

# SENATE BILL 678: Promote Clean Energy.

This Bill Analysis reflects the contents of the bill as it was presented in committee.

2023-2024 General Assembly

**Committee:** Senate Agriculture, Energy, and Environment. **Date:** April 19, 2023

If favorable, re-refer to Rules and Operations

of the Senate

Introduced by: Sens. P. Newton, B. Newton, Craven Prepared by: Jennifer McGinnis

Analysis of: First Edition Committee Counsel

#### **OVERVIEW:** Senate Bill 678 would:

o Change references across the statutes from "renewable energy" to "clean energy."

- Modify the definition of "renewable energy resource" (or, as would be changed by the bill, "clean energy resource") to provide that the term includes nuclear resources and fusion energy.
- o Add definitions for "fusion" and "fusion energy."
- Eliminate language limiting issuance of certificates of public convenience and necessity (CPCN) for nuclear facilities, and make additional modifications to that statute.

## **CURRENT LAW/BILL ANALYSIS:**

## **Section 1**

The term "renewable energy resource" is defined in the <u>statute establishing the State's Renewable Energy</u> Portfolio Standard (REPS) as follows:

"Renewable energy resource" means a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; waste heat derived from a renewable energy resource and used to produce electricity or useful, measurable thermal energy at a retail electric customer's facility; or hydrogen derived from a renewable energy resource. "Renewable energy resource" does not include peat, a fossil fuel, or nuclear energy resource."

Among other things, REPS requires electric power suppliers to provide a designated amount or percentage of power from renewable energy resources as a portion of their overall provision of electricity.

#### Section 1 of the bill would:

- Change all references to "renewable energy" (and variations of that term, including "renewable energy resource," etc.) throughout Chapter 62 of the General Statutes (Public Utilities) and several other statues outside of Chapter 62, to "clean energy."
- Modify the definition of "renewable energy resources" (which would become "clean energy resources," per the prior bullet) in the REPS statute to:

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# Senate Bill 678

### Page 2

- Include "nuclear energy resources, including an uprate to a nuclear energy facility" and "fusion energy."
- o Establish definitions for "fusion" and "fusion energy" as follows:
  - "Fusion" means a reaction in which at least one heavier, more stable nucleus is produced from two lighter, less stable nuclei, typically through high temperatures and pressures, emitting energy as a result.
  - "Fusion energy" means the product of fusion reactions inside a "fusion device," used for the purpose of generating electricity or other commercially usable forms of energy.

# Section 2

Section 2 would amend the statute governing issuance of CPCNs for electric generating facilities. The statute currently provides that a CPCN for the construction of a coal or **nuclear facility** can be granted only if the applicant demonstrates and the Commission finds that energy efficiency measures; demand-side management; renewable energy resource generation; combined heat and power generation; or any combination thereof, would not establish or maintain a more cost-effective and reliable generation system and that the construction and operation of the facility is in the public interest. The statute goes on to provide that in making this determination, the Commission must consider resource and fuel diversity and reasonably anticipated future operating costs.

#### Section 2 of the bill would:

- Eliminate the limitation applicable to issuance of a CPCN for a nuclear facility.
- Change the reference to "renewable energy" in the statute to "clean energy" in conformance with the changes made in Section 1.
- Add power quality, resource availability, dispatchability, capacity, and maintenance and decommissioning costs to the factors the Commission must consider when making its determination relative to issuance of a CPCN for construction of a coal facility.

**EFFECTIVE DATE:** The bill would be effective when it becomes law.