



Published on *The Connecticut Mirror* (<http://www.ctmirror.org>)

[Home](#) > Senate unanimously passes sweeping energy bill

Senate unanimously passes sweeping energy bill

Mark Pazniokas

June 6, 2011

The Senate today unanimously passed and sent to the House a complex, bipartisan energy bill that creates a new energy department and changes how the state regulates and procures electricity in the hopes of lowering the highest electric rates in the continental United States.

An initiative of Gov. Dannel P. Malloy, the new Department of Energy and Environment Protection brings together energy regulators and policy experts from the Department of Public Utility Control and Office of Policy and Management with Department of Environmental Protection.

The bill consolidates responsibility for electric regulation under Commissioner Daniel C. Esty, the Yale expert in environment and energy recruited by Malloy to run the new department, and creates a new position of electricity procurement manager.

The legislation restructures and expands the Clean Energy Fund and adds a new funding mechanism: the Clean Energy Finance and Investment Authority. The fund will look beyond rebates for solar energy to energy efficiency, electric vehicles and natural gas infrastructure.

It also incorporates reforms long sought by consumer advocates, legislators and others as an antidote to a regulatory structure that stressed reliability over price. Many provisions of the bill were in a measure that passed a divided legislature last year, only to be vetoed by Malloy's predecessor, Gov. M. Jodi Rell.

"You now have an engaged administration, a commissioner who not only understands this stuff, but wants to be the person who administers all this," said Sen. John Fonfara, D-Hartford, the co-chairman of the Energy and Technology Committee.

This year, Sen. Kevin D. Witkos, R-Canton, the ranking member of the energy committee, said the Democratic majority worked closely with Republicans. Like Fonfara, Rep. Sean Williams, R-Watertown, a committee member, praised Esty.

"The previous administration didn't want to know about energy," Williams said. "This guy really cares."

Fonfara said the legislation shifts the state from defense to offense when it comes to influencing electric rates.

Consumer advocates praised the bipartisan effort, as did the governor.

"This bill represents a strategic new approach to our state's energy policy that will reduce future energy costs and decrease our dependence on fossil fuels," Malloy said. "The fact that this bill enjoyed bipartisan unanimous support speaks to the will of our legislators to address the detrimental impact high energy costs have had on families, business and industry, and our overall economy."

"It's been a long haul, but we think it's worth it," said John Erlingheuser, the state advocacy director of AARP, a strong supporter of the bill.

The bill allows Connecticut Light & Power and United Illuminating, which were forced to divest themselves of generating plants in 1999 under a previous deregulation law, to re-enter the power generation business on a limited basis.

"We believe this bill is balanced," said Carlos Vazquez, a senior director for government affairs at UIL, the holding company that owns United Illuminating.

"It's certainly a step in the right direction," said Chris Phelps of Environment Connecticut. "It gets us off the dime so we can actually build clean energy in Connecticut, which is important because we are rapidly falling behind other neighboring states."

In a rarity this session, the Democratic and Republican leaders each praised the other party.

"It's nice to see on such an important issue we can work in a bipartisan fashion," said Senate Minority Leader John P. McKinney, R-Fairfield.

"This is truly a bipartisan issue," said Senate President Pro Tempore Donald E. Williams Jr., D-Brooklyn.

Among other provisions in the bill:

- The commercial solar program becomes part of a renewable energy credit system that includes other types of zero-emission energy sources. Utilities are required to purchase energy from them through long-term contracts.
- A similar program is established for low emission generation like fuel cells.
- Municipalities may establish a Property Assessed Clean Energy, or PACE, program to do energy efficiency and renewable energy work that is repaid through an assessment on property taxes.
- It authorizes municipalities to do energy retrofits through performance contracts that use the money from energy savings to pay for the work. It also establishes standards and contracts that municipalities may use, and the state must use.
- It allows virtual net metering - a concept in which electric customers get the benefits of credits a municipally owned building receives for putting excess renewable energy, like solar, into the grid, even though those customers don't own renewable power themselves.
- Establishes a \$4 million, three-year pilot program to develop combined heat and power generation projects and anaerobic digesters.

Jan Ellen Spiegel contributed to this report.

[Environment](#) [Green Economy](#) [Politics](#)

Source URL: <http://www.ctmirror.org/story/12834/senate-unanimously-pass-sweeping-energy-bill>