
1479	company, notwithstanding any contrary treatment thereof for
1480	accounting, tax, or other purpose. Transition property in respect of
1481	disbursements to the General Fund to sustain funding of conservation
1482	and load management and renewable energy investment programs
1483	shall immediately upon its creation vest solely in the financing entity.
1484	Transition property in respect to the economic recovery transfer shall
1485	immediately upon its creation vest solely in the financing entity.
1486	Notwithstanding the authority's calculation of costs that may be
1487	collected pursuant to subsection (b) of section 16-245e, as amended by
1488	this act, or the adjustment of rates pursuant to subsection (f) of section
1489	16-245e, as amended by this act, transition property in respect to
1490	financed utility services shall immediately upon its creation vest solely
1491	in the applicable electric distribution company. The electric distribution
1492	company shall not include transition property in its calculation of any
1493	rate base and shall have no right, title or interest in transition property

in respect to the economic recovery transfer or in respect of
disbursements to the General Fund to sustain funding of conservation
and load management and renewable energy investment programs, and
in respect of such transition property shall be only a collection agent on
behalf of the financing entity.

1499 Sec. 15. Section 16-245i of the general statutes is repealed and the 1500 following is substituted in lieu thereof (*Effective July 1, 2025*):

1501 (a) The authority may issue financing orders in accordance with 1502 sections 16-245e to 16-245k, inclusive, as amended by this act, to fund the economic recovery transfer, to sustain funding of conservation and 1503 1504 load management and renewable energy investment programs by 1505 substituting disbursements to the General Fund from proceeds of rate 1506 reduction bonds for such disbursements in furtherance of the 1507 Conservation and Load Management Plan established by section 16-1508 245m, as amended by this act, and from the Clean Energy Fund 1509 established by section 16-245n, and to facilitate the provision, recovery, 1510 financing, or refinancing of stranded costs and financed utility services. 1511 Except for a financing order in respect to the economic recovery revenue 1512 bonds, a financing order may be adopted [only] upon the application of 1513 an electric distribution company or upon the authority's own motion, 1514 pursuant to section 16-245f, as amended by this act, and shall become 1515 effective in accordance with its terms only after the electric distribution 1516 company files with the authority the electric distribution company's 1517 written consent to all terms and conditions of the financing order. Any 1518 financing order in respect to the economic recovery revenue bonds shall 1519 be effective on issuance.

(b) (1) Notwithstanding any general or special law, rule, or regulation to the contrary, except as otherwise provided in this subsection with respect to transition property that has been made the basis for the issuance of rate reduction bonds, the financing orders and the competitive transition assessment shall be irrevocable and the authority shall not have authority either by rescinding, altering, or amending the financing order or otherwise, to revalue or revise for rate-making

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1527 purposes the stranded costs and financed utility services, or the costs of 1528 providing, recovering, financing, or refinancing the stranded costs and 1529 financed utility services, the amount of the economic recovery transfer 1530 or the amount of disbursements to the General Fund from proceeds of 1531 rate reduction bonds substituted for such disbursements in furtherance 1532 of the Conservation and Load Management Plan established by section 1533 16-245m, as amended by this act, and from the Clean Energy Fund 1534 established by section 16-245n, determine that the competitive transition 1535 assessment is unjust or unreasonable, or in any way reduce or impair 1536 the value of transition property either directly or indirectly by taking the 1537 competitive transition assessment into account when setting other rates 1538 for the electric distribution company; nor shall the amount of revenues 1539 arising with respect thereto be subject to reduction, impairment, 1540 postponement, or termination.

1541 (2) Notwithstanding any other provision of this section, the authority 1542 shall approve the adjustments to the competitive transition assessment 1543 as may be necessary to ensure timely recovery of all stranded costs <u>and</u> 1544 financed utility services that are the subject of the pertinent financing 1545 order, and the costs of capital associated with the provision, recovery, 1546 financing [,] or refinancing thereof, including the costs of issuing, 1547 servicing [,] and retiring the rate reduction bonds issued to recover 1548 stranded costs and financed utility services contemplated by the 1549 financing order and to ensure timely recovery of the costs of issuing, 1550 servicing [,] and retiring the rate reduction bonds issued to sustain funding of conservation and load management and renewable energy 1551 1552 investment programs contemplated by the financing order, and to 1553 ensure timely recovery of the costs of issuing, servicing and retiring the 1554 economic recovery revenue bonds issued to fund the economic recovery 1555 transfer contemplated by the financing order.

(3) Notwithstanding any general or special law, rule, or regulation to
the contrary, any requirement under sections 16-245e to 16-245k,
inclusive, as amended by this act, or a financing order that the authority
take action with respect to the subject matter of a financing order shall

1560 be binding upon the authority, as it may be constituted from time to 1561 time, and any successor agency exercising functions similar to the 1562 authority and the authority shall have no authority to rescind, alter, or 1563 amend that requirement in a financing order. Section 16-43 shall not 1564 apply to any sale, assignment, or other transfer of or grant of a security 1565 interest in any transition property or the issuance of rate reduction 1566 bonds under sections 16-245e to 16-245k, inclusive, as amended by this 1567 act.

1568 (c) The authority shall provide in any financing order for a procedure 1569 for the timely approval by the authority of periodic adjustments to the 1570 competitive transition assessment that is the subject of the pertinent financing order, as required by subdivision (2) of subsection (b) of this 1571 1572 section. The procedure shall require the authority to determine whether 1573 the adjustments are required on [each anniversary of the issuance of the 1574 financing order] an annual basis, and at the additional intervals as may 1575 be provided for in the financing order, and for the adjustments, if 1576 required, to be approved within ninety days of [each anniversary of the 1577 issuance of the financing order, or of each additional interval] the filing 1578 of each adjustment or within such shorter period as may be provided 1579 for in the financing order.

Sec. 16. Subsections (b) and (c) of section 16-245j of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

1583 (b) Except as otherwise provided in this subsection, the state of 1584 Connecticut does hereby pledge and agree with the owners of transition 1585 property and holders of rate reduction bonds that neither the state nor 1586 any agency of the state shall [neither] limit, [nor] alter, amend, reduce 1587 or impair the competitive transition assessment, transition property, 1588 financing orders, and all rights thereunder until the obligations, 1589 together with the interest thereon, are fully met and discharged, 1590 provided nothing contained in this subsection shall preclude the limitation or alteration if and when adequate provision shall be made 1591 1592 by law for the protection of the owners and holders. The finance

authority as agent for the state is authorized to include this pledge andundertaking for the state in these obligations.

1595 (c) (1) Financing orders and rate reduction bonds shall not be deemed 1596 to constitute a debt or liability of the state or of any political subdivision 1597 thereof, other than the financing entity, shall not constitute a pledge of 1598 the full faith and credit of the state or any of its political subdivisions, 1599 other than the financing entity, but shall be payable solely from the 1600 funds provided under sections 16-245e to 16-245k, inclusive, as 1601 amended by this act, and shall not constitute an indebtedness of the state 1602 within the meaning of any constitutional or statutory debt limitation or 1603 restriction and, accordingly, shall not be subject to any statutory 1604 limitation on the indebtedness of the state and shall not be included in 1605 computing the aggregate indebtedness of the state in respect to and to 1606 the extent of any such limitation. This subsection shall in no way 1607 preclude bond guarantees or enhancements pursuant to sections 16-1608 245e to 16-245k, inclusive, as amended by this act. All rate reduction 1609 bonds shall contain on the face thereof a statement to the following 1610 effect: "Neither the full faith and credit nor the taxing power of the State 1611 of Connecticut is pledged to the payment of the principal of, or interest 1612 on, this bond."

1613 (2) The issuance of rate reduction bonds under sections 16-245e to 16-1614 245k, inclusive<u>, as amended by this act</u>, shall not directly, indirectly, or 1615 contingently obligate the state or any political subdivision thereof to 1616 levy or to pledge any form of taxation therefor or to make any 1617 appropriation for their payment.

1618 (3) The exercise of the powers granted by sections 16-245e to 16-245k, 1619 inclusive, as amended by this act, shall be in all respects for the benefit 1620 of the people of this state, for the increase of their commerce, welfare, 1621 and prosperity, and as the exercise of such powers shall constitute the 1622 performance of an essential public function, neither the finance 1623 authority, any electric distribution company, any affiliate of any electric 1624 distribution company, any financing entity, or any collection or other 1625 agent of any of the foregoing shall be required to pay any taxes or

1626 assessments upon or in respect of any revenues or property received, 1627 acquired, transferred, or used by the finance authority, any electric 1628 distribution company, any affiliate of any electric distribution company, 1629 any financing entity, or any collection or other agent of any of the 1630 foregoing under the provisions of sections 16-245e to 16-245k, inclusive, 1631 as amended by this act, or upon or in respect of the income therefrom, 1632 and any rate reduction bonds shall be treated as issued by or on behalf 1633 of a public instrumentality created under the laws of the state for 1634 purposes of chapter 229.

1635 (4) (A) The proceeds of any rate reduction bonds, other than 1636 economic recovery revenue bonds, shall be used for the purposes 1637 approved by the authority in the financing order, including, but not 1638 limited to, disbursements to the General Fund in substitution for such 1639 disbursements in furtherance of the Conservation and Load 1640 Management Plan established by section 16-245m, as amended by this 1641 act, and from the Clean Energy Fund established by section 16-245n, the 1642 costs of refinancing or retiring of debt of the electric distribution 1643 company, and associated federal and state tax liabilities; provided such 1644 proceeds shall not be applied to purchase generation assets or to 1645 purchase or redeem stock or to pay dividends to parent company 1646 shareholders or to pay operating expenses other than taxes resulting from the receipt of such proceeds. 1647

(B) The proceeds of any economic recovery revenue bonds shall be
used for the purposes approved by the authority in the financing order,
including, but not limited to, funding the economic recovery transfer,
provided such proceeds shall not be applied to purchase generation
assets or to purchase or redeem stock or to pay dividends to
shareholders or operating expenses other than taxes resulting from the
receipt of such proceeds.

(5) Rate reduction bonds are made and declared (A) securities in
which all public officers and public bodies of the state and its political
subdivisions, all insurance companies, state banks and trust companies,
national banking associations, savings banks, savings and loan

1659 associations, investment companies, executors, administrators, trustees 1660 and other fiduciaries may properly and legally invest funds, including 1661 capital in their control or belonging to them, and (B) securities which 1662 may properly and legally be deposited with and received by any state 1663 or municipal officer or any agency or political subdivision of the state 1664 for any purpose for which the deposit of bonds or obligations of the state 1665 is now or may be authorized.

1666 (6) Rate reduction bonds, other than economic recovery revenue 1667 bonds, shall mature at such time or times approved by the authority in 1668 the financing order. [; provided that such maturity shall not be later than 1669 December 31, 2011.] Economic recovery revenue bonds shall mature at 1670 such time or times approved by the authority in the financing order, 1671 provided such maturity shall not be later than eight years after the date 1672 of issuance, provided such maturity may be extended for economic 1673 reasons, upon the advice of the financing entity.

(7) Rate reduction bonds issued and at any time outstanding may, if
and to the extent permitted under the indenture or other agreement
pursuant to which they are issued, be refunded by other rate reduction
bonds.

Sec. 17. Subsection (l) of section 16-245k of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective July 1*,
2025):

1681 (1) [The authority of the Public Utilities Regulatory Authority to issue 1682 financing orders pursuant to sections 16-245e to 16-245k, inclusive, shall 1683 expire on December 31, 2008, with respect to bonds other than economic 1684 recovery revenue bonds.] The authority of the Public Utilities Regulatory Authority to issue financing orders pursuant to sections 16-1685 1686 245e to 16-245k, inclusive, as amended by this act, with respect to 1687 economic recovery revenue bonds shall expire on December 31, 2012. 1688 The expiration of such authority shall have no effect upon any other 1689 financing orders adopted by the Public Utilities Regulatory Authority 1690 pursuant to sections 16-245e to 16-245k, inclusive, as amended by this 1691 act, or upon any financing orders adopted by the Public Utilities Regulatory Authority pursuant to sections 16-245e to 16-245k, inclusive, 1692 1693 as amended by this act, with respect to economic recovery bonds prior 1694 to December 31, 2012, or any transition property arising [therefrom] 1695 from any such financing orders, or upon the charges authorized to be 1696 levied thereunder, or the rights, interests, and obligations of the electric 1697 distribution company or a financing entity or holders of rate reduction 1698 bonds pursuant to [the] any such financing order, or the authority of the 1699 Public Utilities Regulatory Authority to monitor, supervise, or take 1700 further action with respect to [the] any such financing order in 1701 accordance with the terms of sections 16-245e to 16-245k, inclusive, as 1702 amended by this act, and of [the] any such financing order.

Sec. 18. Subsection (b) of section 16-19gg of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1705 1, 2025):

1706 (b) During each proceeding on a rate amendment under section 16-19, as amended by this act, proposed by an electric distribution 1707 1708 company, gas company or water company, the Public Utilities 1709 Regulatory Authority shall consider the following factors in 1710 determining a reasonable rate of return: (1) Macroeconomic conditions 1711 at the time the rate amendment is pending before the authority; (2) the 1712 company's compliance with state law, regulations and the decisions and 1713 policies of the authority and the Department of Energy and 1714 Environmental Protection; (3) the burden of the public service 1715 company's costs on residential ratepayers, measured as a percentage of 1716 household income, under the current and proposed rate; (4) trends in 1717 the company's accrual of bad debt; (5) the rate impact on all residential 1718 and nonresidential customers; (6) whether the company has benefited 1719 from financing orders pursuant to sections 16-245e to 16-245k, inclusive, 1720 as amended by this act; and [(6)] (7) any other issue deemed relevant by 1721 the authority.

1722 Sec. 19. (NEW) (*Effective October 1, 2025*) Notwithstanding any 1723 provision of title 16 of the general statutes, the Public Utilities 1724 Regulatory Authority may select the Connecticut Green Bank, the 1725 Department of Energy and Environmental Protection, the electric 1726 distribution companies, as defined in section 16-1 of the general statutes, 1727 as amended by this act, a third party that the authority deems 1728 appropriate or any combination thereof to implement any ratepayer-1729 funded clean energy or renewable energy program established by the 1730 authority in a proceeding. Any such selection shall be based upon the 1731 authority's analysis of record evidence in an uncontested proceeding of 1732 an entity's qualifications and experience administering the same or 1733 comparable programs, projected cost savings, potential administrative 1734 efficiencies, and impact on customer experience associated with each 1735 such entity's implementation of such programs.

1736 Sec. 20. (Effective from passage) The Office of Consumer Counsel, in 1737 consultation with the Public Utilities Regulatory Authority and the 1738 Commissioner of Energy and Environmental Protection, shall prepare a 1739 report that describes the line items included in the charges known as the 1740 "combined public benefits charges" on a bill to any end use customer of 1741 an electric distribution company, as defined in section 16-1 of the 1742 general statutes, as amended by this act. Such report shall include, but 1743 need not be limited to, an examination of the enabling authority for the 1744 imposition of any such line item, and the purpose, costs and benefits 1745 associated with any such line item. Not later than March 1, 2026, the 1746 Consumer Counsel shall submit a report, in accordance with the 1747 provisions of section 11-4a of the general statutes, to the joint standing 1748 committee of the General Assembly having cognizance of matters 1749 relating to energy and technology.

- Sec. 21. Subsections (a) and (b) of section 16-19f of the general statutes
 are repealed and the following is substituted in lieu thereof (*Effective July*1, 2025):
- (a) As used in this section <u>and section 16-243n</u>, as amended by this
 <u>act</u>:
- 1755 (1) "Cost of service" means an electric utility rate for a class of

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1756	consumer which is designed, to the maximum extent practicable, to
1757	reflect the cost to the utility in providing electric service to such class;
1758	(2) "Declining block rate" means an electric utility rate for a class of
1759	consumer [which] that prices successive blocks of electricity consumed
1760	by such consumer at lower per-unit prices;
1761	(3) ["Time of day rate"] <u>"Time-varying rate"</u> means an electric utility
1762	rate for a class of consumer [which] <u>that</u> is designed to (A) reflect the
1763	cost to the utility of providing electricity to such consumer at different
1764	times, [of the day] and (B) create a price differential that incentivizes
1765	targeted electric load growth and system efficiency, which may include
1766	critical peak pricing;
1767	(4) "Seasonal rate" means an electric utility rate for a class of consumer
1768	designed to reflect the cost to the utility in providing electricity to such
1769	consumer during different seasons of the year;
1770	[(5) "Electric vehicle time of day rate" means an electric utility rate for
1771	a class of consumer designed to reflect the cost to the utility of providing
1772	electricity to such consumer charging an electric vehicle at an electric
1773	vehicle charging station at different times of the day, but shall not
1774	include demand charges;]
1775	[(6)] (5) "Electric vehicle charging station" means an electric
1776	component assembly or cluster of component assemblies designed
1777	specifically to charge batteries within electric vehicles by permitting the
1778	transfer of electric energy to a battery or other storage device in an
1779	electric vehicle;
1780	[(7)] (6) "Public electric vehicle charging station" means an electric
1781	vehicle charging station located at a publicly available parking space;
1782	[(8)] <u>(7)</u> "Publicly available parking space" means a parking space that
1783	has been designated by a property owner or lessee to be available to,
1784	and accessible by, the public and may include on-street parking spaces
1785	and parking spaces in surface lots or parking garages, but shall not

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include: (A) A parking space that is part of, or associated with, a private
residence; (B) a parking space that is reserved for the exclusive use of an
individual driver or vehicle or for a group of drivers or vehicles, such as
employees, tenants, visitors, residents of a common interest
development, or residents of an adjacent building; or (C) a parking
space reserved for persons who are blind and persons with disabilities
as described in section 14-253a;
[(9) "Interruptible rate" means an electric utility rate designed to

1793 electric utility rate designed to 1794 reflect the cost to the utility in providing service to a consumer where 1795 such consumer permits his service to be interrupted during periods of 1796 peak electrical demand; and]

1797 [(10)] (8) "Load management techniques" means cost-effective techniques used by an electric utility to reduce the maximum kilowatt 1798 1799 demand on the [utility] utility's system or shift the demand to maximize 1800 electric grid efficiency, as determined by the authority;

1801 (9) "On-peak" means a period likely to capture the regional 1802 independent system operator and electric distribution system peaks or to incentivize the cost-effective shifting of load to maximize grid 1803

- 1804 efficiency, as determined by the authority;
- 1805 (10) "Critical peak" means a period when system costs are highest or 1806 when the power grid is severely stressed and electric customers may
- pay higher prices as a result of such stress; and 1807

1808 (11) "Default rate" means the electric utility rate in which a consumer 1809 is enrolled at the start of service if the consumer does not specify a preferred rate. 1810

1811 (b) [The] Not later than October 1, 2027, the Public Utilities 1812 Regulatory Authority shall, with respect to each electric public service 1813 company, [shall (1) within two years, consider and determine whether 1814 it is appropriate to implement any of the following rate design 1815 standards: (A) Cost of service; (B) prohibition of declining block rates; 1816 (C) time of day rates; (D) seasonal rates; (E) interruptible rates; and (F)

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1817	load management techniques, and (2) not later than June 1, 2017,	
1818	consider and determine whether it is appropriate to implement electric	
1819	vehicle time of day rates] initiate a docket or dockets for the purpose of	
1820	evaluating applications submitted by the electric distribution	
1821	companies for the implementation of time-varying rates for residential	
1822	and commercial customers. The [consideration of said standards by the	
1823	authority shall be made] authority may implement such rates after	
1824	public notice and hearing. Such hearing may be held concurrently with	
1825	a hearing required pursuant to subsection (b) of section 16-19e. [The]	
1826	Upon submission of proposed time-varying rates by each electric	
1827	distribution company, the authority shall [make a determination on]	
1828	evaluate whether it is appropriate to implement any [of said standards]	
1829	time-varying rate. Said determination shall be in writing, shall take into	
1830	consideration the evidence presented at the hearing and shall be	
1831	available to the public. A [standard] time-varying rate shall be deemed	
1832	to be appropriate for implementation if such rate is in the best interest	
1833	of ratepayers. The authority shall consider (1) if the benefits of the rate	
1834	exceed the costs of implementing such rate, including but not limited to	
1835	any capital investments necessary to implement such rate, (2) if such	
1836	implementation would encourage energy conservation, optimal and	
1837	efficient use of facilities and resources by an electric public service	
1838	company, [and] (3) equitable rates for electric consumers approved by	
1839	the authority, and (4) any other considerations the authority deems	
1840	appropriate to determine whether such rate is in the best interest of the	
1841	<u>ratepayers</u> .	

1842 Sec. 22. Section 16-243n of the general statutes is repealed and the 1843 following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) Not later than October 1, [2005] <u>2027</u>, each electric distribution
company, as defined in section 16-1<u>, as amended by this act</u>, shall submit
an application to the Public Utilities Regulatory Authority to [(1) on or
before January 1, 2007,] implement [time-of-use] <u>time-varying</u> rates for
(<u>1</u>) residential customers_z [that have a maximum demand of not less
than three hundred fifty kilowatts that may include, but not be limited

to, mandatory peak, shoulder and off-peak time-of-use rates, and (2) on
or before June 1, 2006, offer optional interruptible or load response rates
for customers that have a maximum demand of not less than three
hundred fifty kilowatts and offer optional seasonal and time-of-use
rates for all customers. The application shall propose to establish timeof-use rates through a procurement plan, revenue neutral adjustments
to delivery rates, or both] and (2) commercial and industrial customers.

1857 (b) [Not later than November 1, 2005, each electric distribution 1858 company shall submit an application to the Public Utilities Regulatory 1859 Authority to implement mandatory seasonal rates for all customers 1860 beginning April 1, 2007.] (1) Time-varying rate proposals for 1861 transmission, distribution and all other retail electric rate components 1862 submitted pursuant to subsection (a) of this section shall (A) provide for 1863 fixed rates across twenty-four-hour cycles within each season, (B) be 1864 based on projected seasonal demand and include on-peak rates, and (C) 1865 adequately incentivize the cost-effective shifting of load to off-peak periods by applying an appropriate price differential between on-peak 1866 1867 and off-peak time-varying rates. The design of such rates, including the 1868 price differential between on-peak and off-peak time-varying rates, 1869 shall be consistent with empirical research conducted by the electric 1870 distribution company and other rate-design experts.

1871 (2) Any application submitted pursuant to subsection (a) of this 1872 section that proposes a seasonal rate component to such time-varying 1873 rates shall submit the following concerning such proposed seasonal 1874 rates: (A) Any proposal for differentiation of generation, transmission 1875 and distribution energy and demand rates (i) into summer and 1876 nonsummer periods, at a minimum, and if cost differences between summer and nonsummer periods are substantial, (ii) into winter and 1877 1878 shoulder month periods, with consideration of projected electric 1879 customer acceptance and usage of such rates, and (B) the appropriate 1880 phase-in period over which time electric customers may adjust to 1881 seasonal rates without experiencing a sudden, significant increase in 1882 electricity prices.

1883	(3) Any application submitted pursuant to subsection (a) of this
1884	section shall propose to establish (A) such time-varying rates through
1885	an approved revenue recovery mechanism for transmission and
1886	distribution rates, and (B) a revenue reconciliation mechanism whereby
1887	any revenue undercollected or overcollected through such time-varying
1888	rates is recovered or refunded, as appropriate, through a subsequent
1889	billing reconciliation adjustment.
1890	(4) Time-varying rates submitted pursuant to subsection (a) of this
1891	section shall be designed as default rates, with consideration for
1892	principles of gradualism and customer acceptance and established
1893	exceptions as deemed appropriate by the authority, including but not
1894	limited to, for medically protected and financial hardship customers,
1895	and provided the application (A) proposes a comprehensive customer
1896	education program that meets the requirements of section 23 of this act;
1897	(B) provides for a clearly defined opt-out process concerning such rates;
1898	and (C) gives due consideration to the interaction of any time-varying
1899	rate design with existing and foreseeable low-income rates and
1900	programs.

1901 (c) The authority shall hold a hearing that shall be conducted as a 1902 contested case, in accordance with the provisions of chapter 54, to 1903 approve, reject or modify applications submitted pursuant to subsection 1904 (a) [or (b)] of this section. No application for [time-of-use] time-varying 1905 rates shall be approved by the authority unless (1) such rates reasonably 1906 reflect the cost of service during their respective [time-of-use] time-1907 varying periods, [and] (2) the costs associated with implementation, the 1908 impact on customers and benefits to the utility system justify 1909 implementation of such rates, and (3) such rates are expected to alter patterns of customer consumption of electricity without undue adverse 1910 1911 effect on the customer.

(d) Each electric distribution company shall assist customers to help
manage loads and reduce peak consumption through the
comprehensive plan developed pursuant to section 16-245m, as
amended by this act.

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1916	Sec. 23. (NEW) (Effective October 1, 2025) (a) Each electric distribution
1917	company, as defined in section 16-1 of the general statutes, as amended
1918	by this act, shall, in consultation with the Office of Consumer Counsel
1919	and the Commissioner of Energy and Environmental Protection, design
1920	a comprehensive customer education and engagement program for the
1921	purpose of informing electric distribution customers of the benefits of
1922	time-varying rates and encouraging such customers to utilize such rates
1923	and any available technology that enables the realization of customer
1924	cost savings on such time-varying rates. The customer education and
1925	engagement program design shall include (1) approved methods of
1926	customer outreach, education and engagement activities, including
1927	strategies to maximize customer cost savings, (2) objective performance
1928	standards regarding the program's implementation, and (3) mandatory
1929	reporting requirements for electric distribution companies concerning
1930	such companies' compliance with the program requirements, including
1931	the submission of documentation and data as required by the Public
1932	Utilities Regulatory Authority.

(b) In any rate case initiated on or after July 1, 2025, an electric distribution company shall submit as part of its rate amendment application a detailed proposal, or an update to a proposal previously approved pursuant to this subsection, to develop the program required under subsection (a) of this section for review and approval by the authority. Upon approval by the authority, the program shall be administered by the electric distribution companies.

1940 Sec. 24. Section 16-32e of the general statutes is repealed and the 1941 following is substituted in lieu thereof (*Effective October 1*, 2025):

1942 (a) As used in this section, "emergency" means any (1) hurricane, 1943 tornado, storm, flood, high water, wind-driven water, tidal wave, 1944 eruption, landslide, mudslide, tsunami, earthquake, volcanic 1945 snowstorm, drought, wildfire or fire explosion, or (2) attack or series of 1946 attacks by an enemy of the United States causing, or which may cause, 1947 substantial damage or injury to civilian property or persons in the 1948 United States in any manner by sabotage or by the use of bombs,

shellfire or atomic, radiological, chemical, bacteriological or biologicalmeans or other weapons or processes.

1951 (b) Not later than July 1, 2012, and every two years thereafter, each 1952 public service company, as defined in section 16-1, as amended by this 1953 act, each telecommunications company, as defined in section 16-1, as 1954 amended by this act, that installs, maintains, operates or controls poles, 1955 wires, conduits or other fixtures under or over any public highway for 1956 the provision of telecommunications service authorized by section 16-1957 247c, each voice over Internet protocol service provider, as defined in 1958 section 28-30b, and each municipal utility furnishing electric, gas or 1959 water service shall file with the Public Utilities Regulatory Authority, 1960 the Department of Emergency Services and Public Protection and each 1961 municipality located within the service area of the public service 1962 company, telecommunications company, voice over Internet protocol 1963 service provider or municipal utility an updated plan for restoring 1964 service which is interrupted as a result of an emergency, except no such 1965 plan shall be required of a public service company or municipal utility 1966 that submits a water supply plan pursuant to section 25-32d. Plans filed 1967 by public service companies and municipal utilities furnishing water 1968 shall be prepared in accordance with the memorandum of 1969 understanding entered into pursuant to section 4-67e.

1970 (c) (1) Each electric distribution company required to file a plan for 1971 restoring service pursuant to subsection (b) of this section shall establish 1972 an emergency service restoration planning committee to prepare such 1973 plan. Not less than fifty per cent of the members of such committee shall 1974 be line and restoration crew members employed by such company. The 1975 balance of the members appointed to such committee shall be appointed 1976 by such company. Each such emergency service restoration planning 1977 committee shall meet not later than sixty days after the occurrence of 1978 any emergency that results in a service interruption to thirty per cent or 1979 more of the customers of such company to review and provide feedback 1980 on the application of the plan and incorporate such feedback into plans 1981 for future emergencies.

1982(2) If line and restoration crew members employed by such company are members of a collective bargaining unit, the collective bargaining unit shall select the line and restoration crew members appointed to such committee. If such line and restoration crew members are not members of a collective bargaining unit, the line and crew members appointed to such committee shall be selected through a process determined by the line and crew members employed by such company.1986(3) A committee established pursuant to this subsection shall have two co-chairpersons, one of whom shall be a line and restoration crew member employed by such company elected by the members of the committee who are line and restoration crew members, and one of whom shall be elected by the members of the committee who are not line and restoration crew members.1995(4) A committee established pursuant to this subsection shall make a written meeting summary of each meeting and make such summaries available to any employee of such company upon request and submit such summaries to the Public Utilities Regulatory Authority and the Department of Emergency Services and Public Protection upon request. A majority of the members of the committee shall constitute a quorum for the transaction of committee business. Decisions of the committee shall be made by majority vote of the members present at any meeting.2003(d) Each such plan for restoring service which is interrupted as a result of an emergency shall include measures for (1) communication and coordination with state officials, municipalities and other public service companies and telecommunications companies during a major disaster, as defined in section 28-1, or an emergency; [and] (2) participation in training exercises as directed by the Commissioner of Emergency Services and Public Protection (3)	_	sSB 4 Amendment
1984unit shall select the line and restoration crew members appointed to1985such committee. If such line and restoration crew members are not1986members of a collective bargaining unit, the line and crew members1987appointed to such committee shall be selected through a process1988determined by the line and crew members employed by such company.1989(3) A committee established pursuant to this subsection shall have1989two co-chairpersons, one of whom shall be a line and restoration crew1990member employed by such company elected by the members of the1991committee who are line and restoration crew members, and one of1993whom shall be elected by the members of the committee who are not1994line and restoration crew members.1995(4) A committee established pursuant to this subsection shall make a1996written meeting summary of each meeting and make such summaries1997available to any employee of such company upon request and submit1998such summaries to the Public Utilities Regulatory Authority and the1999Department of Emergency Services and Public Protection upon request.2000A majority of the members of the committee shall constitute a quorum1001for the transaction of committee business. Decisions of the committee2002shall be made by majority vote of the members present at any meeting.2003(d) Each such plan for restoring service which is interrupted as a2004result of an emergency shall include measures for (1) communication2005and coordin	1982	(2) If line and restoration crew members employed by such company
 such committee. If such line and restoration crew members are not members of a collective bargaining unit, the line and crew members appointed to such committee shall be selected through a process determined by the line and crew members employed by such company. (3) A committee established pursuant to this subsection shall have two co-chairpersons, one of whom shall be a line and restoration crew member employed by such company elected by the members of the committee who are line and restoration crew members, and one of whom shall be elected by the members of the committee who are not line and restoration crew members. (4) A committee established pursuant to this subsection shall make a written meeting summary of each meeting and make such summaries available to any employee of such company upon request and submit such summaries to the Public Utilities Regulatory Authority and the Department of Emergency Services and Public Protection upon request. A majority of the members of the committee shall constitute a quorum for the transaction of committee business. Decisions of the committee shall be made by majority vote of the members present at any meeting. (d) Each such plan for restoring service which is interrupted as a result of an emergency shall include measures for (1) communication and coordination with state officials, municipalities and other public service companies and telecommunications companies during a major disaster, as defined in section 28-1, or an emergency; [and] (2) participation in training exercises as directed by the Commissioner of Emergency Services and Public Protection; (3) measures to protect the health and safety of line and restoration crews during an emergency and during the restoration of service, including the provision of appropriate personal protective equipment and any such measures that are contained in a collective bargaining agreement or other health and 	1983	are members of a collective bargaining unit, the collective bargaining
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2014 <u>safety policies applicable to such crews; and (4) referencing any</u>	2013	
	2014	safety policies applicable to such crews; and (4) referencing any

2015 applicable documents, including collective bargaining agreements in 2016 effect that describe any training and skills job progression plan, or other 2017 comparable documents, for line and restoration workers. If line and 2018 restoration crew members are members of a collective bargaining unit, 2019 such training and skills job progression plans, or other comparable 2020 documents, shall be jointly developed by the company and such 2021 collective bargaining unit. Each such plan shall include such company's, 2022 provider's or municipal utility's response for service outages affecting 2023 more than ten per cent, thirty per cent, fifty per cent and seventy per 2024 cent of such company's, provider's or municipal utility's customers. On 2025 or before September 1, 2012, and biannually thereafter, the authority 2026 shall submit a report, in accordance with section 11-4a, to the joint 2027 standing committee of the General Assembly having cognizance of 2028 matters relating to public utilities summarizing such plans. Not later 2029 than September 15, 2012, and every two years thereafter, the Public 2030 Utilities Regulatory Authority may conduct public hearings on such 2031 plans and, in consultation with the Department of Emergency Services 2032 and Public Protection, the Department of Public Health and the joint 2033 standing committee of the General Assembly having cognizance of 2034 matters relating to public utilities, revise such plans to the extent 2035 necessary to provide properly for the public convenience, necessity and 2036 welfare. If the Public Utilities Regulatory Authority revises the 2037 emergency plan of a public service company, telecommunications 2038 company, voice over Internet protocol service provider or municipal 2039 utility, such company, provider or municipal utility shall file a copy of 2040 the revised plan with each municipality located within the service area 2041 of the company, provider or municipal utility. Any information 2042 provided in any such plan shall be considered confidential, not subject 2043 to disclosure under the Freedom of Information Act, as defined in 2044 section 1-200, and any such information shall not be transmitted to any 2045 person except as needed to comply with this section.

2046 [(c)] (e) At the discretion of the Commissioner of Emergency Services 2047 and Public Protection or after an emergency or major disaster is declared 2048 in the state by the Governor under the laws of this state or by the 2049 President of the United States under federal law, each telephone 2050 company, certified telecommunications provider, holder of a certificate 2051 of video franchise authority or holder of a certificate of cable franchise 2052 authority, as those terms are defined in section 16-1, as amended by this 2053 act, with more than twenty-five thousand subscribers, shall provide a 2054 representative to staff the emergency operations center of an affected 2055 electric distribution company, as defined in section 16-1, as amended by 2056 this act, as needed to ensure communication and coordination during 2057 emergency response and restoration efforts.

2058 Sec. 25. Section 16-32*l* of the general statutes is repealed and the 2059 following is substituted in lieu thereof (*Effective October 1, 2025*):

2060 (a) For the purposes of this section:

(1) "Emergency" means any hurricane, tornado, storm, flood, high
water, wind-driven water, tidal wave, earthquake, landslide, mudslide,
snowstorm, drought, wildfire or fire explosion that results in sixty-nine
per cent or less of the electric distribution company's customers
experiencing an outage at the period of peak electrical demand;

2066 (2) "Electric distribution company" has the same meaning as 2067 provided in section 16-1, as amended by this act; and

(3) "After the occurrence of an emergency" means the conclusion of
the emergency, as determined by the authority in its discretion, through
a review of the following: (A) The time when the electric distribution
company could first deploy resources safely in its service territory; (B)
the first of any official declarations concerning the end of the emergency;
or (C) the expiration of the first of any National Weather Service
warning applicable to the service territory.

2075 (b) Notwithstanding any other provision of the general statutes, on 2076 and after July 1, 2021, each electric distribution company shall provide 2077 to residential customers of such company a credit of twenty-five dollars, 2078 on the balance of such customer's account, for each day of distribution-2079 system service outage that occurs for such customers for more than 2080 ninety-six consecutive hours after the occurrence of an emergency.

2081 (c) Any costs incurred by an electric distribution company pursuant2082 to this section shall not be recoverable.

2083 (d) Not later than fourteen calendar days after the occurrence of an 2084 emergency, an electric distribution company may petition the authority 2085 for a waiver of the requirements of this section. Any petition for a waiver 2086 made under this subsection shall include the severity of the emergency, 2087 line and restoration crew safety issues and conditions on the ground, 2088 and shall be conducted as a contested case proceeding. The burden of 2089 proving that such waiver is reasonable and warranted shall be on the 2090 electric distribution company. In determining whether to grant such 2091 waiver, the authority shall consider whether the electric distribution 2092 company received approval and reasonable funding allowances, as 2093 determined by the authority, to meet infrastructure resiliency efforts to 2094 improve such company's performance.

(e) No electric distribution company shall require any line and
 restoration crew member to work in unsafe conditions to avoid
 providing credits to customer accounts pursuant to subsection (b) of this
 section or for any other reason, and line or restoration crew member
 employed by such company may be disciplined, terminated, have
 wages withheld or otherwise be punished for refusing to perform
 restoration duties during such conditions.

2102 [(e)] (f) On or before January 1, 2021, the Public Utilities Regulatory 2103 Authority shall initiate a proceeding to consider the implementation of 2104 the residential customer credit and waiver provisions of this section and 2105 establish circumstances, standards and methodologies applicable to 2106 each electric distribution company and necessary to implement the 2107 provisions of this section, including any modifications to the ninety-six-2108 consecutive-hour standard in subsection (b) of this section. The 2109 authority shall issue a final decision in such proceeding on or before July 2110 1,2021.

Amendment

_	sSB 4 Amendment
2111	Sec. 26. Section 16-32m of the general statutes is repealed and the
2112	following is substituted in lieu thereof (<i>Effective October 1, 2025</i>):
2113	(a) For the purposes of this section:
2114	(1) "Emergency" means any hurricane, tornado, storm, flood, high
2115	water, wind-driven water, tidal wave, earthquake, landslide, mudslide,
2116	snowstorm, drought <u>, wildfire</u> or fire explosion that results in sixty-nine
2117	per cent or less of the electric distribution company's customers
2118	experiencing an outage at the period of peak electrical demand;
2119	(2) "Electric distribution company" has the same meaning as
2120	provided in section 16-1, as amended by this act; and
2121	(3) "After the occurrence of an emergency" means the conclusion of
2122	the emergency, as determined by the authority in its discretion, through
2123	a review of the following: (A) The time when the electric distribution
2124	company could first deploy resources safely in its service territory; (B)
2125	the first of any official declarations concerning the end of the emergency;
2126	or (C) the expiration of the first of any National Weather Service
2127	warning applicable to the service territory.
2128	(b) On and after July 1, 2021, each electric distribution company shall
2129	provide to each residential customer compensation in an amount of two
2130	hundred fifty dollars, in the aggregate, for any medication and food that
2131	expires or spoils due to a distribution-system service outage that lasts
2132	more than ninety-six consecutive hours in duration after the occurrence
2133	of an emergency.
2134	(c) Any costs incurred by an electric distribution company pursuant
2135	to this section shall not be recoverable.
2136	(d) Not later than fourteen calendar days after the occurrence of an
2137	emergency, an electric distribution company may petition the authority
2138	for a waiver of the requirements of this section. Any petition for a waiver
2139	made under this subsection shall include the severity of the emergency,
2140	line and restoration crew safety issues and conditions on the ground,

and shall be conducted as a contested case proceeding. The burden of proving that such waiver is reasonable and warranted shall be on the electric distribution company. In determining whether to grant such waiver, the authority shall consider whether the electric distribution company received approval and reasonable funding allowances, as determined by the authority, to meet infrastructure resiliency efforts to improve such company's performance.

(e) No electric distribution company shall require any line and
restoration crew member to work in unsafe conditions to avoid
providing credits to customer accounts pursuant to subsection (b) of this
section or for any other reason, and no line or restoration crew member
employed by such company may be disciplined, terminated, have
wages withheld or otherwise be punished for refusing to perform
restoration duties during such conditions.

2155 [(e)] (f) On or before January 1, 2021, the Public Utilities Regulatory 2156 Authority shall initiate a proceeding to consider the implementation of 2157 the compensation reimbursement and waiver provisions of this section 2158 and establish circumstances, standards and methodologies applicable to 2159 each electric distribution company and necessary to implement the 2160 provisions of this section, including any modifications to the ninety-six-2161 consecutive-hour standard in subsection (b) of this section. The 2162 authority shall issue a final decision in such proceeding on or before July 2163 1,2021.

2164 Sec. 27. (NEW) (*Effective October 1, 2025*) (a) As used in this section 2165 and section 28 of this act:

(1) "Advanced conductor" means any conductor material, design or
technology that (A) improves the electrical performance of electrical
conductors in comparison to traditional aluminum-conductor steelreinforced cable, and (B) optimizes attributes such as current-carrying
capacity, thermal performance, weight, sag, durability, corrosion
resistance and efficiency, using materials such as high-conductivity
alloys and conductor designs such as trapezoidal designs;

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2173	(2) "Advanced power flow control" means any hardware or software
2174	technologies used to push or pull electric power in a manner that
2175	balances electric lines that are either exceeding capacity or are
2176	underutilized within the distribution or transmission system;
2177	(3) "Commissioner" means the Commissioner of Energy and
2178	Environmental Protection;
2179	(4) "Dynamic line rating" means any hardware or software
2180	technologies used to update the calculated thermal limits of existing
2181	distribution or transmission lines in the state based on real-time and
2182	forecasted weather conditions;
2183	(5) "Electric distribution company" and "regional independent system
2184	operator" have the same meanings as provided in section 16-1 of the
2185	general statutes, as amended by this act;
2186	(6) "Grid-enhancing technology" means any hardware or software
2187	technology that increases the capacity of, or enables enhanced or more
2188	efficient performance from, the electric distribution or transmission
2189	system in the state, including, but not limited to, dynamic line rating,
2190	advanced power flow control, topology optimization and energy
2191	storage when used as a distribution or transmission resource;
2192	(7) "Transmission owner" means any person or entity that owns,
2193	operates and maintains, or seeks to construct, an electric transmission
2194	facility in the state and that is not an electric distribution company;
2195	(8) "Materially modify" means any construction activity relating to a
2196	facility described in subdivision (1) or (4) of subsection (a) of section 16-
2197	50i of the general statutes with an estimated cost of not less than twenty-
2198	five million dollars. "Materially modify" does not include construction
2199	activities related to an emergency condition that causes a disruption of
2200	power or other unplanned loss of an essential transmission asset
2201	function that requires immediate rectification;
2202	(9) "Nontransmission alternative" means an electric grid investment

or project that uses nontraditional transmission and distribution
solutions, including, but not limited to, distributed generation, energy
storage, energy efficiency demand response and grid software and
controls, to defer or replace the need for specific equipment upgrades,
such as transmission and distribution lines or transformers, by reducing
electric load at a substation or circuit level; and

(10) "Topology optimization" means any hardware or software
technology that identifies reconfigurations of the distribution or
transmission grid in the state to enable the routing of power flows
around congested or overloaded elements of the electric grid.

2213 (b) (1) Any electric distribution company or transmission owner that 2214 seeks to construct or materially modify any facility described in 2215 subdivision (1) or (4) of subsection (a) of section 16-50i of the general 2216 statutes, shall, in addition to the primary proposed project for such 2217 construction or material modification, develop at least one project 2218 alternative to such construction or modification that (A) utilizes an 2219 advanced conductor unless the primary proposed project incorporates 2220 an advanced conductor, and (B) utilizes grid-enhancing technology or 2221 nontransmission alternative technology, applicable in whole or in part, 2222 to such construction or material modification.

2223 (2) Such company or owner shall submit each project alternative 2224 required under subdivision (1) of this subsection with any application 2225 or petition submitted by such company or owner to the Connecticut 2226 Siting Council concerning such construction or material modification. If 2227 any such project alternative is not preferred by such company or owner, 2228 such company or owner shall provide a detailed, written explanation 2229 comparing the cost-effectiveness and appropriateness of the project 2230 alternative with such project preferred by such company or owner and 2231 submit such explanation with such application.

(3) If any project alternative submitted pursuant to this subsection
proposes to utilize any advanced conductor, grid-enhancing technology
or nontransmission alternative, and such project alternative (A) is not

2235 less cost effective than the project preferred by such company or owner, 2236 (B) provides the same or increased electric system reliability benefits to 2237 solve the identified need in comparison to such preferred project, and 2238 (C) has similar environmental and community impacts as such 2239 preferred project, as determined by the Connecticut Siting Council, the 2240 council shall give preference to such project alternative when 2241 determining whether to approve such preferred project or project 2242 alternative.

2243 (4) An electric distribution company may seek a waiver of the 2244 requirements of subdivision (1) of subsection (b) in this section, in whole 2245 or in part, if (A) the use of advanced conductors, grid-enhancing 2246 technologies or nontransmission alternative technologies in a project to 2247 construct or materially modify any facility described in subdivision (1) 2248 or (4) of subsection (a) of section 16-50i of the general statutes is 2249 impossible or impracticable to solve an identified need, (B) such 2250 proposed project is subject to a regional transmission planning or 2251 review process approved by the Federal Energy Regulatory 2252 Commission that adequately considers the implementation of such 2253 conductors or technologies, or (C) a project has been evaluated by the 2254 commissioner and the Office of Consumer Counsel pursuant to 2255 subsection (d) of this section. To obtain such waiver, such company shall 2256 submit a waiver application to the commissioner in a form and manner 2257 prescribed by the commissioner. Such waiver application shall specify 2258 the conditions that satisfy the requirements of subparagraphs (A), (B) or 2259 (C) of this subdivision. The commissioner, after consultation with the 2260 Office of Consumer Counsel, may waive the requirement to submit such 2261 alternative or alternatives pursuant to subdivision (1) of subsection (b) 2262 of this section to the Connecticut Siting Council. The commissioner shall 2263 accept or deny a waiver application submitted pursuant to this 2264 subdivision not more than sixty days after receipt. Any such application 2265 not accepted or rejected by the commissioner within said sixty-day 2266 period shall be deemed granted.

2267

(5) An electric distribution company may request, and the

2268 commissioner may grant, a revocable general waiver of the 2269 requirements of this subsection for any projects subject to a regional 2270 transmission planning or review process approved by the Federal 2271 Energy Regulatory Commission that adequately considers advanced 2272 conductors, grid-enhancing technologies or nontransmission alternative 2273 technologies. The commissioner shall accept or deny a waiver 2274 application submitted pursuant to this subdivision not more than sixty 2275 days after receipt.

2276 (c) Each electric distribution company and transmission owner shall 2277 include in the annual report required by subsection (a) of section 16-50r 2278 of the general statutes: (1) A schedule of any planned construction or 2279 material modification of any facility described in subdivision (1) or (4) 2280 of subsection (a) of section 16-50i of the general statutes for the next ten 2281 years, including a description, as appropriate for the project's current 2282 development stage, and, to the extent available, of the need for and 2283 scope of the project, cost estimates, whether and how any advanced conductor, grid-enhancing technologies or nontransmission alternative 2284 2285 technologies may be considered to address the identified need, and any 2286 other information reasonably requested by the commissioner or the 2287 Office of Consumer Counsel that pertains to the projects identified in 2288 the annual report, (2) data concerning any construction or material 2289 modification of any facility described in subdivision (1) or (4) of 2290 subsection (a) of section 16-50i of the general statutes placed in service 2291 by such company in the year preceding such report, including both final 2292 costs, to the extent available, and estimated costs of the project at each 2293 relevant design stage, (3) the original estimated in-service date of the 2294 facility, and (4) any other information reasonably requested by the 2295 commissioner or the Office of Consumer Counsel pertaining to projects 2296 disclosed in such report. For the first filing after the effective date of this 2297 section, each electric distribution company shall provide the 2298 information required by subdivision (2) of this subsection for any 2299 facility placed into service by such company or owner on or after 2300 January 1, 2022. To the extent any such information is unavailable, the 2301 electric distribution company shall notify the commissioner and the 2302 Office of Consumer Counsel and attempt to reach a resolution2303 acceptable to each party concerning the request for information.

2304 (d) (1) Not more than one hundred eighty days after any annual filing 2305 required pursuant to subsection (c) of this section, the commissioner, in 2306 consultation with the Office of Consumer Counsel, shall determine and 2307 notify an electric distribution company whether any facility listed for 2308 construction or material modification requires further evaluation, 2309 considering factors including, but not limited to, (A) whether the 2310 proposed facility is subject to a transmission planning or review process 2311 of the regional independent system operator or a substantially similar 2312 process, (B) the age or condition of the underlying facility, (C) the scope 2313 and estimated cost of the proposed project, (D) whether the proposed 2314 project is responsive to needs identified through proactive transmission 2315 planning by the regional independent system operator, and (E) whether 2316 and how advanced conductors, grid-enhancing technologies and 2317 nontransmission alternatives: (i) Are proposed to be utilized in the 2318 proposed project, (ii) can reduce environmental or aesthetic impacts, 2319 and (iii) can feasibly solve the underlying need identified by the electric 2320 distribution company in part or in whole. Prior to determining that a 2321 project to construct or materially modify a facility requires further 2322 evaluation pursuant to this subdivision, the commissioner and Office of 2323 Consumer Counsel shall provide the electric distribution company with 2324 the opportunity to provide evidence that such project requires no 2325 further evaluation pursuant to this subdivision.

2326 (2) If an evaluation is conducted pursuant to subdivision (1) of this 2327 subsection, upon notice to the electric distribution company, the 2328 commissioner and the Office of Consumer Counsel shall evaluate a 2329 proposed project based upon factors including: (A) The reasonableness 2330 of the need identified by the electric distribution company justifying the 2331 proposed facility; (B) the reasonableness of the proposed scope of the 2332 project, including the timing of the proposed investments; (C) whether 2333 the electric distribution company's proposed solution is the most cost-2334 effective solution to the identified need or whether alternative solutions,

2335 including advanced conductors, grid-enhancing technologies or 2336 nontransmission alternatives, exist that could more cost-effectively 2337 provide the same or increased electric system reliability benefits to 2338 resolve the identified need in whole or in part; (D) the costs of the 2339 proposed project and any potential alternatives identified as part of the 2340 evaluation; (E) whether cost-effective opportunities exist for the 2341 proposed project to be modified to account for future demand growth 2342 or other variables that could mitigate the need for the electric 2343 distribution company to conduct construction activities on the same 2344 facility prior to the end of the useful life; and (F) any other factors that 2345 the commissioner or the Office of Consumer Counsel reasonably 2346 determine are necessary to evaluate for a specific project.

(3) Not less than twice per year, the commissioner and the Office of
Consumer Counsel shall meet with each electric distribution company
to discuss and receive input on any facilities that are currently under
evaluation pursuant to this section.

(4) (A) The commissioner and the Office of Consumer Counsel shall
jointly prepare a report detailing the factors for evaluation listed in
subdivision (2) of this subsection.

2354 (B) Any evaluation by the department or the Office of Consumer 2355 Counsel and any draft report resulting from that evaluation must be 2356 completed and shared with the electric distribution companies no later 2357 than ninety days prior to an electric distribution company's filing of an 2358 application or petition before the Connecticut Siting Council; provided, 2359 however, that the electric distribution company informs the department 2360 and the Office of Consumer Counsel of the anticipated filing date not 2361 less than twelve months in advance of such filing date.

(C) The commissioner shall file any final report developed pursuant
to this subsection in the relevant proceeding of the Connecticut Siting
Council concerning the proposed project. The Connecticut Siting
Council shall give appropriate consideration to such report in making
its determination on the proposed project.

(5) An electric distribution company may request, and the
commissioner may grant, a revocable general waiver of the
requirements of this subsection for any projects subject to a regional
transmission planning or review process approved by the Federal
Energy Regulatory Commission. The commissioner shall accept or deny
a waiver application submitted pursuant to this subdivision not more
than sixty days after receipt.

(e) Each electric distribution company or transmission owner shall
provide data, communications and information requested by the
commissioner or the Office of Consumer Counsel in connection with
any evaluation pursuant to this section, subject to enforcement under
section 22a-6 of the general statutes. Responses to any such requests
shall be shared with both the department and the Office of Consumer
Counsel.

2381 (f) Beginning on January 1, 2027, and every five years thereafter, each 2382 electric distribution company and transmission owner shall file a report 2383 concerning their compliance with the provisions of this section with the 2384 Public Utilities Regulatory Authority. The authority shall transmit a 2385 copy of each such report to the regional independent system operator, 2386 as defined in section 16-1 of the general statutes, as amended by this act, 2387 and, in accordance with the provisions of section 11-4a of the general 2388 statutes, the joint standing committee of the General Assembly having 2389 cognizance of matters relating to energy and technology.

(g) Any proprietary commercial or proprietary financial information
of an electric distribution company or transmission owner provided
pursuant to this section shall be confidential and protected by the
commissioner and the Office of Consumer Counsel and be exempt from
public disclosure pursuant to subsection (b) of section 1-210 of the
general statutes.

Sec. 28. (NEW) (*Effective October 1, 2025*) In any base rate or capital
improvement proceeding before the Public Utilities Regulatory
Authority, an electric distribution company shall submit a report to the

2399 authority that analyzes the cost-effectiveness of, and projected 2400 timetables for, deploying grid-enhancing technologies, advanced 2401 conductors, energy storage or other non-wire alternatives relevant to 2402 such company's operations or capital investments. Such report may 2403 include, but need not be limited to, proposed performance incentive 2404 mechanisms for the cost-effective deployment of such technologies, 2405 conductors or storage. The authority may approve the deployment of 2406 such technologies, conductors or storage, with or without performance 2407 incentive mechanisms, if the authority deems such technologies, 2408 conductors or storage are cost effective.

Sec. 29. Subsection (c) of section 16-18a of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025):

2412 (c) The Department of Energy and Environmental Protection, [in 2413 consultation with] the Public Utilities Regulatory Authority and the 2414 Office of Consumer Counsel [,] may, respectively, retain consultants to assist [its] the staff of the department, authority or office by providing 2415 2416 expertise in areas in which staff expertise does not currently exist or to 2417 supplement staff expertise for any proceeding before or in any negotiation with the Federal Energy Regulatory Commission, the 2418 2419 United States Department of Energy, the United States Nuclear 2420 Regulatory Commission, the United States Securities and Exchange 2421 Commission, Federal Trade Commission, the the Federal 2422 Communications Commission or the United States Department of 2423 Justice. The Public Utilities Regulatory Authority, in consultation with 2424 the Office of Consumer Counsel, may retain consultants to assist its staff 2425 by providing expertise in areas in which staff expertise does not 2426 currently exist or to supplement staff expertise for any proceeding 2427 before or in any negotiation with the Federal Communications 2428 Commission.] All reasonable and proper expenses of any such 2429 consultants shall be borne by the public service companies, certified 2430 telecommunications providers, holders of a certificate of video franchise 2431 authority, electric suppliers or gas registrants affected by the decisions 2432 of such proceeding and shall be paid at such times and in such manner 2433 as the authority directs, provided such expenses (1) shall be apportioned 2434 in proportion to the revenues of each affected entity as reported to the 2435 authority pursuant to section 16-49 for the most recent fiscal year, and 2436 (2) shall not exceed two and one-half million dollars per calendar year, 2437 including any appeals thereof, unless the authority finds good cause for 2438 exceeding the limit. The authority shall recognize all such expenses as 2439 proper business expenses of the affected entities for ratemaking 2440 purposes pursuant to section 16-19e, if applicable.

Sec. 30. (NEW) (*Effective from passage*) (a) For the purposes of this section, "electric distribution company" and "regional independent system operator" have the same meanings as provided in section 16-1 of the general statutes, as amended by this act.

(b) On and after the effective date of this section, no electric
distribution company shall own or control transmission facilities, as
defined in subdivisions (1) or (4) of subsection (a) of section 16-50i of the
general statutes and located in the state unless such company
participates in the regional independent system operator.

2450 Sec. 31. (NEW) (*Effective October 1, 2025*) (a) As used in this section:

(1) "Meeting" means any committee, user group, task force or otherpart of the regional transmission organization in which votes are taken;

(2) "Recorded vote" means a vote that is tabulated, either individually
or as part of a sector, for any purpose at a meeting, regardless of (A)
whether the vote represents a final position of any person casting the
vote, or (B) the decision-making authority of those voting; and

(3) "Electric distribution company" and "regional independent system
operator" have the same meanings as provided in section 16-1 of the
general statutes, as amended by this act.

(b) (1) On or before February first annually, each electric distributioncompany shall submit to the Public Utilities Regulatory Authority a

report on each recorded vote cast by the electric distribution company
or, subject to subdivision (2) of this subsection, a corporate affiliate of
the electric distribution company located in the state at a meeting of the
regional independent system operator during the preceding calendar
year.

(2) The report shall include (A) all recorded votes cast by the electric
distribution company, regardless of whether the vote is otherwise
disclosed, (B) all recorded votes cast by a corporate affiliate of the
electric distribution company if such company itself did not vote on the
matter, and (C) a brief description explaining how each vote cast by the
electric distribution company or its corporate affiliate is in the interest
of the public, as determined by the electric distribution company.

Sec. 32. Subsection (e) of section 16a-3m of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025):

2477 (e) (1) Any solicitation issued pursuant to subsection (d) of this 2478 section for zero-carbon electricity generating resources, including, but 2479 not limited to, eligible nuclear power generating facilities, hydropower, 2480 Class I renewable energy sources, as defined in section 16-1, as amended 2481 by this act, and energy storage systems, shall be for resources delivered 2482 into the control area of the regional independent system operator, as 2483 defined in section 16-1, as amended by this act, and any agreement 2484 entered into pursuant to subdivision (2) of this subsection shall be in the 2485 best interest of ratepayers. If the commissioner finds proposals received 2486 pursuant to such solicitations to be in the best interest of ratepayers, the 2487 commissioner may select any such proposal or proposals, provided (A) 2488 the total annual energy output of any proposals selected, in the 2489 aggregate, shall be not more than twelve million megawatt hours of 2490 electricity, (B) any agreement entered into pursuant to this subdivision 2491 with an eligible nuclear power generating facility or hydropower shall 2492 be for a period of not less than three years and not more than ten years, 2493 or the contract term selected by at least one other state entering into an 2494 agreement pursuant to this subsection if such term is in the best interest

2495 <u>of the ratepayers</u>, and (C) any agreement entered into pursuant to this
2496 subdivision with Class I renewable energy sources, as defined in section
2497 16-1, as amended by this act, and energy storage systems shall be for a
2498 period of not more than twenty years.

(2) If the commissioner has made the determination and finding
pursuant to subdivision (1) of this subsection, the commissioner shall,
on behalf of all customers of electric distribution companies, direct the
electric distribution companies to enter into agreements for energy,
capacity and any environmental attributes, or any combination thereof,
from proposals submitted pursuant to this subdivision.

2505 (3) (A) Any agreement entered into pursuant to subdivision (2) of this 2506 subsection shall be subject to review and approval by the Public Utilities 2507 Regulatory Authority. The electric distribution company shall file an 2508 application for the approval of any such agreement with the authority. 2509 The authority's review shall commence upon the filing of the signed 2510 power purchase agreement with the authority. The authority shall 2511 approve agreements that it determines [(A)] (i) provide for the delivery 2512 of adequate and reliable products and services, for which there is a clear 2513 public need, at a just and reasonable price, [(B)] (ii) are prudent and cost 2514 effective, and [(C)] (iii) that the respondent to the solicitation has the 2515 technical, financial and managerial capabilities to perform pursuant to 2516 such agreement. For any eligible nuclear power generating facility 2517 selected in any solicitation described in subsection (g) of this section, the 2518 authority shall require any such agreement to be conditioned upon the 2519 approval of such a power purchase agreement or other agreement for 2520 energy, capacity and any environmental attributes, or any combination 2521 thereof, with such eligible nuclear power generating facility, in at least 2522 two other states, by the applicable officials of such states or by electric 2523 utilities or other entities designated by the applicable officials of such 2524 states. The authority shall issue a decision not later than one hundred 2525 eighty days after such filing. If the authority does not issue a decision within one hundred eighty days after such filing, the agreement shall be 2526 2527 deemed approved.

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2528	(B) Notwithstanding any provision of the general statutes or the
2529	procurement plan adopted pursuant to section 16-244m, as amended by
2530	this act, an electric distribution company may, in consultation with the
2531	procurement manager of the Public Utilities Regulatory Authority and
2532	the Office of Consumer Counsel, elect to use, for a duration of time
2533	established in consultation with the procurement manager, any portion
2534	of the energy, capacity and other products, or any combination thereof
2535	that such company purchases from an eligible nuclear power generating
2536	facility pursuant to an agreement entered into pursuant to this
2537	subsection for the provision of standard service by such company if such
2538	company, in consultation with the procurement manager and the Office
2539	of Consumer Counsel, concludes such usage is in the best interest of
2540	standard service customers. An electric distribution company that elects
2541	to use such energy, capacity or products in the provision of standard
2542	service shall seek approval from the Public Utilities Regulatory
2543	Authority to incorporate any such agreement into standard service. The
2544	authority may establish reporting standards related to any
2545	determination of whether the use of such agreements is in the best
2546	interest of standard service customers.
2547	(C) An electric distribution company that elects to use such energy,
2547	capacity or products in the provision of standard service shall, in
2540 2549	consultation with the authority and the Office of Consumer Counsel,
2550	specify the (i) quantity of energy, capacity and any other products such
2550	company shall use to serve standard service customers, (ii) duration of
2552	such usage, and (iii) price for such energy, capacity and any other
2553	products that will be recovered through generation service charges
2554	pursuant to section 16-244c.
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2555	(D) If any energy, capacity or other products purchased by such
2556	company under any such agreement are used to serve standard service
2557	customers, the cost of such energy, capacity or other products shall be
2558	recovered through generation service charges pursuant to section 16-

2559 <u>244c. Any certificates issued by the New England Power Pool</u>
 2560 <u>Generation Information System for any Class I renewable energy source</u>

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2561	procured by an electric distribution company pursuant to this section
2562	that are not used to serve standard service customers shall be disposed
2563	of pursuant to the procedures established pursuant to subsection (g) of
2564	section 16-245a, as amended by this act.
2565	(E) (i) The [net] remaining costs of any such agreement, including
2566	costs incurred by the electric distribution company under the agreement
2567	and reasonable costs incurred by the electric distribution company in
2568	connection with the agreement, net of all revenues from any sale of
2569	energy, capacity or other products purchased under such agreement,
2570	including, but not limited to, any revenues recovered pursuant to
2571	subparagraph (D) of this subdivision, shall be recovered on a timely
2572	basis through a nonbypassable fully reconciling component of electric
2573	rates for all customers of the electric distribution company, [. Any] and
2574	(ii) any net revenues from the sale of products purchased in accordance
2575	with long-term contracts entered into pursuant to this subsection, or
2576	pursuant to any other provision of the general statutes, that are not
2577	associated with the provision of standard service, shall be credited to
2578	customers through the same nonbypassable fully reconciling rate
2579	component for all customers of the contracting electric distribution
2580	company.
2581	(F) No provision of this subdivision shall be construed to amend or
2582	alter the terms and conditions of any such agreement approved by the
2583	authority.
2584	Sec. 33. Section 16-244m of the general statutes is repealed and the
2585	following is substituted in lieu thereof (<i>Effective October 1, 2025</i>):
2586	(a) (1) On or before January 1, 2012, and annually thereafter, the
2587	procurement manager of the Public Utilities Regulatory Authority, in
2588	consultation with each electric distribution company, the Consumer

- 2589 <u>Counsel, the Commissioner of Energy and Environmental Protection,</u>
 2590 and others at the procurement manager's discretion, including, but not
- 2591 limited to, [the Commissioner of Energy and Environmental Protection,]

a municipal energy cooperative established pursuant to chapter 101a,

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2593 other than entities, individuals and companies or their affiliates 2594 potentially involved in bidding on standard service, shall develop a plan 2595 for the procurement of electric generation services and related 2596 wholesale electricity market products [that will enable each electric 2597 distribution company to manage a portfolio of contracts to reduce the 2598 average cost of standard service while maintaining standard service cost 2599 volatility within reasonable levels. Each Procurement Plan] with the 2600 goal of reducing the average cost of standard service for standard 2601 service customers while minimizing the cost volatility in the 2602 procurement of such services or products. The procurement plan (A) 2603 shall provide for the option of competitive solicitation for load-2604 following electric service, [and may] (B) shall include a provision [for the use of] requiring each electric distribution company, individually or 2605 2606 jointly, to develop and maintain the ability to engage in dynamic market 2607 purchases for not less than twenty per cent of the standard service load in a flexible manner designed to allow such company to purchase 2608 2609 energy products during periods of lower energy cost, subject to a risk 2610 mitigation provision pursuant to subdivision (1) of subsection (b) of this section, based on the active monitoring of day-ahead and real-time 2611 2612 energy markets, (C) may include any other contracts, including, but not 2613 limited to, contracts for generation or other electricity market products 2614 and financial contracts, [and] (D) may provide for the use of varying 2615 lengths of contracts, and (E) may include the use of energy, capacity or 2616 other electric products approved in section 16a-3m, as amended by this act. If such plan includes the purchase of full requirements contracts, it 2617 2618 shall include an explanation of why such purchases are in the best 2619 interests of standard service customers. For the purposes of this section, 2620 "dynamic market purchases" means the purchase of energy, capacity or 2621 other market products necessary to serve standard service electric load 2622 using market purchases in the regional independent system operator 2623 markets, financial contracts or other dynamic procurement techniques.

(2) [All reasonable costs associated with the development of the
Procurement Plan by the authority shall be recoverable through the
assessment in section 16-49. All electric distribution companies'

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2627	reasonable costs associated with the development of the Procurement
2628	Plan shall be recoverable through a reconciling bypassable component
2629	of the electric rates as determined by the authority.] On or before
2630	February 15, 2026, in consultation with the electric distribution
2631	companies, the procurement manager shall submit to the authority a
2632	proposed amendment of such procurement plan for approval or
2633	modification. Such proposed amendment shall (A) include, but not be
2634	limited to, modifications regarding the potential use of (i) multiple
2635	competitive solicitations each year for the procurement of energy at
2636	intervals identified in the procurement plan, or as determined from time
2637	to time by the procurement manager to serve the best interests of the
2638	ratepayers, provided such determination is in accordance with the
2639	applicable provisions of the procurement plan, (ii) contracts with
2640	durations not exceeding three years for the procurement of energy, and
2641	(iii) fixed-price energy supply contracts in addition to full requirements
2642	contracts, (B) establish guidelines for each electric distribution company
2643	concerning the implementation of the procurement plan, including (i)
2644	the requirement that each such company develop and maintain the
2645	capacity to engage in dynamic market purchases, and (ii) direction to
2646	each electric distribution company regarding the circumstances under
2647	which dynamic market purchases could be exercised, including a
2648	requirement that the ability to pursue the procurement methodologies
2649	as described in subdivision (1) of this subsection incrementally increase
2650	or decrease over time based on any demonstrated benefit to ratepayers,
2651	and (C) include a risk mitigation provision pursuant to subdivision (1)
2652	of subsection (b) of this section. The authority shall initiate an
2653	uncontested proceeding to review and modify or approve the
2654	amendment to the procurement plan submitted pursuant to this
2655	subdivision.
2656	(3) If the procurement manager determines that an interim

(3) If the procurement manager determines that an interim
amendment to, or a temporary nonconformity with, the procurement
plan may substantially further the goal of effectively procuring standard
service while minimizing standard service cost volatility in relation to a
specific procurement, the procurement manager shall adopt a waiver

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2661	from the procurement plan applicable exclusively to such procurement.
2662	Upon the adoption of such waiver, the procurement manager shall
2663	immediately file notice of such interim amendment or nonconformity
2664	and the adoption of such waiver with the authority. Upon receipt of
2665	such notice from the procurement manager, the authority shall provide
2666	notice of the proposed waiver to the Office of Consumer Counsel, the
2667	Commissioner of Energy and Environmental Protection and the electric
2668	distribution companies. Upon receipt of such notice from the authority,
2669	the counsel, commissioner or any such company may submit comments
2670	concerning such waiver to the authority not later than two business days
2671	after the receipt of such notice. Such waiver shall be deemed adopted by
2672	the authority if the authority takes no action on such waiver not later
2673	than three business days after the comment period concerning such
2674	waiver for the counsel, commissioner and companies has expired.
2675	(b) (1) In addition to the requirements of subsection (a) of this section,
2676	the procurement plan shall include a risk mitigation provision that
2677	defines the acceptable parameters for such dynamic market purchases,
2678	including guidelines for the use of financial contracts. Each electric
2679	distribution company shall comply with the provisions of the
2680	procurement plan, including any amendments to such plan or waivers
2681	of provisions of such plan adopted by the authority. Any review
2682	concerning the prudence of an electric distribution company's dynamic
2683	market purchases shall be conducted by the authority in a contested
2684	proceeding and shall be limited to an evaluation of such company's
2685	adherence to the dynamic market purchase requirements of the
2686	procurement plan.
2687	(2) Costs incurred under this section shall be recovered as follows:
2688	(A) All reasonable costs associated with the development and
2689	implementation of the procurement plan by the authority shall be
2690	recoverable through the assessment imposed pursuant to section 16-49.
2691	(B) All reasonable and prudent operating costs incurred by an electric
2692	distribution company in the development and implementation of the

_	sSB 4 Amendment
2693	procurement plan shall be recoverable on a timely basis through a
2694	reconciling nonbypassable component of the electric rates as
2695	determined by the authority, including incremental staffing and
2696	financial systems providing the functional capacity and expertise to
2697	support dynamic market purchases.
2698	(C) All costs associated with the purchase of the actual net costs of
2699	procuring and providing standard service pursuant to this section shall
2700	be recovered in electric rates on a timely basis in accordance with section
2700	<u>16-244c.</u>
2702	(c) The procurement plan shall identify the method that shall be used
2703	by an electric distribution company to develop the proxy price for that
2704	portion of standard service procured through dynamic market
2705	purchases. Each electric distribution company shall pay for the costs of
2706	such dynamic market purchases in accordance with the terms of the
2707	applicable contracts. The actual costs of dynamic market purchases shall
2708	be reconciled to the proxy price for such costs, and the actual net cost of
2709	such dynamic market purchases shall be recovered in electric rates on a
2710	timely basis in accordance with section 16-244c.
2711	[(b)] (d) The procurement manager shall, not less than [quarterly]
2712	<u>annually</u> , prepare a written report on the implementation of the
2712	[Procurement Plan] <u>procurement plan</u> . If the procurement manager
2713	finds that an [interim] amendment to the [annual plan might] <u>plan may</u>
2714	substantially further the goals [of reducing the cost or cost volatility of]
2716	to effectively procure standard service, generally, while minimizing the
2717	<u>cost volatility in such procurement</u> , the procurement manager may
2718	petition the Public Utilities Regulatory Authority for such an [interim]
2719	amendment. The [Public Utilities Regulatory Authority] <u>authority</u> shall
2720	provide notice of the proposed amendment to the Office of Consumer
2721	Counsel, the Commissioner of Energy and Environmental Protection
2722	and the electric distribution companies. The Office of Consumer
2723	Counsel, the Commissioner of Energy and Environmental Protection

2723 Counsel, the Commissioner of Energy and Environmental Protection
2724 and the electric distribution companies shall have [two] <u>fourteen</u>
2725 business days from the date of such notice to request an uncontested

proceeding and a technical meeting of the [Public Utilities Regulatory 2726 2727 Authority] authority regarding the proposed amendment, [which] and 2728 the authority shall hold such proceeding and meeting, [shall occur] if requested. [The Public Utilities Regulatory Authority] After such 2729 2730 proceeding and meeting, if requested, the authority may approve, 2731 modify or deny the proposed amendment. [, with such approval, 2732 modification or denial following the technical meeting if one is 2733 requested. The Public Utilities Regulatory Authority's] The authority's 2734 ruling on the proposed amendment shall occur [within three business] 2735 not later than ninety days after the technical meeting, if [one] such 2736 meeting is requested, or [within three business] not later than one 2737 hundred twenty days [of] after the expiration of the time for requesting 2738 a technical meeting if no technical meeting is requested. The [Public 2739 Utilities Regulatory Authority] <u>authority</u> may maintain the 2740 confidentiality of the technical meeting to the full extent allowed by law.

[(c)] (e) The costs of procurement for standard service shall be borne
solely by the standard service customers.

[(d)] (f) (1) The Public Utilities Regulatory Authority [shall conduct] may initiate an uncontested proceeding to amend the procurement plan from time to time. [approve, with any amendments it determines necessary, the Procurement Plan submitted pursuant to subsection (a) of this section.]

2748 (2) [The] Not later than April 1, 2026, and annually thereafter, the 2749 Public Utilities Regulatory Authority shall <u>submit a report</u> [annually] 2750 in accordance with the provisions of section 11-4a, to the joint standing 2751 committee of the General Assembly having cognizance of matters 2752 relating to energy regarding the [Procurement Plan] procurement plan 2753 and its implementation. Any such report may be submitted 2754 [electronically] in conjunction with the report of the authority required 2755 pursuant to section 16-245x.

2756 Sec. 34. (NEW) (*Effective October 1, 2025*) (a) As used in this section:

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2757	(1) "Gas company", "electric distribution company" and "participating
2758	municipal electric utility" have the same meanings as provided in
2759	section 16-1 of the general statutes, as amended by this act;
2760	(2) "Provident council of concernmental means a regional council of
2760 2761	(2) "Regional council of governments" means a regional council of governments organized under the provisions of sections 4-124i to 4-
2761	124p, inclusive, of the general statutes;
2102	124p, inclusive, of the general statutes,
2763	(3) "Thermal energy" means heating, or heating and cooling, derived
2764	from (A) sources that do not emit greenhouse gases, or (B) geothermal
2765	energy; and
2766	(4) "Thermal energy network" means all real estate, fixtures and
2767	personal property operated, owned and used or to be used for, or in
2768	connection with or to facilitate, a utility-scale distribution infrastructure
2769	project that supplies thermal energy in the form of piped
2770	noncombustible fluids used for transferring heat into and out of
2771	buildings for any type of heating and cooling process, including, but not
2772	limited to, comfort heating and cooling, domestic hot water and
2773	refrigeration.
2774	(b) The Commissioner of Energy and Environmental Protection shall,
2775	within available appropriations, establish a thermal energy network
2776	grant and loan program to support the development of thermal energy
2777	network projects on the customer's side of the meter. The commissioner
2778	shall develop and issue a request for proposals from eligible recipients
2779	that shall include, but need not be limited to, any local or regional
2780	governmental entity, municipal corporation, regional council of
2781	governments, public authority, state and federally recognized tribe,
2782	electric distribution company, gas company, participating municipal
2783	electric utility, energy improvement district and nonprofit, academic
2784	and private entity seeking to develop a thermal energy network. Any

such eligible recipient may collaborate with any other such eligiblerecipient in submitting such proposal.

2787 (c) The commissioner may award grants or loans under the thermal

2788 energy network grant and loan program to any number of eligible 2789 recipients. Such grants and loans may provide: (1) Assistance with 2790 community planning that includes, but is not limited to, thermal energy 2791 network project feasibility, including benefit-cost analyses, (2) 2792 assistance to recipients for the cost of design, engineering services and 2793 infrastructure for any such thermal energy network project, or (3) 2794 nonfederal cost share for grant or loan applications for projects or 2795 programs that include thermal energy networks. The commissioner 2796 may establish any financing mechanism to provide or leverage 2797 additional funding to support the development of thermal energy 2798 network projects. To be eligible for the award of a grant or loan under 2799 this section, an eligible recipient shall demonstrate, to the satisfaction of 2800 the commissioner, that such recipient has adopted wage standards 2801 conforming with the requirements of section 31-53 of the general 2802 statutes.

2803 (d) Not later than January first, annually, for a period of three years 2804 after receiving a grant or loan under the thermal energy network grant 2805 and loan program, the recipient of such grant or loan shall submit a 2806 report to the Public Utilities Regulatory Authority, the Office of 2807 Consumer Counsel and the Commissioner of Energy and 2808 Environmental Protection and, in accordance with the provisions of 2809 section 11-4a of the general statutes, to the joint standing committee of 2810 the General Assembly having cognizance of matters relating to energy 2811 and technology. Such report shall include information concerning the 2812 status of such recipient's thermal energy network project.

2813 Sec. 35. Section 22a-136 of the general statutes is repealed and the 2814 following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this section: (1) "Advanced nuclear reactor" has the
same meaning as provided in 42 USC 16271, as amended from time to
time, and (2) "high level nuclear waste" means those aqueous wastes
resulting from the operation of the first cycle of the solvent extraction
system or equivalent and the concentrated wastes of the subsequent
extraction cycles or equivalent in a facility for reprocessing irradiated

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2821	reactor fuel and includes spent fuel assemblies prior to fuel
2822	reprocessing.
2823	(b) No construction shall commence on a [fifth] <u>new</u> nuclear power
2824	facility [until the] <u>in the state unless:</u>
2825	(1) The Commissioner of Energy and Environmental Protection finds
2826	that the United States Government, through its authorized agency, has
2827	identified and approved a demonstrable technology or means for the
2828	disposal of high level nuclear waste; [. The provisions of this section
2829	shall not apply to construction at any nuclear power generating facility
2830	operating in the state as of October 1, 2022. As used in this section, "high
2831	level nuclear waste" means those aqueous wastes resulting from the
2832	operation of the first cycle of the solvent extraction system or equivalent
2833	and the concentrated wastes of the subsequent extraction cycles or
2834	equivalent in a facility for reprocessing irradiated reactor fuel and shall
2835	include spent fuel assemblies prior to fuel reprocessing.]
2836	(2) The nuclear power facility is proposed to be sited at a nuclear
2837	power generating facility operating in the state as of October 1, 2022; or
2838	(3) The construction is for an advanced nuclear reactor facility and
2839	(A) such facility is sited in a municipality that has consented to such
2840	facility's development through the affirmative vote of such
2841	municipality's legislative body or a referendum held in such
2842	municipality, and (B) any additional municipality within the emergency
2843	planning zone, as determined by the Nuclear Regulatory Commission,
2844	if the proposed facility consents to such facility's development through
2845	the affirmative vote of such municipality's legislative body or a
2846	referendum held in such municipality.
2847	(c) The entity proposing such new nuclear power facility, including
2848	any advanced nuclear reactor, shall obtain all permits, licenses,
2849	permissions or approvals governing the construction, operation and
2850	funding of the decommissioning of such nuclear power facility as
2851	required by: (1) Any applicable federal statutes, including, but not

2852	limited to, the Atomic Energy Act of 1954, the Energy Reorganization
2853	Act of 1974, the Low-Level Radioactive Waste Policy Amendments Act
2854	of 1985 and the Energy Policy Act of 1992, as amended from time to time;
2855	(2) any regulations promulgated or enforced by the United States
2856	Nuclear Regulatory Commission, including, but not limited to, those
2857	codified in Title X, Parts 20, 30, 40, 50, 52, 53, 70 and 72 of the Code of
2858	Federal Regulations, as amended from time to time; and (3) any other
2859	
2860	licensing, construction, operation or decommissioning of such facility.
2861	Sec. 36. (NEW) (Effective July 1, 2025) (a) As used in this section, (1)
2862	"eligible recipient" means (A) a regional governmental entity,
2863	municipality, regional council of governments, public authority, state or
2864	federally recognized tribe or municipal electric utility or cooperative
2865	with a demonstrated interest in hosting advanced nuclear reactors, as
2866	determined by the Commissioner of Energy and Environmental
2867	Protection, (B) a private entity partnering or interested in partnering
2868	with said entities for the development of advanced nuclear reactors, or
2869	(C) an institution of higher education in the state; and (2) "advanced
2870	nuclear reactor" has the same meaning as provided in 42 USC 16271, as
2871	amended from time to time.
2872	(b) The Commissioner of Energy and Environmental Protection shall
2873	establish a competitive advanced nuclear reactor site readiness funding
2874	program. The commissioner may provide funding through the program
2875	in the form of grants or loans to eligible recipients in support of:
2876	(1) Environmental and technical studies required for early site
2877	permitting for advanced nuclear reactors;
2878	(2) Local and regional infrastructure assessments to support the
2879	development of advanced nuclear reactors;
2880	(3) Community engagement and planning initiatives related to
2881	hosting advanced nuclear reactors; and
2882	(4) Other necessary expenses identified by the commissioner to
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2883 advance site readiness for advanced nuclear reactors.

2884 (c) The commissioner may use bond funds authorized in support of 2885 the program or federal funds allocated to the state in support of the 2886 program established under this section. In the case of federal funds 2887 allocated for such purposes, the commissioner may revise its advanced 2888 nuclear reactor site readiness grant program criteria to be consistent 2889 with the requirements of the federal funding program criteria. The 2890 commissioner may use said funds to hire a technical consultant to 2891 support the implementation of this section.

(d) For the purposes described in subsection (e) of this section, the
State Bond Commission shall have the power from time to time to
authorize the issuance of bonds of the state in one or more series and in
principal amounts not exceeding in the aggregate five million dollars.

(e) The proceeds of the sale of such bonds shall be used by the
Department of Energy and Environmental Protection for the purpose of
funding grants or loans through the advanced nuclear reactor site
readiness funding program established pursuant to this section.

Sec. 37. Subsection (a) of section 16a-102 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025):

2903 (a) The Commissioner of Energy and Environmental Protection shall 2904 coordinate all atomic development activities in the state. Said 2905 commissioner or [his] the commissioner's designee shall (1) advise the 2906 Governor with respect to atomic industrial development within the 2907 state; (2) act as coordinator of the development and regulatory activities 2908 of the state relating to the industrial and commercial uses of atomic 2909 energy; (3) act as the Governor's designee in matters relating to atomic 2910 energy, including participation in the activities of any committee 2911 formed by the New England states to represent their interests in such 2912 matters and also cooperation with other states and with the government 2913 of the United States; (4) coordinate the studies, recommendations and 2914 proposals of the several departments and agencies of the state required 2915 by section 16a-103 with each other and also with the programs and 2916 activities of the development commission; and (5) act as a point of 2917 contact for public and private stakeholders to assist in compliance with 2918 federal, state and local requirements relevant to atomic development, 2919 including, but not limited to, siting considerations and permitting 2920 requirements. The commissioner shall consult with and review 2921 regulations and procedures of the agencies of the state with respect to 2922 the regulation of sources of radiation to assure consistency and to 2923 prevent unnecessary duplication, inconsistencies or gaps in regulatory 2924 requirements.

Sec. 38. Subdivision (20) of subsection (a) of section 16-1 of the general
statutes is repealed and the following is substituted in lieu thereof
(*Effective October 1, 2025*):

2928 (20) "Class I renewable energy source" means (A) electricity derived 2929 from (i) solar power, (ii) wind power, (iii) a fuel cell, (iv) geothermal, (v) 2930 [landfill methane gas,] anaerobic digestion or other biogas derived from 2931 biological sources, (vi) thermal electric direct energy conversion from a 2932 certified Class I renewable energy source, (vii) ocean thermal power, 2933 (viii) wave or tidal power, (ix) low emission advanced renewable energy 2934 conversion technologies, including, but not limited to, zero emission 2935 low grade heat power generation systems based on organic oil free 2936 rankine, kalina or other similar nonsteam cycles that use waste heat 2937 from an industrial or commercial process that does not generate 2938 electricity, (x) (I) a run-of-the-river hydropower facility that began 2939 operation after July 1, 2003, has a generating capacity of not more than 2940 sixty megawatts, is not based on a new dam or a dam identified by the 2941 Commissioner of Energy and Environmental Protection as a candidate 2942 for removal, and meets applicable state and federal requirements, 2943 including state dam safety requirements and applicable site-specific 2944 standards for water quality and fish passage, or (II) a run-of-the-river 2945 hydropower facility that received a new license after January 1, 2018, 2946 under the Federal Energy Regulatory Commission rules pursuant to 18

2947 CFR 16, as amended from time to time, is not based on a new dam or a 2948 dam identified by the Commissioner of Energy and Environmental 2949 Protection as a candidate for removal, and meets applicable state and 2950 federal requirements, including state dam safety requirements and 2951 applicable site-specific standards for water quality and fish passage, (xi) 2952 a biomass facility, provided such facility has executed an agreement to 2953 provide energy to an electric distribution company prior to the effective 2954 date of this section, that (I) uses sustainable biomass fuel and has an 2955 average emission rate of equal to or less than .075 pounds of nitrogen 2956 oxides per million BTU of heat input for the previous calendar quarter, 2957 [except that energy derived from a biomass facility with] or (II) has a 2958 capacity of less than five hundred kilowatts that began construction 2959 before July 1, 2003, may be considered a Class I renewable energy source 2960 for the duration of such agreement, or (xii) a nuclear power generating 2961 facility constructed on or after October 1, 2023, or (B) any electrical 2962 generation, including distributed generation, generated from a Class I 2963 renewable energy source, provided, on and after January 1, 2014, any 2964 megawatt hours of electricity from a renewable energy source described 2965 under this subparagraph that are claimed or counted by a load-serving 2966 entity, province or state toward compliance with renewable portfolio 2967 standards or renewable energy policy goals in another province or state, 2968 other than the state of Connecticut, shall not be eligible for compliance 2969 with the renewable portfolio standards established pursuant to section 2970 16-245a, as amended by this act;

2971 Sec. 39. Section 16-245a of the general statutes is repealed and the 2972 following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) Subject to any modifications required by the Public Utilities
Regulatory Authority for retiring renewable energy certificates on
behalf of all electric ratepayers pursuant to subsection (h) of this section
and sections 16a-3f, 16a-3g, as amended by this act, 16a-3h, as amended
by this act, 16a-3i, as amended by this act, 16a-3j, 16a-3m, as amended
by this act, [and] 16a-3n, as amended by this act, and 16a-3p, as amended
by this act, an electric supplier and an electric distribution company

(1) On and after January 1, 2006, that not less than two per cent of the
total output or services of any such supplier or distribution company
shall be generated from Class I renewable energy sources and an
additional three per cent of the total output or services shall be from
Class I or Class II renewable energy sources;

- (2) On and after January 1, 2007, not less than three and one-half per
 cent of the total output or services of any such supplier or distribution
 company shall be generated from Class I renewable energy sources and
 an additional three per cent of the total output or services shall be from
 Class I or Class II renewable energy sources;
- (3) On and after January 1, 2008, not less than five per cent of the total
 output or services of any such supplier or distribution company shall be
 generated from Class I renewable energy sources and an additional
 three per cent of the total output or services shall be from Class I or Class
 II renewable energy sources;

(4) On and after January 1, 2009, not less than six per cent of the total
output or services of any such supplier or distribution company shall be
generated from Class I renewable energy sources and an additional
three per cent of the total output or services shall be from Class I or Class
II renewable energy sources;

(5) On and after January 1, 2010, not less than seven per cent of the
total output or services of any such supplier or distribution company
shall be generated from Class I renewable energy sources and an
additional three per cent of the total output or services shall be from
Class I or Class II renewable energy sources;

(6) On and after January 1, 2011, not less than eight per cent of the
total output or services of any such supplier or distribution company
shall be generated from Class I renewable energy sources and an
additional three per cent of the total output or services shall be from

 Class I or Class II renewable energy sources; (7) On and after January 1, 2012, not less than nine per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (8) On and after January 1, 2013, not less than ten per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (12) On and after January 1, 2017, not less than fif	_	sSB 4 Amendment
 3013 output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class 3016 II renewable energy sources; 3017 (8) On and after January 1, 2013, not less than ten per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class 3021 II renewable energy sources; 3022 (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class 3022 (9) On and after January 1, 2014, not less than eleven per cent of the total output or services and an additional three per cent of the total output or services shall be from Class I or Class I or Class II renewable energy sources; 3027 (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; 3032 (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; 3033 (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy	3011	Class I or Class II renewable energy sources;
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 (8) On and after January 1, 2013, not less than ten per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services and an additional three per cent of the total output or services shall be from Class I or Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class I	3015	three per cent of the total output or services shall be from Class I or Class
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 3019 generated from Class I renewable energy sources and an additional 3020 three per cent of the total output or services shall be from Class I or Class 3021 II renewable energy sources; 3022 (9) On and after January 1, 2014, not less than eleven per cent of the 3023 total output or services of any such supplier or distribution company 3024 shall be generated from Class I renewable energy sources and an 3025 additional three per cent of the total output or services shall be from 3026 Class I or Class II renewable energy sources; 3027 (10) On and after January 1, 2015, not less than twelve and one-half 3028 per cent of the total output or services of any such supplier or 3029 distribution company shall be generated from Class I renewable energy 3030 sources and an additional three per cent of the total output or services 3031 shall be from Class I or Class II renewable energy sources; 3032 (11) On and after January 1, 2016, not less than fourteen per cent of 3033 the total output or services of any such supplier or distribution company 3034 shall be generated from Class I renewable energy sources; 3032 (11) On and after January 1, 2016, not less than fourteen per cent of 3033 the total output or services of any such supplier or distribution company 3034 shall be generated from Class I renewable energy sources; 3035 (11) On and after January 1, 2017, not less than fifteen and one-half 3036 Class I or Class II renewable energy sources; 3037 (12) On and after January 1, 2017, not less than fifteen and one-half 	3017	(8) On and after January 1, 2013, not less than ten per cent of the total
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 (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (12) On and after January 1, 2017, not less than fifteen and one-half 	3025	additional three per cent of the total output or services shall be from
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 sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (12) On and after January 1, 2017, not less than fifteen and one-half 	3028	per cent of the total output or services of any such supplier or
 3031 shall be from Class I or Class II renewable energy sources; 3032 (11) On and after January 1, 2016, not less than fourteen per cent of 3033 the total output or services of any such supplier or distribution company 3034 shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from 3036 Class I or Class II renewable energy sources; 3037 (12) On and after January 1, 2017, not less than fifteen and one-half 	3029	distribution company shall be generated from Class I renewable energy
 (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (12) On and after January 1, 2017, not less than fifteen and one-half 	3030	sources and an additional three per cent of the total output or services
 3033 the total output or services of any such supplier or distribution company 3034 shall be generated from Class I renewable energy sources and an 3035 additional three per cent of the total output or services shall be from 3036 Class I or Class II renewable energy sources; 3037 (12) On and after January 1, 2017, not less than fifteen and one-half 	3031	shall be from Class I or Class II renewable energy sources;
 3034 shall be generated from Class I renewable energy sources and an 3035 additional three per cent of the total output or services shall be from 3036 Class I or Class II renewable energy sources; 3037 (12) On and after January 1, 2017, not less than fifteen and one-half 	3032	(11) On and after January 1, 2016, not less than fourteen per cent of
 additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources; (12) On and after January 1, 2017, not less than fifteen and one-half 	3033	the total output or services of any such supplier or distribution company
 3036 Class I or Class II renewable energy sources; 3037 (12) On and after January 1, 2017, not less than fifteen and one-half 	3034	shall be generated from Class I renewable energy sources and an
3037 (12) On and after January 1, 2017, not less than fifteen and one-half	3035	additional three per cent of the total output or services shall be from
	3036	Class I or Class II renewable energy sources;
3038 per cent of the total output or services of any such supplier or	3037	(12) On and after January 1, 2017, not less than fifteen and one-half
	3038	per cent of the total output or services of any such supplier or
3039 distribution company shall be generated from Class I renewable energy	3039	distribution company shall be generated from Class I renewable energy
3040 sources and an additional three per cent of the total output or services	3040	sources and an additional three per cent of the total output or services

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shall be from Class I or Class II renewable energy sources;

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3042	(13) On and after January 1, 2018, not less than seventeen per cent of
3043	the total output or services of any such supplier or distribution company
3044	shall be generated from Class I renewable energy sources and an
3045	additional four per cent of the total output or services shall be from Class
3046	I or Class II renewable energy sources;
3047	(14) On and after January 1, 2019, not less than nineteen and one-half
3048	per cent of the total output or services of any such supplier or
3049	distribution company shall be generated from Class I renewable energy
3050	sources and an additional four per cent of the total output or services
3051	shall be from Class I or Class II renewable energy sources;
3052	(15) On and after January 1, 2020, not less than twenty-one per cent
3053	of the total output or services of any such supplier or distribution
3054	company shall be generated from Class I renewable energy sources and
3055	an additional four per cent of the total output or services shall be from
3056	Class I or Class II renewable energy sources, except that for any electric
3057	supplier that has entered into or renewed a retail electric supply contract
3058	on or before May 24, 2018, on and after January 1, 2020, not less than
3059	twenty per cent of the total output or services of any such electric
3060	supplier shall be generated from Class I renewable energy sources;
3061	(16) On and after January 1, 2021, not less than twenty-two and one-
3062	half per cent of the total output or services of any such supplier or
3063	distribution company shall be generated from Class I renewable energy
3064	sources and an additional four per cent of the total output or services
3065	shall be from Class I or Class II renewable energy sources;
3066	(17) On and after January 1, 2022, not less than twenty-four per cent
3067	of the total output or services of any such supplier or distribution
3068	company shall be generated from Class I renewable energy sources and
3069	an additional four per cent of the total output or services shall be from
3070	Class I or Class II renewable energy sources;
3071	(18) On and after January 1, 2023, not less than twenty-six per cent of
3072	the total output or services of any such supplier or distribution company

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shall be generated from Class I renewable energy sources and an
additional four per cent of the total output or services shall be from Class
II renewable energy sources;
(19) On and after January 1, 2024, not less than twenty-eight per cent of the total output or services of any such supplier or distribution

3078 company shall be generated from Class I renewable energy sources and
3079 an additional four per cent of the total output or services shall be from
3080 Class II renewable energy sources;

3081 (20) On and after January 1, 2025, not less than thirty per cent of the
3082 total output or services of any such supplier or distribution company
3083 shall be generated from Class I renewable energy sources and an
additional four per cent of the total output or services shall be from Class
3085 II renewable energy sources;

3086 (21) On and after January 1, 2026, not less than [thirty-two] twenty3087 <u>five</u> per cent of the total output or services of any such supplier or
3088 distribution company shall be generated from Class I renewable energy
3089 sources and an additional four per cent of the total output or services
3090 shall be from Class II renewable energy sources;

3091 (22) On and after January 1, 2027, not less than [thirty-four] <u>twenty-</u>
3092 <u>six</u> per cent of the total output or services of any such supplier or
3093 distribution company shall be generated from Class I renewable energy
3094 sources and an additional four per cent of the total output or services
3095 shall be from Class II renewable energy sources;

3096 (23) On and after January 1, 2028, not less than [thirty-six] <u>twenty-</u>
3097 <u>seven</u> per cent of the total output or services of any such supplier or
3098 distribution company shall be generated from Class I renewable energy
3099 sources and an additional four per cent of the total output or services
3100 shall be from Class II renewable energy sources;

(24) On and after January 1, 2029, not less than [thirty-eight] <u>twenty-</u>
<u>eight</u> per cent of the total output or services of any such supplier or
distribution company shall be generated from Class I renewable energy

sources and an additional four per cent of the total output or servicesshall be from Class II renewable energy sources;

(25) On and after January 1, 2030, not less than [forty] <u>twenty-nine</u>
per cent of the total output or services of any such supplier or
distribution company shall be generated from Class I renewable energy
sources and an additional four per cent of the total output or services
shall be from Class II renewable energy sources.

3111 (b) (1) An electric supplier or electric distribution company may 3112 satisfy the requirements of this section (A) by purchasing certificates 3113 issued by the New England Power Pool Generation Information System, 3114 provided the certificates are for (i) energy produced by a generating unit 3115 using Class I or Class II renewable energy sources and the generating 3116 unit is located in the jurisdiction of the regional independent system 3117 operator, or (ii) energy imported into the control area of the regional 3118 independent system operator pursuant to New England Power Pool 3119 Generation Information System Rule 2.7(c), as in effect on January 1, 3120 2006; (B) for those renewable energy certificates under contract to serve 3121 end use customers in the state on or before October 1, 2006, by 3122 participating in a renewable energy trading program within said 3123 jurisdictions as approved by the Public Utilities Regulatory Authority; 3124 or (C) by purchasing eligible renewable electricity and associated 3125 attributes from residential customers who are net producers. (2) Not 3126 more than two and one-half per cent of the total output or services of an 3127 electric supplier or electric distribution company shall be generated 3128 from Class I renewable energy sources eligible as described in 3129 subparagraph (A)(x)(II) of subdivision (20) of subsection (a) of section 3130 16-1, as amended by this act.

(c) Any supplier who provides electric generation services solely
from a Class II renewable energy source shall not be required to comply
with the provisions of this section.

(d) An electric supplier or an electric distribution company shall baseits demonstration of generation sources, as required under subsection

(e) The authority shall adopt regulations, in accordance with theprovisions of chapter 54, to implement the provisions of this section.

3140 (f) Notwithstanding the provisions of this section and section 16-244c, 3141 for periods beginning on and after January 1, 2008, each electric 3142 distribution company may procure renewable energy certificates from 3143 Class I, Class II and Class III renewable energy sources through long-3144 term contracting mechanisms. The electric distribution companies may 3145 enter into long-term contracts for not more than fifteen years to procure 3146 such renewable energy certificates. The electric distribution companies 3147 shall use any renewable energy certificates obtained pursuant to this 3148 section to meet their standard service and supplier of last resort 3149 renewable portfolio standard requirements.

3150 [(g) On or before January 1, 2014, the Commissioner of Energy and Environmental Protection shall, in developing or modifying an 3151 3152 Integrated Resources Plan in accordance with sections 16a-3a and 16a-3153 3e, establish a schedule to commence on January 1, 2015, for assigning a 3154 gradually reduced renewable energy credit value to all biomass or 3155 landfill methane gas facilities that qualify as a Class I renewable energy 3156 source pursuant to section 16-1, provided this subsection shall not apply 3157 to anaerobic digestion or other biogas facilities, and further provided 3158 any reduced renewable energy credit value established pursuant to this 3159 section shall not apply to any biomass or landfill methane gas facility 3160 that has entered into a power purchase agreement (1) with an electric 3161 supplier or electric distribution company in the state of Connecticut on 3162 or before June 5, 2013, or (2) executed in accordance with section 16a-3f 3163 or 16a-3h. The Commissioner of Energy and Environmental Protection 3164 may review the schedule established pursuant to this subsection in 3165 preparation of each subsequent Integrated Resources Plan developed 3166 pursuant to section 16a-3a and make any necessary changes thereto to 3167 ensure that the rate of reductions in renewable energy credit value for 3168 biomass or landfill methane gas facilities is appropriate given the

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	availability of other Class I renewable energy sources.]
	[(h)] (g) The authority, in consultation with the Commissioner of
	Energy and Environmental Protection and the Office of Consumer
	Counsel, shall initiate a proceeding to establish procedures for the
	disposition of renewable energy certificates purchased pursuant to
	[section] sections 16-244z, as amended by this act, 16a-3f, 16a-3g, as

3173 purchased pursuant to 3174 [section] sections 16-244z, as amended by this act, 16a-3f, 16a-3g, as 3175 amended by this act, 16a-3h, as amended by this act, 16a-3i, as amended 3176 by this act, 16a-3j, 16a-3m, as amended by this act, 16a-3n, as amended 3177 by this act, and 16a-3p, as amended by this act, which may include 3178 procedures for selling renewable energy certificates [consistent with 3179 section 16-244z or, if renewable energy certificates procured pursuant to 3180 section 16-244z are retired and never used for compliance in any other 3181 jurisdiction, reductions to] or to retire such certificates on behalf of all 3182 ratepayers and reduce the percentage of the total output or services of 3183 an electric supplier or an electric distribution company generated from 3184 Class I renewable energy sources required pursuant to subsection (a) of 3185 this section. Any such reduction shall be based on the energy production 3186 that the authority forecasts will be procured. [pursuant to subsections 3187 (a) and (b) of section 16-244z.] The authority shall determine any such 3188 reduction of an annual renewable portfolio standard not later than one 3189 year prior to the effective date of such annual renewable portfolio 3190 standard. An electric distribution company shall not be responsible for 3191 any administrative or other costs or expenses associated with any 3192 difference between the number of renewable energy certificates planned 3193 to be retired pursuant to the authority's reduction and the actual 3194 number of renewable energy certificates retired.

Sec. 40. Section 16a-3g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

3197 On or after July 1, 2013, the Commissioner of Energy and 3198 Environmental Protection, in consultation with the procurement 3199 manager identified in subsection (l) of section 16-2<u>, as amended by this</u> 3200 <u>act</u>, the Office of Consumer Counsel and the Attorney General, may, in 3201 coordination with other states in the region of the regional independent

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3202 system operator, as defined in section 16-1, as amended by this act, or 3203 on the commissioner's own, solicit proposals, in one solicitation or 3204 multiple solicitations, from providers of Class I renewable energy 3205 sources, as defined in section 16-1, as amended by this act, or verifiable 3206 large-scale hydropower, as defined in section 16-1, as amended by this 3207 act. If the commissioner finds such proposals to be in the interest of 3208 ratepayers, including, but not limited to, the delivered price of such 3209 sources, and consistent with the requirements to reduce greenhouse gas 3210 emissions in accordance with section 22a-200a, and in accordance with 3211 the policy goals outlined in the Comprehensive Energy Strategy, 3212 adopted pursuant to section 16a-3d, and section 129 of public act 11-80, 3213 including, but not limited to, base load capacity, peak load shaving and 3214 promotion of wind, solar and other renewable and low carbon energy 3215 technologies, the commissioner may select proposals from such 3216 resources to meet up to five per cent of the load distributed by the state's 3217 electric distribution companies. The commissioner may on behalf of all 3218 customers of electric distribution companies, direct the electric 3219 distribution companies to enter into power purchase agreements for 3220 energy, capacity and any environmental attributes, or any combination 3221 thereof, for periods of not more than (1) fifteen years, if any such 3222 agreement is with a provider of verifiable large-scale hydropower, or (2) 3223 twenty years, if any such agreement is with a provider of a Class I 3224 renewable energy source. [Certificates issued by the New England 3225 Power Pool Generation Information System for any Class I renewable 3226 energy sources procured under this section shall be sold in the New 3227 England Power Pool Generation Information System renewable energy 3228 credit market to be used by any electric supplier or electric distribution 3229 company to meet the requirements of section 16-245a.] Any such 3230 agreement shall be subject to review and approval by the Public Utilities 3231 Regulatory Authority, which review shall (A) include a public hearing, 3232 and (B) be completed not later than sixty days after the date on which 3233 such agreement is filed with the authority. The net costs of any such 3234 agreement, including costs incurred by the electric distribution 3235 companies under the agreement and reasonable costs incurred by the 3236 electric distribution companies in connection with the agreement, shall

3237	be recovered through a fully reconciling component of electric rates for
3238	all customers of electric distribution companies. Certificates issued by
3239	the New England Power Pool Generation Information System for any
3240	Class I renewable energy source procured by an electric distribution
3241	company pursuant to this section shall be disposed of pursuant to the
3242	procedures established pursuant to subsection (g) of section 16-245a, as
3243	amended by this act.

3244 Sec. 41. Section 16a-3h of the general statutes is repealed and the 3245 following is substituted in lieu thereof (*Effective October 1, 2025*):

3246 On or after October 1, 2013, the Commissioner of Energy and 3247 Environmental Protection, in consultation with the procurement 3248 manager identified in subsection (l) of section 16-2, as amended by this 3249 act, the Office of Consumer Counsel and the Attorney General, may 3250 solicit proposals, in one solicitation or multiple solicitations, from 3251 providers of the following resources or any combination of the 3252 following resources: Run-of-the-river hydropower, landfill methane 3253 gas, biomass, fuel cell, offshore wind or anaerobic digestion, provided 3254 such source meets the definition of a Class I renewable energy source 3255 pursuant to section 16-1, as amended by this act, or energy storage 3256 systems. In making any selection of such proposals, the commissioner 3257 shall consider factors, including, but not limited to (1) whether the 3258 proposal is in the interest of ratepayers, including, but not limited to, 3259 the delivered price of such sources, (2) the emissions profile of a relevant 3260 facility, (3) any investments made by a relevant facility to improve the 3261 emissions profile of such facility, (4) the length of time a relevant facility 3262 has received renewable energy credits, (5) any positive impacts on the 3263 state's economic development, (6) whether the proposal is consistent 3264 with requirements to reduce greenhouse gas emissions in accordance 3265 with section 22a-200a, including, but not limited to, the development of 3266 combined heat and power systems, (7) whether the proposal is 3267 consistent with the policy goals outlined in the Comprehensive Energy 3268 Strategy adopted pursuant to section 16a-3d, (8) whether the proposal 3269 promotes electric distribution system reliability and other electric 3270 distribution system benefits, including, but not limited to, microgrids, 3271 (9) whether the proposal promotes the policy goals outlined in the state-3272 wide solid waste management plan developed pursuant to section 22a-3273 241a, and (10) the positive reuse of sites with limited development 3274 opportunities, including, but not limited to, brownfields or landfills, as 3275 identified by the commissioner in any solicitation issued pursuant to 3276 this section. The commissioner may select proposals from such 3277 resources to meet up to six per cent of the load distributed by the state's 3278 electric distribution companies, provided the commissioner shall not 3279 select proposals for more than three per cent of the load distributed by 3280 the state's electric distribution companies from offshore wind resources. 3281 The commissioner may direct the electric distribution companies to 3282 enter into power purchase agreements for energy, capacity and 3283 environmental attributes, or any combination thereof, for periods of not 3284 more than twenty years on behalf of all customers of the state's electric 3285 distribution companies. [Certificates issued by the New England Power 3286 Pool Generation Information System for any Class I renewable energy 3287 sources procured under this section may be: (A) Sold in the New 3288 England Power Pool Generation Information System renewable energy 3289 credit market to be used by any electric supplier or electric distribution 3290 company to meet the requirements of section 16-245a, provided the 3291 revenues from such sale are credited to all customers of the contracting 3292 electric distribution company; or (B) retained by the electric distribution 3293 company to meet the requirements of section 16-245a. In considering 3294 whether to sell or retain such certificates, the company shall select the 3295 option that is in the best interest of such company's ratepayers.] Any 3296 such agreement shall be subject to review and approval by the Public 3297 Utilities Regulatory Authority, which review shall be completed not 3298 later than sixty days after the date on which such agreement is filed with 3299 the authority. The net costs of any such agreement, including costs 3300 incurred by the electric distribution companies under the agreement 3301 and reasonable costs incurred by the electric distribution companies in 3302 connection with the agreement, shall be recovered through a fully 3303 reconciling component of electric rates for all customers of electric 3304 distribution companies. All reasonable costs incurred by the

3314 Sec. 42. Subsection (d) of section 16a-3i of the general statutes is
3315 repealed and the following is substituted in lieu thereof (*Effective October*3316 1, 2025):

3317 (d) In the event there is such a presumption pursuant to subsection 3318 (a) of this section and the commissioner finds a material shortage of 3319 Class I renewable energy sources pursuant to subsection (b) of this 3320 section, and in addition to determining the adequacy pursuant to 3321 subsection (c) of this section, the commissioner shall, in consultation 3322 with the procurement manager identified in subsection (l) of section 16-3323 2, as amended by this act, the Office of Consumer Counsel and the 3324 Attorney General, solicit proposals from providers of Class I renewable 3325 energy sources, as defined in section 16-1, as amended by this act, 3326 operational as of the date that such solicitation is issued. If the 3327 commissioner, in consultation with the procurement manager identified 3328 in subsection (l) of section 16-2, as amended by this act, finds such 3329 proposals to be in the interest of ratepayers including, but not limited 3330 to, the delivered price of such sources, and consistent with the 3331 requirements to reduce greenhouse gas emissions in accordance with 3332 section 22a-200a, and in accordance with the policy goals outlined in the 3333 Comprehensive Energy Strategy, adopted pursuant to section 16a-3d, 3334 the commissioner, in consultation with the procurement manager 3335 identified in subsection (l) of section 16-2, as amended by this act, may 3336 select proposals from such sources to meet up to the amount necessary 3337 to ensure an adequate incremental supply of Class I renewable energy

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3338 sources to rectify any projected shortage of Class I renewable energy 3339 supply identified pursuant to subsection (c) of this section. The 3340 commissioner shall direct the electric distribution companies to enter 3341 power purchase agreements for energy, capacity into and 3342 environmental attributes, or any combination thereof, from such 3343 selected proposals for periods of not more than ten years. [Certificates 3344 issued by the New England Power Pool Generation Information System 3345 for any Class I renewable energy sources procured under this section 3346 shall be sold in the New England Power Pool Generation Information 3347 System renewable energy credit market to be used by any electric 3348 supplier or electric distribution company to meet the requirements of 3349 section 16-245a.] Any such agreement shall be subject to review and 3350 approval by the Public Utilities Regulatory Authority, which review 3351 shall commence upon the filing of the signed power purchase 3352 agreement with the authority. The authority shall issue a decision on 3353 such agreement not later than thirty days after such filing. In the event 3354 the authority does not issue a decision within thirty days after such 3355 agreement is filed with the authority, the agreement shall be deemed approved. The net costs of any such agreement, including costs incurred 3356 3357 by the electric distribution companies under the agreement and 3358 reasonable costs incurred by the electric distribution companies in 3359 connection with the agreement, shall be recovered through a fully 3360 reconciling component of electric rates for all customers of electric 3361 distribution companies. Certificates issued by the New England Power 3362 Pool Generation Information System for any Class I renewable energy 3363 source procured by an electric distribution company pursuant to this 3364 section shall be disposed of pursuant to the procedures established 3365 pursuant to subsection (g) of section 16-245a, as amended by this act.

Sec. 43. Subsection (c) of section 16a-3n of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*1, 2025):

(c) The commissioner may direct the electric distribution companiesto enter into power purchase agreements for energy, capacity, any

3371 transmission associated with such energy derived from offshore wind 3372 facilities that are Class I renewable energy sources as defined in section 3373 16-1, as amended by this act, and environmental attributes, or any 3374 combination thereof, for periods of not more than twenty years on 3375 behalf of all customers of the state's electric distribution companies, 3376 except the commissioner may direct such companies to enter into such 3377 agreements for periods greater than twenty years and not more than 3378 thirty years if the commissioner conducts the solicitation pursuant to 3379 subsection (a) of this section in coordination with one or more states 3380 and, in response to such coordinated solicitation, the applicable officials 3381 of any such state select a proposal for energy, capacity and any 3382 environmental attributes, or any combination thereof, from such 3383 facilities for a period that is greater than twenty years and not more than 3384 thirty years. Certificates issued by the New England Power Pool 3385 Generation Information System for any Class I renewable energy 3386 sources procured by an electric distribution company pursuant to this 3387 section [may be: (1) Sold into the New England Power Pool Generation 3388 Information System renewable energy credit market to be used by any 3389 electric supplier or electric distribution company to meet the 3390 requirements of section 16-245a, provided the revenues from such sale 3391 are credited to electric distribution company customers as described in 3392 this section; or (2) retained by the electric distribution company to meet 3393 the requirements of section 16-245a. In considering whether to sell or 3394 retain such certificates, the company shall select the option that is in the 3395 best interest of such company's ratepayers] shall be disposed of 3396 pursuant to the procedures established pursuant to subsection (g) of 3397 section 16-245a, as amended by this act.

3398 Sec. 44. Subsection (c) of section 16a-3p of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*3400 1, 2025):

(c) Certificates issued by the New England Power Pool Generation
Information System procured by an electric distribution company
pursuant to this section [may be: (1) Sold into the New England Power

3404	Pool Generation Information System renewable energy credit market to
3405	be used by any electric supplier or electric distribution company to meet
3406	the requirements of section 16-245a, provided the revenues from such
3407	sale are credited to electric distribution company customers as described
3408	in this section; or (2) retained by the electric distribution company to
3409	meet the requirements of section 16-245a. In considering whether to sell
3410	or retain such certificates, the company shall select the option that is in
3411	the best interest of such company's ratepayers] shall be disposed of
3412	pursuant to the procedures established pursuant to subsection (g) of
3413	section 16-245a, as amended by this act.

3414 Sec. 45. Subsection (j) of section 16a-3a of the general statutes is
3415 repealed and the following is substituted in lieu thereof (*Effective October*3416 1, 2025):

3417 (j) For the Integrated Resources Plan next approved after January 1, 3418 [2019] 2025, the department shall [determine (1)] establish targets for the 3419 quantity of energy the Commissioner of Energy and Environmental Protection may seek in any solicitation or solicitations of proposals 3420 3421 [initiated on or after January 1, 2020, pursuant to section 16a-3n, 3422 provided the quantity of energy sought in any such solicitations in the 3423 aggregate shall be from resources that have a total nameplate capacity 3424 rating of not more than two thousand megawatts in the aggregate, less 3425 any energy purchased pursuant to section 16a-3n on or before December 3426 31, 2019; and (2) the timing and schedule of any solicitation or 3427 solicitations of proposals initiated on or after January 1, 2020, pursuant to section 16a-3n, provided such schedule shall provide for the 3428 solicitation of resources with a nameplate capacity rating of two 3429 3430 thousand megawatts in the aggregate, less any energy purchased 3431 pursuant to section 16a-3n on or before December 31, 2019, by December 3432 31, 2030] pursuant to sections 16a-3f, 16a-3g, as amended by this act, 16a-3433 3h, as amended by this act, 16a-3i, as amended by this act, 16a-3j, 16a-3434 3m, as amended by this act, 16a-3n, as amended by this act, and 16a-3p, 3435 as amended by this act, and a proposed schedule for such solicitations 3436 for new zero carbon Class I renewable energy resources necessary to 3449 Sec. 46. Section 16a-3u of the general statutes is repealed and the 3450 following is substituted in lieu thereof (*Effective July 1, 2025*):

3451 (a) For the purposes of this section:

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3452 (1) "Existing biomass power purchase agreement" means a power 3453 purchase agreement that: (A) (i) Was entered into by a biomass facility 3454 [that is a Class I renewable energy source] that uses sustainable biomass 3455 fuel and has an average emission rate of less than or equal to .075 3456 pounds of nitrogen oxides per million BTU of heat input for the 3457 previous calendar quarter, or energy derived from a biomass facility 3458 with a capacity of less than five hundred kilowatts that began 3459 construction before July 1, 2003, with an electric distribution company in the state on or before June 5, 2013, or (ii) was executed in accordance 3460 3461 with a solicitation pursuant to section 16a-3f or 16a-3h, as amended by 3462 this act; and (B) was in effect as of January 1, 2024.

(2) "Eligible biomass facility" means a biomass facility that [is a Class
I renewable energy source] <u>uses sustainable biomass fuel and has an</u>
average emission rate of less than or equal to .075 pounds of nitrogen
oxides per million BTU of heat input for the previous calendar quarter,
or energy derived from a biomass facility with a capacity of less than
five hundred kilowatts that began construction before July 1, 2003, and

that has entered into one or more existing biomass power purchaseagreements.

3471 (3) "Additional biomass power purchase agreement" means a 3472 biomass power purchase agreement that is entered into by an eligible 3473 biomass facility and an electric distribution company pursuant to 3474 subdivision (b) of this section, for [the fraction of] <u>such facility's</u> energy, 3475 capacity and environmental attributes, [of an eligible biomass facility 3476 that was contracted for under an existing biomass power purchase 3477 agreement between such biomass facility and such electric distribution 3478 company] or any combination of such energy and attributes.

3479 (4) ["Class I renewable energy source", "electric distribution
3480 company"] <u>"Electric distribution company"</u> and "electric supplier" have
3481 the same meanings as provided in section 16-1, as amended by this act.

3482 (b) Not later than September 1, 2025, the Commissioner of Energy and 3483 Environmental Protection shall initiate a proceeding to solicit proposals, 3484 in consultation with the procurement manager identified in subsection 3485 (l) of section 16-2, as amended by this act, and the Office of Consumer 3486 Counsel, in one solicitation or multiple solicitations, for energy and environmental attributes from eligible biomass facilities. 3487 The 3488 Commissioner of Energy and Environmental Protection may direct any 3489 electric distribution company to enter into one or more additional biomass power purchase agreements with any eligible biomass facility, 3490 3491 provided any such agreement considers the costs to operate such 3492 facility, is in the best interest of ratepayers, and supports the state's solid 3493 waste management plan pursuant to section 22a-228. Any such 3494 additional power purchase agreement shall [be for] not exceed a period 3495 of ten years. [Certificates issued by the New England Power Pool 3496 Generation Information System for any Class I renewable energy 3497 sources procured by an electric distribution company pursuant to this 3498 section may be: (1) Sold into the New England Power Pool Generation 3499 Information System renewable energy credit market to be used by any 3500 electric supplier or electric distribution company to meet the 3501 requirements of section 16-245a, provided the revenues from such sale are credited to all customers of the contracting electric distribution company; or (2) retained by such electric distribution company to meet the requirements of section 16-245a. In considering whether to sell or retain such certificates, the company shall select the option that is in the best interest of such company's ratepayers.]

3507 (c) Any additional biomass power purchase agreement entered into 3508 pursuant to subsection (b) of this section shall be subject to review and 3509 approval by the Public Utilities Regulatory Authority. Such electric 3510 distribution company shall file an application for the approval of any 3511 such additional biomass power purchase agreement with the authority. 3512 The authority shall issue a decision not later than one hundred eighty 3513 days after any such filing. If the authority does not issue a decision 3514 within one hundred eighty days after such filing, such additional 3515 biomass power purchase agreement shall be deemed approved.

3516 (d) The net costs of any such agreement, including costs incurred by 3517 the electric distribution companies under the agreement and reasonable 3518 costs incurred by any electric distribution company in connection with 3519 the agreement, shall be recovered through a fully reconciling 3520 component of electric rates for all customers of such electric distribution 3521 company.

3522 Sec. 47. (NEW) (Effective October 1, 2025) (a) The Commissioner of 3523 Energy and Environmental Protection shall establish an electric active 3524 demand and gas demand response pilot program to reduce electric and 3525 gas demand and improve electric and gas grid resiliency and reliability 3526 in the state. For a period of two years commencing from October 1, 2025, 3527 the commissioner may, in coordination with other states in the control 3528 area of the regional independent system operator, as defined in section 3529 16-1 of the general statutes, as amended by this act, or on behalf of the 3530 state alone, issue multiple solicitations for contracts from providers of 3531 resources described in subsection (b) of this section.

(b) The commissioner shall seek proposals for active electric demandresponse, or active or passive gas demand response measures pursuant

3534 to the pilot program. Each electric distribution company or gas 3535 company, as defined in section 16-1 of the general statutes, as amended 3536 by this act, shall, in consultation with the Energy Conservation 3537 Management Board established pursuant to section 16-245m of the 3538 general statutes, as amended by this act, assess whether the submission 3539 of a proposal for active and passive demand response measures, as 3540 applicable, is feasible pursuant to any solicitation issued pursuant to 3541 this subsection, provided such proposal only includes demand 3542 reductions that are in addition to existing and projected demand 3543 reductions obtained through the conservation and load management 3544 programs. If the commissioner finds proposals received pursuant to this 3545 section to be in the best interest of electric or gas ratepayers, as 3546 applicable, the commissioner may, on behalf of the customers of electric 3547 distribution companies or gas companies, direct the electric distribution 3548 companies or gas companies to enter into contracts for active or passive 3549 demand response measures that result in electric or gas savings, 3550 provided the benefits of such contracts to customers of electric distribution companies or gas companies outweigh the costs to such 3551 3552 companies' customers. Any proposals selected pursuant this section 3553 shall not, in the aggregate, exceed ten per cent of the load distributed by 3554 the state's electric distribution or gas companies in the aggregate.

3555 (c) Any agreement entered into pursuant to this section shall be 3556 subject to review and approval by the Public Utilities Regulatory 3557 Authority. The electric distribution company or gas company, as 3558 applicable, shall file an application for the approval of any such 3559 agreement with the authority. The authority shall approve such 3560 agreement if it is cost effective and in the best interest of electric or gas 3561 ratepayers. The authority shall issue a decision not later than ninety 3562 days after such filing. If the authority does not issue a decision within 3563 ninety days after such filing, the agreement shall be deemed approved. 3564 The net costs of any such agreement, including reasonable costs 3565 incurred by the gas company under the agreement shall be recovered 3566 on a timely basis through the conservation adjustment mechanism 3567 established pursuant to section 16-245m of the general statutes, as

amended by this act, and reasonable costs incurred by the electric
distribution company under the agreement shall be recovered on a
timely basis through the nonbypassable federally mandated congestion
charge, as defined in subsection (a) of section 16-1 of the general statutes,
as amended by this act.

3573 (d) The commissioner may hire consultants with expertise in 3574 quantitative modeling of electric or gas markets, and physical electric or 3575 gas system modeling, as applicable, to assist in implementing this 3576 section, including, but not limited to, the evaluation of proposals 3577 submitted pursuant to this section. All reasonable costs, not exceeding 3578 one million five hundred thousand dollars, associated with the 3579 commissioner's solicitation and review of proposals pursuant to this 3580 section shall be recoverable through the conservation adjustment 3581 mechanism established pursuant to section 16-245m of the general 3582 statutes, as amended by this act, for gas companies or the nonbypassable 3583 federally mandated congestion charge, as defined in section 16-1 of the 3584 general statutes, as amended by this act, for electric distribution companies. Such costs shall be recoverable even if the commissioner 3585 3586 does not select any proposals pursuant to solicitations issued pursuant 3587 to this section.

3588 (e) On or before January 1, 2028, the commissioner shall conduct an 3589 evaluation of the electric and gas demand response pilot program. Such 3590 evaluation shall address the overall effectiveness of the pilot program in 3591 benefiting electric and gas ratepayers in the state. The commissioner 3592 shall submit, in accordance with the provisions of section 11-4a of the 3593 general statutes, such evaluation and any recommendations for 3594 legislation to the joint standing committees of the General Assembly 3595 having cognizance of matters relating to energy and technology.

Sec. 48. Subdivision (1) of subsection (d) of section 16-245m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

3599 (d) (1) Not later than November 1, 2012, and every three years

3600 thereafter, electric distribution companies, as defined in section 16-1, as 3601 amended by this act, in coordination with the gas companies, as defined 3602 in section 16-1, as amended by this act, shall submit to the Energy 3603 Conservation Management Board a combined electric and gas 3604 Conservation and Load Management Plan, in accordance with the 3605 provisions of this section, to implement cost-effective energy 3606 conservation demand programs, management and market 3607 transformation initiatives. All supply and conservation and load 3608 management options shall be evaluated and selected within an 3609 integrated supply and demand planning framework. Services provided 3610 under the plan shall be available to all customers of electric distribution 3611 companies and gas companies, provided a customer of an electric 3612 distribution company may not be denied such services based on the fuel 3613 such customer uses to heat such customer's home. The Energy 3614 Conservation Management Board shall advise and assist the electric 3615 distribution companies and gas companies in the development of such 3616 plan. The Energy Conservation Management Board shall approve the 3617 plan before transmitting it to the Commissioner of Energy and 3618 Environmental Protection for approval. The commissioner shall, in an 3619 uncontested proceeding during which the commissioner may hold a 3620 public meeting, approve, modify or reject said plan prepared pursuant 3621 to this subsection. Following approval by the commissioner, the board 3622 shall assist the companies in implementing the plan and collaborate 3623 with the Connecticut Green Bank to further the goals of the plan. Said 3624 plan shall include a detailed budget sufficient to fund all energy 3625 efficiency that is cost-effective or lower cost than acquisition of 3626 equivalent supply, and shall be reviewed and approved by the 3627 commissioner. The Public Utilities Regulatory Authority shall, not later 3628 than sixty days after the plan is approved by the commissioner, ensure 3629 that the balance of revenues required to fund such plan is provided 3630 through fully reconciling conservation adjustment mechanisms. Electric 3631 distribution companies shall collect a conservation adjustment 3632 mechanism that ensures the plan is fully funded by collecting an 3633 amount that is not more than the sum of six mills per kilowatt hour of 3634 electricity sold to each end use customer of an electric distribution 3635 company during the three years of any Conservation and Load 3636 Management Plan. The authority shall ensure that the revenues 3637 required to fund such plan with regard to gas companies are provided 3638 through a fully reconciling conservation adjustment mechanism for 3639 each gas company of not more than the equivalent of four and six-tenth 3640 cents per hundred cubic feet during the three years of any Conservation 3641 and Load Management Plan, provided such companies may exceed the 3642 equivalent of four and six-tenth cents per hundred cubic feet to fund the 3643 net costs of any agreement approved pursuant to section 47 of this act. 3644 Said plan shall include steps that would be needed to achieve the goal 3645 of weatherization of eighty per cent of the state's residential units by 3646 2030, and steps to reduce energy consumption by 1.6 million MMBtu, or 3647 the equivalent megawatts of electricity, as defined in subdivision (4) of 3648 section 22a-197, annually each year for calendar years commencing on 3649 and after January 1, 2020, up to and including calendar year 2025. Each 3650 program contained in the plan shall be reviewed by such companies and 3651 accepted, modified or rejected by the Energy Conservation 3652 Management Board prior to submission to the commissioner for 3653 approval. The Energy Conservation Management Board shall, as part of 3654 its review, examine opportunities to offer joint programs providing 3655 similar efficiency measures that save more than one fuel resource or 3656 otherwise to coordinate programs targeted at saving more than one fuel 3657 resource. Any costs for joint programs shall be allocated equitably 3658 among the conservation programs. The Energy Conservation 3659 Management Board shall give preference to projects that maximize the 3660 reduction of federally mandated congestion charges.

3661 Sec. 49. Subsection (i) of section 16a-3j of the general statutes is
3662 repealed and the following is substituted in lieu thereof (*Effective October*3663 1, 2025):

(i) Certificates issued by the New England Power Pool Generation
Information System for any Class I renewable energy source or Class III
source procured by an electric distribution company pursuant to this
section [may be: (1) Sold into the New England Power Pool Generation

3668 Information System renewable energy credit market to be used by any 3669 electric supplier or electric distribution company to meet the 3670 requirements of section 16-245a, so long as the revenues from such sale 3671 are credited to electric distribution company customers as described in 3672 this subsection; or (2) retained by the electric distribution company to 3673 meet the requirements of section 16-245a. In considering whether to sell 3674 or retain such certificates the company shall select the option that is in 3675 the best interest of such company's ratepayers] shall be disposed of 3676 pursuant to the procedures established pursuant to subsection (g) of 3677 section 16-245a, as amended by this act.

3678 Sec. 50. Subdivision (3) of subsection (a) of section 16a-3n of the 3679 general statutes is repealed and the following is substituted in lieu 3680 thereof (*Effective October 1, 2025*):

3681 (3) In any solicitation initiated pursuant to this section on or after July 3682 1, 2024, the Commissioner of Energy and Environmental Protection 3683 shall include requirements for contract commitments in selected bids 3684 that require bidders selected pursuant to subsection (b) of this section, 3685 including any providers of associated transmission, when employing or 3686 contracting with fishermen for support services such as scouting for 3687 fishing gear or serving as a safety vessel in a construction zone, for any 3688 project selected by the state or in proportion to the state share of any 3689 project selected by multiple states or other entities, to use best efforts to 3690 award such contracts or employment to state commercial fishing 3691 licensees, all other factors being equal. Such requirements shall include: 3692 (A) The maintenance of records that document the use of such best 3693 efforts and the filing of a monthly report with the Department of 3694 Economic and Community Development that describes such best 3695 efforts, on a form prescribed by said department; and (B) a provision 3696 that any fishermen that such providers employ or contract with to 3697 provide support services shall: (i) Meet training and certification 3698 standards described in the International Convention on Standards of 3699 Training, Certification and Watchkeeping for Seafarers, as amended 3700 from time to time; and (ii) prior to providing any such support services,

3701 undergo inspection in accordance with the International Marine 3702 Contractors Association's marine inspection for small workboats 3703 inspection document. The Coast Guard or any inspector accredited 3704 through the accredited vessel inspector program operated by the Marine 3705 Surveying Academy of the International Institute of Marine Surveying 3706 or the United States National Association of Marine Surveyors may 3707 conduct such an inspection. 3708 Sec. 51. Section 16-2 of the general statutes is repealed and the 3709 following is substituted in lieu thereof (*Effective October 1, 2025*): 3710 (a) There shall continue to be a Public Utilities Regulatory Authority 3711 within the Department of Energy and Environmental Protection for 3712 administrative purposes only, which shall consist of five electors of this 3713 state, appointed by the Governor with the advice and consent of both 3714 houses of the General Assembly. Not more than three [members of said 3715 authority] utility commissioners in office at any one time shall be 3716 members of any one political party. The Governor shall appoint five 3717 members to the authority. The procedure prescribed in section 4-7 shall 3718 apply to such appointments, except that the Governor shall submit each 3719 nomination on or before May first, and both houses shall confirm or 3720 reject it before adjournment sine die. [Any utility commissioner 3721 appointed by the Governor and confirmed by both chambers of the 3722 General Assembly between February 1, 2019, and June 1, 2019, shall 3723 serve a term expiring on March 1, 2024. Any utility commissioner 3724 appointed by the Governor and confirmed by both houses of the 3725 General Assembly between February 1, 2018, and June 1, 2018, shall 3726 serve a term expiring on March 1, 2022. Between July 1, 2019, and May 3727 1, 2020, the Governor shall appoint three utility commissioners, 3728 provided one such commissioner shall serve a term expiring on March 3729 1, 2021, and two such commissioners shall serve terms expiring on 3730 March 1, 2023.] Any utility commissioner appointed on or after [May 1, 3731 2020] January 1, 2025, shall serve a term [of four years] beginning on the 3732 date such utility commissioner is appointed and qualified and 3733 continuing for four years from the July first immediately following the 3738 (b) Not later than June 30, 2023, and between June first and June 3739 thirtieth in each odd-numbered year thereafter, the Governor shall 3740 select the chairperson of the authority from among the utility 3741 commissioners. The chairperson shall serve a two-year term starting on 3742 July first of the same year. Each June, the utility commissioners shall 3743 choose, from among said commissioners, a vice-chairperson, who shall 3744 serve for a one-year term starting on July first of the same year. The vice-3745 chairperson shall perform the duties of the chairperson in his or her 3746 absence.

3747 (c) Any matter coming before the authority may be assigned by the 3748 chairperson to a panel of three or more utility commissioners, except 3749 that proceedings to amend rates conducted pursuant to section 16-19, as 3750 amended by this act, shall consist of all the appointed and qualifying 3751 utility commissioners. If a panel consists of three utility commissioners, 3752 not more than two members of the panel shall be members of any one 3753 political party. Except as otherwise provided by statute or regulation, 3754 the panel shall determine whether a public hearing shall be held on the 3755 matter, and may designate one or more of its members to conduct such 3756 hearing or may assign a hearing officer to ascertain the facts and report 3757 thereon to the panel. The decision of the panel, if unanimous, shall be 3758 the decision of the authority. If the decision of the panel is not 3759 unanimous, the matter shall be approved by a majority vote of the utility 3760 commissioners. The votes of each utility commissioner on any decision 3761 shall be reduced to writing, recorded in the minutes of the session at 3762 which such vote was taken, and posted on the Internet web site of the 3763 authority within forty-eight hours of such vote.

(d) The utility commissioners of the Public Utilities Regulatory
Authority shall serve full time and shall file a statement of financial
interests with the Office of State Ethics in accordance with section 1-83.

Each utility commissioner shall receive annually a salary equal to that
established for management pay plan salary group seventy-five by the
Commissioner of Administrative Services, except that the chairperson
shall receive annually a salary equal to that established for management
pay plan salary group seventy-seven.

3772 (e) To [insure] ensure the highest standard of public utility 3773 regulation, on and after October 1, 2007, any newly appointed utility 3774 commissioner of the authority shall have education or training and three 3775 or more years of experience in one or more of the following fields: 3776 Economics, engineering, law, accounting, finance, utility regulation, 3777 public or government administration, consumer advocacy, business 3778 management, and environmental management. On and after July 1, 3779 1997, at least three of these fields shall be represented on the authority 3780 by individual utility commissioners at all times. Any time a utility 3781 commissioner is newly appointed, at least one of the utility 3782 commissioners shall have experience in utility customer advocacy.

3783 (f) (1) The chairperson of the authority [, with the approval of the 3784 Commissioner of Energy and Environmental Protection, shall prescribe 3785 the duties of the staff [assigned to] of the authority [in order to (A) 3786 conduct comprehensive planning with respect to the functions of the 3787 authority; (B) cause the administrative organization of the authority to 3788 be examined with a view to promoting economy and efficiency; and (C)] 3789 and organize the authority into such divisions, bureaus or other units as 3790 necessary for the efficient conduct of the business of the authority. [and 3791 may from time to time make recommendations to the Commissioner of 3792 Energy and Environmental Protection regarding staff and resources.]

(2) The chairperson of the Public Utilities Regulatory Authority [, in
order to implement the comprehensive planning and organizational
structure established pursuant to subdivision (1) of this subsection,]
shall: (A) [coordinate] <u>Coordinate</u> the activities of the authority and
prescribe the duties of the staff [assigned to] <u>of</u> the authority, <u>including</u>,
<u>but not limited to</u>, <u>assigning staff to fulfill the duties of the procurement</u>
<u>manager where required pursuant to titles 16 and 16a</u>; (B) for any

3800 proceeding on a proposed rate amendment in which staff of the 3801 authority are to be made a party pursuant to section 16-19j, determine 3802 which staff shall appear and participate in the proceedings and which 3803 shall serve the [members of the authority] utility commissioners; (C) 3804 enter into such contractual agreements, in accordance with established 3805 procedures, as may be necessary for the discharge of the authority's 3806 duties; (D) subject to the provisions of section 4-32, and unless otherwise 3807 provided by law, receive any money, revenue or services from the 3808 federal government, corporations, associations or individuals, 3809 including payments from the sale of printed matter or any other 3810 material or services; [and] (E) require the staff of the authority to have 3811 expertise in public utility engineering and accounting, finance, 3812 economics, computers and rate design; and (F) ensure that utility 3813 commissioners who choose to write a concurring or dissenting opinion 3814 are provided staff to assist in writing such opinion.

3815 (g) No utility commissioner [of the Public Utilities Regulatory 3816 Authority or employee of the Department of Energy and Environmental 3817 Protection assigned to work with the authority] or employee of the 3818 authority shall have any interest, financial or otherwise, direct or 3819 indirect, or engage in any business, employment, transaction or 3820 professional activity, or incur any obligation of any nature, which is in 3821 substantial conflict with the proper discharge of his or her duties or 3822 employment in the public interest and of his or her responsibilities as 3823 prescribed in the laws of this state, as defined in section 1-85, concerning 3824 any matter within the jurisdiction of the authority; provided, no such 3825 substantial conflict shall be deemed to exist solely by virtue of the fact 3826 that a utility commissioner of the authority or employee of the 3827 department assigned to work with the authority, or any business in 3828 which such a person has an interest, receives utility service from one or 3829 more Connecticut utilities under the normal rates and conditions of 3830 service.

(h) No utility commissioner [of the Public Utilities RegulatoryAuthority or employee of the Department of Energy and Environmental

3833 Protection assigned to work with the authority, during such 3834 assignment,] or employee of the authority shall accept other employment which will either impair his or her independence of 3835 3836 judgment as to his or her official duties or employment. [or] No current 3837 or former utility commissioner or employee of the authority shall accept 3838 other employment that would require him or her, or induce him or her, 3839 to disclose confidential information acquired by him or her in the course 3840 of and by reason of his or her official duties.

3841 (i) No utility commissioner [of the Public Utilities Regulatory 3842 Authority or employee of the Department of Energy and Environmental 3843 Protection assigned to work with the authority, during such 3844 assignment,] or employee of the authority shall wilfully and knowingly 3845 disclose, for pecuniary gain, to any other person, confidential 3846 information acquired by him or her in the course of and by reason of his 3847 or her official duties or employment or use any such information for the 3848 purpose of pecuniary gain.

3849 (j) No utility commissioner [of the Public Utilities Regulatory 3850 Authority or employee of the Department of Energy and Environmental 3851 Protection assigned to work with the authority, during such 3852 assignment,] or employee of the authority shall agree to accept, or be in 3853 partnership or association with any person, or a member of a 3854 professional corporation or in membership with any union or 3855 professional association which partnership, association, professional 3856 corporation, union or professional association agrees to accept any employment, fee or other thing of value, or portion thereof, in 3857 3858 consideration of his or her appearing, agreeing to appear, or taking any 3859 other action on behalf of another person before the authority, the 3860 Connecticut Siting Council, the Office of Policy and Management or the 3861 Commissioner of Energy and Environmental Protection.

(k) [No] <u>On and after July 1, 2025, no</u> utility commissioner [of the
Public Utilities Regulatory Authority] shall, for a period of one year
following the termination of his or her service as a utility commissioner,
accept employment: (1) By a public service company or by any person,

3866 firm or corporation engaged in lobbying activities or legal 3867 representation with regard to governmental regulation of public service 3868 companies; (2) by a certified telecommunications provider or by any 3869 person, firm or corporation engaged in lobbying activities or legal 3870 representation with regard to governmental regulation of persons, firms 3871 or corporations so certified; [or] (3) by an electric supplier or by any 3872 person, firm or corporation engaged in lobbying activities or legal 3873 representation with regard to governmental regulation of electric 3874 suppliers; or (4) by any related entity, as defined in section 12-218c, of 3875 any entity described in subdivisions (1) to (3), inclusive, of this 3876 subsection, for any purpose described in subdivisions (1) to (3), 3877 inclusive, of this subsection. No such utility commissioner [who is also 3878 an attorney] shall in any capacity, appear or participate in any matter, 3879 or accept any compensation regarding a matter, before the authority, for 3880 a period of one year following the termination of his or her service as a 3881 utility commissioner.

(l) The chairperson of the authority shall assign authority staff tofulfill the duties of procurement manager where required pursuant tothis title and title 16a.

(m) Notwithstanding any provision of the general statutes, the
decisions of the Public Utilities Regulatory Authority, including, but not
limited to, decisions relating to rate amendments arising from the
Comprehensive Energy Strategy, the Integrated Resources Plan, the
Conservation and Load Management Plan and policies established by
the Department of Energy and Environmental Protection, shall be
guided by said strategy and plans and such policies.

(n) Two or more utility commissioners serving on a panel established
pursuant to subsection (c) of this section may confer or communicate
regarding the matter before such panel. Any such conference or
communication that does not occur before the public at a hearing or
proceeding shall not constitute a meeting as defined in section 1-200.

3897 Sec. 52. Section 16-2a of the general statutes is repealed and the

3898 following is substituted in lieu thereof (*Effective October 1, 2025*):

3899 (a) There shall be an independent Office of Consumer Counsel, 3900 within the Department of Energy and Environmental Protection, for 3901 administrative purposes only, to act as the advocate for consumer 3902 interests in all matters which may affect [Connecticut] consumers in the 3903 state with respect to public service companies, electric suppliers and 3904 certified telecommunications providers, including, but not limited to, 3905 rates and related issues, ratepayer-funded programs and matters 3906 concerning the reliability, maintenance, operations, infrastructure and 3907 quality of service of such companies, suppliers and providers. The 3908 Office of Consumer Counsel is authorized to appear in and participate 3909 in any regulatory or judicial proceedings, federal or state, in which such 3910 interests of [Connecticut] consumers in the state may be involved, or in 3911 which matters affecting utility services rendered or to be rendered in 3912 this state may be involved. The Office of Consumer Counsel shall be a 3913 party to each contested case before the Public Utilities Regulatory 3914 Authority and shall participate in [such proceedings] any such 3915 contested case to the extent [it] the Office of Consumer Counsel deems 3916 necessary. [Said] The Office of Consumer Counsel may appeal from a 3917 decision, order or authorization in any such state regulatory proceeding 3918 [notwithstanding its failure to appear or participate in said] <u>regardless</u> 3919 of whether the Office of Consumer Counsel appeared or participated in 3920 such proceeding.

3921 (b) Except as prohibited by the provisions of section 4-181, the Office 3922 of Consumer Counsel shall have access to the records of the Public 3923 Utilities Regulatory Authority and shall be entitled to call upon the 3924 assistance of the authority's and the [department's] Department of 3925 Energy and Environmental Protection's experts, and shall have the 3926 benefit of all other facilities or information of the authority or the 3927 department in carrying out the duties of the Office of Consumer 3928 Counsel, except for such internal documents, information or data [as] 3929 that are not available to parties to the authority's proceedings. The 3930 department shall provide such space as necessary within the department's quarters for the operation of the Office of Consumer
Counsel, and the department shall be empowered to set regulations
providing for adequate compensation for the provision of such office
space.

3935 (c) There [shall be] is established an Office of State Broadband within 3936 the Office of Consumer Counsel. The Office of State Broadband shall 3937 work to facilitate the availability of broadband access to every [state 3938 citizen] resident of the state and to increase access to and the adoption 3939 of ultra-high-speed gigabit capable broadband networks. The Office of 3940 Consumer Counsel may work in collaboration with public and 3941 nonprofit entities and state agencies, and may provide advisory 3942 assistance to municipalities, local authorities and private corporations 3943 for the purpose of maximizing opportunities for the expansion of 3944 broadband access in the state and fostering innovative approaches to 3945 broadband in the state, including the procurement of grants for such 3946 purpose. The Office of State Broadband shall include a Broadband 3947 Policy Coordinator and such other staff as the Consumer Counsel deems 3948 necessary to perform the duties of the Office of State Broadband.

3949 (d) The Office of Consumer Counsel shall be under the direction of 3950 [a] the Consumer Counsel, who shall be appointed by the Governor 3951 with the advice and consent of either house of the General Assembly. 3952 The Consumer Counsel shall be an elector of this state and shall have 3953 demonstrated a strong commitment and involvement in efforts to safeguard the rights of the public. The Consumer Counsel shall serve 3954 3955 for a term of five years unless removed pursuant to section 16-5. The 3956 salary of the Consumer Counsel shall be equal to that established for 3957 management pay plan salary group seventy-one by the Commissioner 3958 of Administrative Services. No Consumer Counsel shall, for a period of 3959 one year following the termination of service as Consumer Counsel, 3960 accept employment by a public service company, a certified 3961 telecommunications provider or an electric supplier. No Consumer 3962 Counsel who is also an attorney shall, in any capacity, appear or 3963 participate in any matter, or accept any compensation regarding a

3964	matter, before the Public Utilities Regulatory Authority, for a period of
3965	one year following the termination of service as Consumer Counsel.
3966 3967 3968 3969 3970 3971 3972 3973	(e) The Consumer Counsel shall hire such staff as necessary to perform the duties of [said] <u>the</u> Office of Consumer Counsel and may [employ] <u>retain</u> from time to time outside consultants knowledgeable in [the utility regulation field] <u>utilities regulation</u> , including, but not limited to, economists, capital cost experts, [and] rate design experts <u>and engineers</u> . The salaries and qualifications of the [individuals] <u>staff</u> so hired shall be determined by the Commissioner of Administrative Services pursuant to section 4-40.
3974	(f) Nothing in this section shall be construed to prevent any party
3975	interested in such proceeding or action from appearing in person or
3976	from being represented by counsel therein.
3977 3978 3979 3980 3981 3982	(g) As used in this section, "consumer" means any person [, city, borough or town] <u>or municipality</u> , as defined in section 7-148, that receives service from any public service company, electric supplier or from any certified telecommunications provider in this state whether or not such person [, city, borough or town] <u>or municipality</u> is financially responsible for such service.
3983	(h) The Office of Consumer Counsel shall not be required to post a
3984	bond as a condition to presenting an appeal from any state regulatory
3985	decision, order or authorization.
3986	(i) The expenses of the Office of Consumer Counsel shall be assessed
3987	in accordance with the provisions of section 16-49.
3988	(j) Any proprietary commercial and proprietary financial information
3989	of a holding company or subsidiary provided to the Office of Consumer
3990	Counsel pursuant to subsection (c) of section 16-8c, as amended by this
3991	act, shall be confidential and protected by the Office of Consumer
3992	Counsel, in accordance with the provisions of chapter 14. No employee
3993	of the Office of Consumer Counsel shall wilfully and knowingly
3994	disclose, for pecuniary gain, to any other person, confidential
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3998 Sec. 53. Subsection (d) of section 16-19b of the general statutes is
3999 repealed and the following is substituted in lieu thereof (*Effective October*4000 1, 2025):

4001 (d) The Public Utilities Regulatory Authority shall adjust the retail 4002 rate charged by each electric distribution company for electric 4003 transmission services periodically to recover all transmission costs 4004 prudently incurred by each electric distribution company. The Public 4005 Utilities Regulatory Authority, after notice and hearing, shall design the 4006 retail transmission rate to provide for recovery of all Federal Energy 4007 Regulatory Commission approved transmission costs, rates, tariffs and 4008 charges and of other transmission costs prudently incurred by an 4009 electric distribution company in accordance with section 16-19e. 4010 Notwithstanding the provisions of section 16-19, as amended by this act, 4011 the authority shall adjust the retail transmission rate in accordance with 4012 the provisions of subsections (e) and (h) of this section and to fund costs 4013 associated with retaining consultants for the Department of Energy and 4014 Environmental Protection and the Office of Consumer Counsel to enable 4015 said department and said office to participate in proceedings of the 4016 Connecticut Siting Council, and evaluations and analysis conducted 4017 pursuant to section 27 of this act. A transmission rate adjustment clause 4018 approved pursuant to this section shall apply to all electric distribution 4019 companies similarly affected by transmission costs. The Public Utilities 4020 Regulatory Authority's authority to review the prudence of costs shall 4021 not apply to any matter over which any agency, department or 4022 instrumentality of the federal government has exclusive jurisdiction, or 4023 has jurisdiction concurrent with that of the state and has exercised such 4024 jurisdiction to the exclusion of regulation of such matter by the state.

4025Sec. 54. Subsection (c) of section 16-8c of the general statutes is4026repealed and the following is substituted in lieu thereof (*Effective October*40271, 2025):

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4028	(c) [Proprietary] <u>Any proprietary</u> commercial and proprietary				
4029	financial information of a holding company or subsidiary provided				
4030	pursuant to this section shall (1) be confidential and protected by the				
4031	authority, subject to the provisions of section 4-177, and (2) be provided				
4032	to the Office of Consumer Counsel.				
4033 4034	Sec. 55. Section 16-6b of the general statutes is repealed and the following is substituted in lieu thereof (<i>Effective October 1, 2025</i>):				
4035	The Public Utilities Regulatory Authority may, in accordance with				
4036	chapter 54, adopt such regulations with respect to: (1) Rates and charges,				
4037	services, accounting practices, safety and the conduct of operations				
4038	generally of public service companies subject to its jurisdiction as it				
4039	deems reasonable and necessary; (2) services, accounting practices,				
4040	safety and the conduct of operations generally of electric suppliers				
4041	subject to its jurisdiction as it deems reasonable and necessary; and (3)				
4042	standards for systems utilizing cogeneration technology and renewable				
4043	fuel resources. [, in accordance with the Department of Energy and				
4044	Environmental Protection's policies.]				
4045 4046	Sec. 56. Subsection (b) of section 16-19 of the general statutes is repealed and the following is substituted in lieu thereof (<i>Effective from</i>				

4047 passage):

repealed and the following is substituted in lieu thereof (*Effective from* 4048 (b) [If] (1) Except as provided in subdivision (2) of this section, if the 4049 authority has not made [its] a finding [respecting] with respect to an

4050 amendment of any (A) electric distribution or gas company rate within 4051 three hundred fifty days from the proposed effective date of such 4052 amendment thereof, or [if the authority has not made its finding 4053 respecting an amendment of any] (B) public service company rate, except an electric distribution or a gas company rate, within two 4054 4055 hundred seventy days from the proposed effective date of such 4056 amendment thereof, and if the company files assurance satisfactory to 4057 the authority, such amendment [may] shall become effective, pending 4058 the authority's finding with respect to such amendment. [upon the filing 4059 by the company with the authority of assurance satisfactory to the

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4060	authority, which] <u>Such assurance</u> may include a bond with surety [,] of
4061	the company's ability and willingness to refund to its customers with
4062	interest such amounts as the company may collect from [them in excess
4063	of] <u>such customers exceeding</u> the rates fixed by the authority in [its] <u>the</u>
4064	authority's finding or fixed at the conclusion of any appeal taken as a
4065	result of a finding by the authority.
4066	(2) Notwithstanding any provision of this section, the authority may
4067	extend the time described in subparagraphs (A) and (B) of subdivision
4068	(1) of this subsection to make a finding concerning a rate amendment
4069	application if such application is filed by a public service company
4070	having more than seventy-five thousand customers not later than sixty
4071	days after the filing of a rate amendment application by another public
4072	service company having more than seventy-five thousand customers.
4073	The extension of such time to make a finding by the authority pursuant
4074	to this subdivision shall not exceed ninety days.
4075	Sec. 57. Subsection (a) of section 16-243ee of the general statutes is

4075 Sec. 57. Subsection (a) of section 16-243ee of the general statutes is
4076 repealed and the following is substituted in lieu thereof (*Effective October*4077 1, 2025):

4078 (a) On or before January 1, 2022, the Public Utilities Regulatory 4079 Authority shall initiate a proceeding to develop and implement one or 4080 more programs, and associated funding mechanisms, for electric energy 4081 storage resources connected to the electric distribution system. The authority shall establish (1) one or more programs for the residential 4082 4083 class of electric customers, and (2) one or more programs for commercial 4084 and industrial classes of electric customers. [, and (3) a program for 4085 energy storage systems connected to the distribution system in front of 4086 the meter and not located at a customer premises.] The authority shall 4087 solicit input from the Department of Energy and Environmental 4088 Protection, the Connecticut Green Bank, the electric distribution 4089 companies and the Office of Consumer Counsel in developing such 4090 programs.

4091 Sec. 58. (NEW) (*Effective October 1, 2025*) (a) For the purposes of this

section, "system load factor" means the average load in megawatts on
an electric distribution company's system divided by the peak load in
megawatts on such system.

4095 (b) To reduce structural inefficiencies in the electric transmission and 4096 distribution systems in the state and improve the affordability of 4097 electricity for ratepayers, it shall be the goal of the state to maximize the 4098 efficiency and utilization of such systems and to ensure that any 4099 programs funded by ratepayers are cost-effective and focused on 4100 affordability, reliability and decarbonization. To achieve the goals set 4101 forth in this section, the state shall seek to (1) improve electric system 4102 utilization by improving the system load factor, (2) analyze customer 4103 usage patterns and the efficacy of investments in electrification projects 4104 and grid-scale electricity storage projects, (3) develop and implement 4105 policies and incentives to encourage the dispatch of energy generated 4106 by distributed solar photovoltaic systems installed behind customer 4107 electric meters, and (4) study and report on methods to promote 4108 business growth in the state through electric load growing energy 4109 policies. The implementation of such goals shall be consistent with the 4110 emission reduction goals set forth in 22a-200a of the general statutes.

4111 (c) The Public Utilities Regulatory Authority, through programs 4112 administered by the authority and the regulation of electric distribution 4113 companies in the state, may establish specific goals and metrics aligned 4114 with the electric system efficiency goal specified in subsection (b) of this 4115 section. Programs administered by the authority to meet such goal may 4116 include, but need not be limited to, incentives for the dispatch of energy 4117 generated by distributed solar photovoltaic systems installed behind 4118 customer electric meters for the purpose of increasing the system load 4119 factor. For any program implemented under this section, the benefits to 4120 ratepayers shall exceed the costs to ratepayers.

(d) The Commissioner of Energy and Environmental Protection may
establish specific goals and metrics aligned with the electric system
efficiency goal specified in subsection (b) of this section through the
approval of the Integrated Resources Plan pursuant to section 16a-3a of

4125 the general statutes, as amended by this act, and may establish 4126 programs, within available appropriations and authority, to promote 4127 load factor growth. Such programs may include, but need not be limited 4128 to, investments in electrification projects and grid-scale electricity 4129 storage projects. For any program implemented under this section, the 4130 benefits to ratepayers shall exceed the costs to ratepayers.

- 4131 (e) The commissioner shall allocate staff within the energy bureau of 4132 the Department of Energy and Environmental Protection for the 4133 purpose of (1) analyzing customer usage patterns and the efficacy of 4134 investments in electrification projects and grid-scale electricity storage 4135 projects, (2) studying and reporting on methods to promote business 4136 growth in the state through electric load growing energy policies, and 4137 (3) long-term planning concerning the development of a more efficient, 4138 cost-effective electric system that actively aligns procurement, grid 4139 operations and customer usage behavior to reduce ratepayer costs and 4140 improve electric system efficiency.
- 4141 (f) Not later than April 1, 2026, and annually thereafter through April 4142 1, 2041, the Commissioner of Energy and Environmental Protection, in 4143 coordination with the Public Utilities Regulatory Authority, shall report 4144 on (1) the annual load factor and daily load factors for the prior calendar vear for each electric distribution company, (2) any policies and 4145 4146 strategies adopted through an authority proceeding to promote the 4147 achievement of the system efficiency goal established in subsection (b) 4148 of this section, including the costs and benefits of any program 4149 implemented pursuant to this section, and (3) any cost-effective policies 4150 or programs the legislature may adopt to promote the achievement of 4151 such system efficiency goal. The commissioner may consult with, and 4152 request data from, the electric distribution companies to assist in the 4153 preparation of such report. The commissioner shall submit such report, 4154 in accordance with the provisions of section 11-4a, of the general statutes 4155 to the joint standing committee of the General Assembly having 4156 cognizance of matters related to energy and technology.
- 4157 Sec. 59. (NEW) (*Effective July 1, 2026*) (a) As used in this section:

4158 (1) "Solar photovoltaic system" means equipment and devices (A) 4159 that have the primary purpose of collecting solar energy and generating 4160 electricity by photovoltaic effect, (B) that have a nameplate capacity 4161 greater than one megawatt of electricity and such nameplate capacity 4162 exceeds the load for the location where such generation is located, and 4163 (C) for which the owner of such equipment and devices receives, on or 4164 after July 1, 2026, permission to operate from an electric distribution 4165 company, as defined in section 16-1 of the general statutes, as amended 4166 by this act, or a municipal utility furnishing electricity;

4167 (2) "Municipality" means any town, city, consolidated town and city4168 or consolidated town and borough; and

(3) "Uniform solar capacity tax year" means the annual accounting
period used to calculate the tax under this section, consisting of a
twelve-month period commencing on July first and ending the
following June thirtieth.

4173 (b) (1) Except as provided in subdivision (3) of this subsection and 4174 subsection (h) of this section, for uniform solar capacity tax years 4175 commencing on and after July 1, 2026, each person that owns a solar 4176 photovoltaic system in the state for generation or displacement of 4177 energy shall pay an annual tax for a period of twenty solar capacity tax 4178 years to the department of finance of each municipality in which the 4179 system or any part thereof is located, or, if the municipality does not have a department of finance, to the tax collector for such municipality. 4180 4181 For any solar photovoltaic system that receives permission to operate in 4182 the uniform solar capacity tax year commencing on and after July 1, 4183 2026, the tax shall be, for the duration of the twenty-year period such 4184 tax is imposed, the product of ten thousand dollars multiplied by the 4185 number of megawatts, and any fractional portion thereof, of nameplate 4186 capacity for each such system. If a solar photovoltaic system has 4187 multiple owners, each owner shall be jointly and severally liable for the 4188 tax owed pursuant to this section.

4189 (2) Each person that owns a solar photovoltaic system in the state that

receives, on or after July 1, 2026, permission to operate shall notify, not
later than seven days after the date of such receipt, the department of
finance of each municipality in which the system or any part thereof is
located or, if the municipality does not have a department of finance,
the tax collector for such municipality, of the effective date of such
permission to operate.

(3) The tax imposed under this section shall not apply to solar
photovoltaic systems in the state that (A) are located on (i) state-owned
land, (ii) brownfields, as defined in section 32-760 of the general statutes,
(iii) landfills, (iv) residential, commercial or industrial rooftops, or (v)
solar canopies, as defined in section 8-2q of the general statutes, or (B)
are part of a microgrid serving a critical facility, as those terms are
defined in section 16-243y of the general statutes.

4203 (c) The Office of Policy and Management shall develop a form to be 4204 submitted with the tax due under this section. Not later than July 31, 4205 2026, the department of finance in each municipality, or, for any 4206 municipality that does not have a department of finance, the tax 4207 collector of such municipality, shall furnish such form upon request. 4208 The tax imposed under this section shall be due and payable on the due 4209 date or due dates of such return, as determined by the department of 4210 finance or tax collector, as applicable. The department of finance or tax 4211 collector, as applicable, may require a single annual payment of the tax 4212 imposed under this section or may require semiannual or quarterly 4213 installments of such payment. Such tax shall be due and collectible as 4214 other property taxes and subject to the same liens and processes of 4215 collection.

4216 (d) The revenues generated by the tax imposed under this section4217 shall become part of the general revenue of the municipality in which4218 the tax is paid.

(e) If a solar photovoltaic system is located in more than onemunicipality, the tax shall be allocated between or among themunicipalities in proportion to the nameplate capacity of the solar

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4222 photovoltaic system located in each municipality.

(f) Whenever the tax imposed under this section is not paid when due
to the department of finance or tax collector, as applicable, in a
municipality, interest at the rate of one and one-half per cent per month
or fraction thereof shall accrue on such tax from the due date of such tax
until the date of payment.

4228 (g) Any person claiming to be aggrieved by the action of a 4229 department of finance or tax collector under this section may appeal the 4230 tax to the superior court for the judicial district in which the 4231 municipality is located. Any person appealing the tax that pays a 4232 portion of such tax during the pendency of such appeal and indicates 4233 that such portion is paid "under protest" shall not be liable for any 4234 interest on the tax, provided such person pays not less than seventy-five 4235 per cent of the amount of the tax assessed by the municipality during 4236 the time limits prescribed by the department of finance or tax collector, 4237 as applicable, in such municipality in accordance with this section.

(h) (1) Any municipality acting through its board of selectmen, town
council, court of common council or other legislative body shall have
the power to enter into an agreement to freeze or stabilize the tax
imposed under this section for any owner of a solar photovoltaic system
located in such municipality, as provided in this subsection.

(2) With respect to any photovoltaic system located in more than one
municipality, such agreement shall only pertain to the tax that is
allocated, in accordance with the provisions of subsection (e) of this
section, to the municipality that enters into such agreement.

(i) For purposes of calculating the nameplate capacity of a solar
photovoltaic system, the following shall be deemed to be part of the
same solar photovoltaic system: (1) All equipment and devices that have
the primary purpose of collecting solar energy and generating electricity
by photovoltaic effect that are located on the same parcel; (2) all
equipment and devices that have the primary purpose of collecting solar

4253 energy and generating electricity by photovoltaic effect that are located 4254 on land that the current owner of any part of such land subdivided into 4255 multiple parcels but was part of the same parcel prior to such 4256 subdivision; and (3) all equipment and devices that have the primary 4257 purpose of collecting solar energy and generating electricity by 4258 photovoltaic effect that are located on adjoining parcels. Nothing in this 4259 subsection shall be construed to limit tax liability or the definitions in 4260 subsection (a) of this section.

4261 Sec. 60. Subdivision (57) of section 12-81 of the general statutes is
4262 repealed and the following is substituted in lieu thereof (*Effective October*4263 1, 2025):

4264 (57) (A) (i) Any Class I renewable energy source, as defined in section 4265 16-1, as amended by this act, or hydropower facility described in 4266 subdivision (21) of subsection (a) of section 16-1, installed for the 4267 generation of electricity where such electricity is intended for private 4268 residential use or on a farm, as defined in subsection (q) of section 1-1, 4269 provided (I) such installation occurs on or after October 1, 2007, (II) the 4270 estimated annual production of such source or facility does not exceed 4271 the estimated annual load for the location where such source or facility 4272 is located, where such load and production are estimated as of the date 4273 of installation of the source or facility as indicated in the written 4274 application filed pursuant to subparagraph [(E)] (G) of this subdivision, 4275 and (III) such installation is for a single family dwelling, a multifamily 4276 dwelling consisting of two to four units or a farm; (ii) any passive or 4277 active solar water or space heating system; or (iii) any geothermal 4278 energy resource. In the case of clause (i) of this subparagraph, the 4279 utilization of or participation in any net metering or tariff policy or 4280 program implemented by the state or ownership of such source or 4281 facility by a party other than the owner of the real property upon which 4282 such source or facility is installed shall not disqualify such source or 4283 facility from exemption pursuant to this section. In the case of clause (ii) 4284 or (iii) of this subparagraph, such exemption shall apply only to the 4285 amount by which the assessed valuation of the real property equipped sSB 4

with such system or resource exceeds the assessed valuation of such real
property equipped with the conventional portion of the system or
resource;

4289 (B) For assessment years commencing on and after October 1, 2013, 4290 any Class I renewable energy source, as defined in section 16-1, as 4291 amended by this act, hydropower facility described in subdivision (21) 4292 of subsection (a) of section 16-1, or solar thermal or geothermal 4293 renewable energy source, installed for generation or displacement of 4294 energy, provided (i) such installation occurs on or after January 1, 2010, 4295 (ii) such installation is for commercial or industrial purposes, (iii) the 4296 nameplate capacity of such source or facility does not exceed the load 4297 for the location where such generation or displacement is located, and 4298 (iv) such source or facility is located in a distressed municipality, as 4299 defined in section 32-9p, with a population between one hundred 4300 twenty-five thousand and one hundred thirty-five thousand;

4301 (C) For assessment years commencing on and after October 1, 2013, 4302 any municipality may, upon approval by its legislative body or in any 4303 town in which the legislative body is a town meeting, by the board of 4304 selectmen, abate up to one hundred per cent of property tax for any 4305 Class I renewable energy source, as defined in section 16-1, as amended 4306 by this act, hydropower facility described in subdivision (21) of 4307 subsection (a) of section 16-1, or solar thermal or geothermal renewable 4308 energy source, installed for generation or displacement of energy, 4309 provided (i) such installation occurs between January 1, 2010, and 4310 December 31, 2013, (ii) such installation is for commercial or industrial 4311 purposes, (iii) the nameplate capacity of such source or facility does not 4312 exceed the load for the location where such generation or displacement 4313 is located, and (iv) such source or facility is not located in a municipality 4314 described in subparagraph (B) of this subdivision;

(D) [For] <u>Subject to the provisions of subparagraph (E) of this</u>
<u>subdivision, for</u> assessment years commencing on and after October 1,
2014, any (i) Class I renewable energy source, as defined in section 16-1,
<u>as amended by this act</u>, other than a nuclear power generating facility,

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4319	(ii) hydropower facility described in subdivision (21) of subsection (a)
4320	of section 16-1, or (iii) solar thermal or geothermal renewable energy
4321	source, installed for generation or displacement of energy, provided (I)
4322	such installation occurs on or after January 1, 2014, (II) is for commercial
4323	or industrial purposes, (III) the nameplate capacity of such source or
4324	facility does not exceed the load for the location where such generation
4325	or displacement is located or the aggregated load of the beneficial
4326	accounts for any Class I renewable energy source participating in virtual
4327	net metering pursuant to section 16-244u, and (IV) in the case of clause
4328	(iii) of this subparagraph, such exemption shall apply only to the
4329	amount by which the assessed valuation of the real property equipped
4330	with such source exceeds the assessed valuation of such real property
4331	equipped with the conventional portion of the source;
1000	
4332	(E) For assessment years commencing on and after October 1, 2025,
4333	the exemption provided for under subparagraph (D)(i) of this
4334	subdivision shall apply only to equipment and devices that have the
4335	primary purpose of generating electricity and shall not apply to any real
4336	property on which such equipment and devices are located or installed;
4337	(F) For assessment years commencing on and after October 1, 2025,
4338	any Class I renewable energy source consisting of equipment and
4339	devices that have the primary purpose of collecting solar energy and
4340	generating electricity by photovoltaic effect. The exemption under this
4341	subparagraph shall apply only to equipment and devices that have the
4342	primary purpose of generating electricity and shall not apply to any real
4343	property on which such equipment and devices are located or installed;
40.4.4	
4344	[(E)] (G) Any person claiming [the] <u>an</u> exemption provided in this

subdivision for any assessment year shall, on or before the first day of November in such assessment year, file with the assessor or board of assessors in the town in which such hydropower facility, Class I renewable energy source, solar thermal or geothermal renewable energy source or passive or active solar water or space heating system or geothermal energy resource is located, a written application claiming such exemption. Such application shall be made on a form prepared for 4352 such purpose by the Secretary of the Office of Policy and Management, 4353 in consultation with the Connecticut Association of Assessing Officers 4354 and the Connecticut Green Bank established pursuant to section 16-4355 245n, and shall include, but not be limited to, a statement of the 4356 estimated annual load and production of a source or facility described 4357 in clause (i) of subparagraph (A) of this subdivision as of the date of the 4358 installation of such source or facility. Said secretary shall make such 4359 application available to the public on the Internet web site of the Office 4360 of Policy and Management. Failure to file such application in the 4361 manner and form as provided by the secretary within the time limit 4362 prescribed shall constitute a waiver of the right to such exemption for 4363 such assessment year. Such application shall not be required for any 4364 assessment year following that for which the initial application is filed, 4365 provided if such hydropower facility, Class I renewable energy source, 4366 solar thermal or geothermal renewable energy source or passive or 4367 active solar water or space heating system or geothermal energy 4368 resource is altered in a manner [which] that would require a building 4369 permit, such alteration shall be deemed a waiver of the right to such 4370 exemption until a new application, applicable with respect to such 4371 altered source, is filed and the right to such exemption is established as 4372 required initially. [In the event that] If a person owns more than one 4373 such source or facility in a municipality, such person may file a single 4374 application identifying each source or facility;

4375 [(F)] (H) For assessment years commencing on and after October 1, 4376 2015, any municipality may, by vote of its legislative body or, in a 4377 municipality where the legislative body is a town meeting, by vote of 4378 the board of selectmen, abate up to one hundred per cent of the property 4379 taxes due for any tax year, for not longer than the term of the power 4380 purchase agreement, with respect to any Class I renewable energy 4381 source, as defined in section 16-1, as amended by this act, that is the 4382 subject of such power purchase agreement approved by the Public 4383 Utilities Regulatory Authority pursuant to section 16a-3f;

4384 Sec. 61. Section 7 of public act 24-38 is repealed and the following is

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4385 substituted in lieu thereof (*Effective from passage*):

(a) There is established a task force to examine and make
recommendations concerning policy, regulations and legislation to
improve disclosure requirements and consumer protection for
consumers who purchase, lease or enter into power purchase
agreements for solar photovoltaic systems. Such study shall include an
examination of whether special protections are necessary for consumers
who are low-income or senior citizens.

4393 (b) The task force shall consist of the following members:

4394 (1) The Commissioner of Energy and Environmental Protection, or4395 the commissioner's designee;

4396 (2) The chairperson of the Public Utilities Regulatory Authority, or4397 the chairperson's designee;

4398 (3) The Consumer Counsel, or the Consumer Counsel's designee;

4399 (4) The Commissioner of Consumer Protection, or the commissioner's4400 designee;

(5) The president of the Connecticut Green Bank, or the president'sdesignee;

(6) Two appointed by the Governor, who shall be members of an
association that represents retailers of solar photovoltaic systems in the
state or retailers of solar photovoltaic systems in the state;

(7) Two appointed by the speaker of the House of Representatives,
one of whom shall have experience representing [senior citizens in
matters related to consumer protection or utilities] <u>individuals in</u>
matters related to consumer protection;

(8) Two appointed by the president pro tempore of the Senate, one ofwhom shall have experience representing consumer groups, especially

4412 in underserved communities;

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4413 4414	(9) One Representativ	appointed ves;	by the	majority	leader	of	the	House	of
4415	(10) One appointed by the majority leader of the Senate;								
4416 4417	(11) Two appointed by the minority leader of the House of Representatives; and								
4418	(12) Two appointed by the minority leader of the Senate.								
4419 4420 4421	(c) All initial appointments to the task force shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.								
4422 4423 4424 4425 4426	(d) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairperson of the task force from among the members of the task force. Such chairperson shall schedule the first meeting of the task force, which shall be held not later than sixty days after the effective date of this section.								
4427 4428 4429	(e) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to energy and technology shall serve as administrative staff of the task force.								
4430 4431 4432 4433 4434 4435 4436	(f) Not later than January 1, [2025] <u>2026</u> , the task force shall submit a report on its findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to energy and technology and general law, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, [2025] <u>2026</u> , whichever is later.								
	This act shall take effect as follows and shall amend the following sections:								
	Section 1	July 1, 2025	5	N	Jew sect	ion			
	Sec. 2	July 1, 2025			Jew sect				
	Sec. 3	October 1, 2			6-244dd				

Sec. 4	April 15, 2026	16-262c(b)
Sec. 5	from passage	New section
Sec. 6	October 1, 2025	16-262d
Sec. 7	from passage	PA 24-31, Sec. 2
Sec. 8	July 1, 2025	New section
Sec. 9	from passage	New section
Sec. 10	October 1, 2025	16-244z
Sec. 11	July 1, 2025	16-245e
Sec. 12	July 1, 2025	16-245f(a)
Sec. 13	July 1, 2025	16-245g
Sec. 14	July 1, 2025	16-245h(a)
Sec. 15	July 1, 2025	16-245i
Sec. 16	July 1, 2025	16-245j(b) and (c)
Sec. 17	July 1, 2025	16-245k(l)
Sec. 18	October 1, 2025	16-19gg(b)
Sec. 19	October 1, 2025	New section
Sec. 20	from passage	New section
Sec. 21	July 1, 2025	16-19f(a) and (b)
Sec. 22	July 1, 2025	16-243n
Sec. 23	October 1, 2025	New section
Sec. 24	October 1, 2025	16-32e
Sec. 25	October 1, 2025	16-32 <i>l</i>
Sec. 26	October 1, 2025	16-32m
Sec. 27	October 1, 2025	New section
Sec. 28	October 1, 2025	New section
Sec. 29	October 1, 2025	16-18a(c)
Sec. 30	from passage	New section
Sec. 31	October 1, 2025	New section
Sec. 32	October 1, 2025	16a-3m(e)
Sec. 33	October 1, 2025	16-244m
Sec. 34	October 1, 2025	New section
Sec. 35	October 1, 2025	22a-136
Sec. 36	July 1, 2025	New section
Sec. 37	October 1, 2025	16a-102(a)
Sec. 38	October 1, 2025	16-1(a)(20)
Sec. 39	October 1, 2025	16-245a
Sec. 40	October 1, 2025	16a-3g
Sec. 41	October 1, 2025	16a-3h
Sec. 42	October 1, 2025	16a-3i(d)
Sec. 43	October 1, 2025	16a-3n(c)

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Sec. 44	<i>October 1, 2025</i>	16a-3p(c)
Sec. 45	<i>October 1, 2025</i>	16a-3a(j)
Sec. 46	July 1, 2025	16a-3u
Sec. 47	<i>October 1, 2025</i>	New section
Sec. 48	<i>October 1, 2025</i>	16-245m(d)(1)
Sec. 49	<i>October 1, 2025</i>	16a-3j(i)
Sec. 50	<i>October 1, 2025</i>	16a-3n(a)(3)
Sec. 51	<i>October 1, 2025</i>	16-2
Sec. 52	<i>October 1, 2025</i>	16-2a
Sec. 53	<i>October 1, 2025</i>	16-19b(d)
Sec. 54	<i>October 1, 2025</i>	16-8c(c)
Sec. 55	<i>October 1, 2025</i>	16-6b
Sec. 56	from passage	16-19(b)
Sec. 57	<i>October 1, 2025</i>	16-243ee(a)
Sec. 58	<i>October 1, 2025</i>	New section
Sec. 59	July 1, 2026	New section
Sec. 60	<i>October 1, 2025</i>	12-81(57)
Sec. 61	from passage	PA 24-38, Sec. 7