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Emissions Reductions, Green Jobs Among Energy Policy Recommendations for Connecticut's New Governor

Reductions in greenhouse gas (GHG) emissions, carbon neutrality, green economy jobs and energy affordability are the main energy policy recommendations made to Connecticut's new governor, Ned Lamont, as he begins his term. Those and other recommendations were the work product of the Energy Policy Committee, which was one of 15 transitional policy committees formed by Governor Lamont and Lt. Governor Susan Bysiewicz to develop policy recommendations on critical state issues for the incoming administration to consider. If the recommendations are adopted by the Lamont administration and/or pursued by the legislature, Connecticut would see the state's aggressive carbon reduction goals accelerated, off-shore wind investment and development increased, distributed generation resources expanded, and energy efficiency funds protected, among other things.

The bipartisan Energy Policy Committee comprised more than 20 members with expertise and a diversity of perspectives from across the energy sector, including representatives from utilities, generators, manufacturers and contractors, labor, environmental organizations, academia and attorneys, and included Day Pitney partner Sebastian Lombardi. The committee identified key energy policy priority items for the state, suggesting reforms and developing action plans for implementation of those recommended policy priorities, including those that may be attainable in the first 100 days of the new administration.

The final work product of the Energy Policy Committee was delivered to Lamont and Bysiewicz just prior to their January 9 inauguration. This Alert summarizes the committee's recommendations. The full report is available here.

Energy Policy Committee Recommendations

The Energy Policy Committee's recommendations build off of candidate Lamont's campaign policy platform.[1] They were distilled to three "essential recommendations" and a "Top 10 list" of energy policy recommendations.[2]

"Essential Recommendations"

The committee identified the following three recommendations as "the foundation to a successful sustainable energy policy" and deemed them to be "essential" to "having the necessary key goals and human capital to successfully implement the 'Top 10' recommendations": (1) establish new targets to reduce GHG emissions to 70 percent below current levels by 2040 and to achieve carbon neutrality by 2050; (2) create a Green Economy and Jobs Fund; and (3) form a "Council on Energy Affordability and Equity".

"Top 10" Policy Recommendations

The "Top 10" policy recommendations of the Energy Policy Committee, in summary, are as follows (in no particular order):

- *Amend Connecticut law (Section 7 of PA 18-50)*, as needed, to (i) expand the yearly caps for renewable energy used for commercial purposes or shared among numerous consumers, (ii) remove caps on the size of individual energy projects tied to the load of host sites, and (iii) ensure an orderly transition from the current net metering rules for renewable power to a new tariff-based compensation structure.
- *Increase investment in energy efficiency programs* to support in-state jobs, to reduce the use of natural gas and electricity, and to make energy efficiency improvements more accessible and affordable to low-to-moderate-income consumers.

- *Prevent the diversion to the General Fund of ratepayer-backed energy efficiency and renewable energy funds* such as those collected for conservation and load management, clean energy, and reduction of carbon emissions under the Regional Greenhouse Gas Initiative (RGGI).
- *Expand the state's "Lead by Example" program*, with identified goals by 2030 of reducing energy consumption of state-owned buildings by 40 percent from current levels; converting state vehicles to zero emission for 50 percent of light duty vehicles and 30 percent of buses; modifying building codes to advance energy- and transportation-related goals; and implementing a pilot carbon charge for state-owned buildings and vehicles.
- *Revise the state's Renewable Portfolio Standards (RPS)* to (a) accelerate the Class I RPS goals to 35 percent by 2025, 50 percent by 2030, 80 percent by 2040 and 100 percent by 2050; (b) reduce policy cost exposure through reducing compliance payments; (c) phase out RPS eligibility for biomass; and (d) procure 2,000 MW of offshore wind resources by 2030.
- *Modernize the grid* by expanding opportunities for distributed energy resources, microgrid systems, electric vehicles, renewable heating and cooling, smart meters, and other technologies while taking into account cybersecurity risks and by *supporting the resilience of the grid* to withstand future natural disasters.
- *Expand zero-emission vehicle infrastructure* by supporting private and utility buildout of the state's electric car charging and hydrogen fueling infrastructure.
- *Promote regional energy and environmental collaboration* by providing leadership and engaging in efforts to pursue potential regional solutions that advance Connecticut's and New England's energy and environmental policy goals.
- *Expand Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) incentives* by establishing a sustainable funding source that does not impact electric ratepayers.
- *Provide leadership on the regional Transportation & Climate Initiative (TCI)*.

The final report of the Energy Policy Committee includes further detail on these policy recommendations, including whether such policies can be implemented by administrative/executive action alone or require new legislation. As noted in the report, the committee did not reach consensus on all of the "Top 10" policy recommendations or their overall design objectives.

The committee recommendations will most certainly inform future energy-related initiatives and efforts of Connecticut's new administration. Sebastian Lombardi served as a member of this Energy Policy Committee and co-chaired the working group focused on potential regional efforts to help advance Connecticut's goals. He can be reached by email at slombardi@daypitney.com or by phone at (860) 275 0663.

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[1] "Lamont for Governor – Ned's Plan for Connecticut," see section titled "Addressing Climate Change & Expanding Renewable Energy."

[2] Before distillation, there were 81 policy ideas identified from five working groups: Working Group A – Pursue Energy Conservation; Working Group B – Expand Renewable Energy, Modernize Our Grid, and Resiliency Against Rising Sea Level; Working Group C – Invest in Sustainable Transportation; Working Group D – Jobs and Workforce Development; and Working Group E – Pursue Regional Solutions.

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