



**Governor Ned Lamont
State of Connecticut**



FACT SHEET
2020 Legislative Session

**SENATE BILL 10
AN ACT CONCERNING CERTAIN RECOMMENDATIONS REGARDING CLIMATE CHANGE**

Summary of Proposal:

This proposal has three sections. Section 1 will protect and improve air quality and public health in Connecticut by authorizing DEEP to review, and if appropriate, adopt by regulation California's tailpipe emission standards applicable to new medium and heavy-duty vehicles in order to meet federal health-based air quality standards and state mandated greenhouse gas (GHG) reduction targets. Section 2 codifies the target included in Governor Lamont's Executive Order No. 3 to require a statewide zero carbon electric sector by 2040. Section 3 provides procurement authority for up to 300,000 megawatt hours of energy storage, demand response, and energy efficiency.

Reason for Proposal:

Climate change continues to accelerate and is increasingly impacting the residents and businesses of Connecticut. Governor Lamont recognizes the threat of climate change and seeks to take proactive measures that build on existing efforts in our state and on efforts being undertaken regionally.

Section 1: Additional emission reductions are needed for medium and heavy-duty vehicles to both reduce ground-level ozone (smog) and carbon emissions. The state of Connecticut fails to meet federal health-based standards for ground-level ozone (smog). Smog forms when air pollution from cars, trucks, buses and factories combine during warmer weather. In 2019 Connecticut experienced 21 days when monitored air quality levels exceeded health-based standards, resulting in significantly more poor air quality days than any other jurisdiction on the East Coast. As light-duty vehicles become cleaner, medium and heavy-duty vehicles are responsible for an increasing share of emissions. Without intervention, heavy-duty vehicles alone will account for over 66% of on-road smog forming air pollution in Connecticut by 2045. Connecticut is also required to reduce GHG emissions by 80% below 2001 levels by 2050. These targets are not achievable without emissions reductions from the medium and heavy-duty vehicle sector.

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Both the federal Environmental Protection Agency and the state of California are preparing cleaner standards for heavy-duty trucks. While the specifics of the proposals are not known at this time, it is anticipated that the California program will be more comprehensive and yield greater pollution reduction benefits much earlier than the federal program – even if the two programs are harmonized at a later date. Federal law generally preempts states from setting vehicle tailpipe standards, but California is granted special authority to do so. The federal Clean Air Act allows a state to follow either the California program or the federal program.

Connecticut has followed the California tailpipe program for light-duty vehicles since 2004, and, if this bill were to pass, would be equipped to also do so for medium and heavy-duty vehicles beginning no earlier than the 2024 model year. The states of California, Connecticut, Maine, Massachusetts, New Jersey, Oregon, Rhode Island, Vermont, and the District of Columbia signed a statement of intent on December 12, 2019 to signal their interest in regional adoption and implementation of the California Clean Trucks program, similar to the 2013 multi-state ZEV MOU.

Section 2: Provides a date by which Connecticut will no longer be reliant on natural gas and oil to power its electric grid, and ensures that zero carbon resources are increasingly powering the grid. Connecticut has already made significant progress in this effort, and decarbonizing the electric grid further will ensure that we get more GHG reductions from beneficial electrification of buildings and transportation, and investments in zero carbon electricity generation that support clean energy jobs across the state. This section codifies into statute a goal stated in Governor Lamont's Executive Order No. 3. Many of our peer states have, or are expected to, adopt similar goals. These states include California, Hawaii, Maine, New Mexico, Nevada, New York, Washington, and Rhode Island, along with D.C.

Section 3: In furtherance of the target established in Section 2, Section 3 allows the Department of Energy and Environmental Protection (DEEP) to procure up to 300,000 MWh of electricity (equivalent to approximately 1% of Connecticut's load) from active demand response measures, passive demand response measures, and energy storage systems. These resources are necessary to provide stability and reliability to the electric grid in all hours of the day as we increase the deployment of intermittent resources such as wind and solar.

Significant Impacts:

Section 1: If Connecticut does not adopt this bill, federal actions will continue to hamper the state's ability to comply with the national air quality standards for ozone.

Implementing California standards will result in annual reductions of smog-forming pollutants in Connecticut of approximately 2,400 tons/year in 2045.

Sections 2 and 3: Since 2012, DEEP has procured the equivalent of 80.2% of the load of the electric distribution companies from zero carbon resources, including the following resources:

- Energy and environmental attributes of solar, onshore wind, and energy efficiency equivalent to 54.8% of our electric distribution company load under contract;
- Energy and environmental attributes offshore wind equivalent to 14.4% of our electric distribution company load in ongoing contract negotiations; and
- Additional environmental attributes from Millstone equivalent to 11% of our electric distribution company load under contract.

The goal in Section 2 is critically important because it provides official direction to DEEP, PURA, the electric utilities, and others in planning and implementing energy policy. For example, following adoption of this legislation, the next version of the state's Integrated Resources Plan will accord with the 2040 goal.

Governor Lamont and his administration believe that the state of technology for carbon neutral electricity generation is evolving quickly. DEEP documents many of these technological improvements in its various annual reports. Given the state of technology improvement, a 2040 target for carbon neutral electricity generation is an achievable target.

The resources procured in Section 3, such as battery storage, energy efficiency and demand response, have the ability to perform in all hours of the day, and to balance intermittent, zero carbon resources such as wind and solar, so we can accelerate our transition from oil and natural gas to run our power grid.