



General Assembly

**Amendment**

February Session, 2026

LCO No. 5920



Offered by:  
SEN. FAZIO, 36<sup>th</sup> Dist.

To: House Bill No. 5340

File No. 385

Cal. No. 528

(As Amended by House Amendment Schedule "A")

**"AN ACT CONCERNING RENEWABLE POWER GENERATION."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Section 22a-200c of the 2026 supplement to the general  
4 statutes is repealed and the following is substituted in lieu thereof  
5 (*Effective October 1, 2026*):

6 (a) The Commissioner of Energy and Environmental Protection shall  
7 adopt regulations, in accordance with chapter 54, to implement the  
8 Regional Greenhouse Gas Initiative, provided such regulations shall  
9 have no effect on and after October 1, 2026.

10 (b) The Department of Energy and Environmental Protection shall  
11 auction all emissions allowances and invest the proceeds, which shall be  
12 deposited into a Regional Greenhouse Gas account established by the  
13 Comptroller as a separate, nonlapsing account, on behalf of electric

14 ratepayers in energy conservation, load management, Class I renewable  
15 energy programs and programs that reduce transportation sector  
16 greenhouse gas emissions. In making such investments, the  
17 Commissioner of Energy and Environmental Protection shall consider  
18 strategies that maximize cost effective reductions in greenhouse gas  
19 emission. Allowances shall be auctioned under the oversight of the  
20 Department of Energy and Environmental Protection by a contractor or  
21 trustee on behalf of the electric ratepayers. Notwithstanding the  
22 provisions of this section, on October 1, 2026, the Comptroller shall  
23 deposit any funds held in the account established pursuant to this  
24 section into the General Fund.

25 (c) The regulations adopted pursuant to subsection (a) of this section  
26 may include provisions to cover the reasonable administrative costs  
27 associated with the implementation of the Regional Greenhouse Gas  
28 Initiative in Connecticut and to fund the assessment, planning and  
29 implementation of measures to reduce emissions, mitigate the impacts  
30 of climate change and to cover the reasonable administrative costs of  
31 state agencies associated with the adoption of regulations, plans and  
32 policies in accordance with section 22a-200a. Such costs shall not exceed  
33 seven and one-half per cent of the total projected allowance value. Such  
34 regulations may also set aside a portion of the allowances to support the  
35 voluntary renewable energy provisions of the Regional Greenhouse Gas  
36 Initiative model rule and combined heat and power.

37 [(d) Any allowances or allowance value allocated to the energy  
38 conservation load management program on behalf of electric ratepayers  
39 shall be incorporated into the planning and procurement process in  
40 sections 16a-3a and 16a-3b.]

41 [(e)] (d) Beginning with the first auction occurring on or after January  
42 1, 2023, [and] but not after October 1, 2026, notwithstanding the  
43 provisions of subsection (a) of this section and subdivision (6) of  
44 subsection (f) of section 22a-174-31 of the regulations of Connecticut  
45 state agencies, auction proceeds annually calculated and allocated in  
46 accordance with subdivision (6) of subsection (f) of section 22a-174-31 of

47 the regulations of Connecticut state agencies to the Connecticut Green  
 48 Bank may be utilized by the Connecticut Green Bank, in consultation  
 49 with the Department of Energy and Environmental Protection, for clean  
 50 energy resources that do not emit greenhouse gas emissions, provided  
 51 that any proceeds calculated and allocated to the Connecticut Green  
 52 Bank in excess of five million two hundred thousand dollars in any fiscal  
 53 year shall be diverted for the fiscal year ending June 30, 2024, and each  
 54 fiscal year thereafter until the fiscal year ending June 30, 2027, to the  
 55 department to provide funding for the Connecticut Hydrogen and  
 56 Electric Automobile Purchase Rebate program established pursuant to  
 57 section 22a-202 and other programs established to support the  
 58 department's engagement with environmental justice communities. For  
 59 the purposes of this subsection, "clean energy" has the same meaning as  
 60 provided in section 16-245n and "environmental justice community" has  
 61 the same meaning as provided in section 22a-20a.

62 (e) Not later than October 1, 2026, the Commissioner of Energy and  
 63 Environmental Protection, in consultation with the Secretary of the  
 64 Office of Policy and Management, shall take any steps necessary to  
 65 terminate any obligations of the state concerning the Regional  
 66 Greenhouse Gas Initiative, including providing any notice required to  
 67 any participating entity or state."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	October 1, 2026	22a-200c