



House of Representatives

General Assembly

File No. 368

February Session, 2000

Substitute House Bill No. 5751

House of Representatives, April 3, 2000

The Committee on Government Administration and Elections reported through REP. KNOPP of the 137th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

An Act Concerning The Use Of Consultants By The Office Of Consumer Counsel.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subsection (a) of section 16-18a of the general statutes, as amended
2 by section 7 of public act 99-286, is repealed and the following is
3 substituted in lieu thereof:

4 (a) In the performance of their duties the Department of Public
5 Utility Control and the Office of Consumer Counsel may retain
6 consultants to assist their staff in proceedings before the department,
7 the Federal Energy Regulatory Commission, the Securities and
8 Exchange Commission, the Federal Trade Commission, the United
9 States Department of Justice or the Federal Communications
10 Commission or in proceedings appealing a decision of the department,
11 by providing expertise in areas in which staff expertise does not
12 currently exist or when necessary to supplement existing staff

13 expertise. In any case where the department or Office of Consumer
14 Counsel determines that the services of a consultant are necessary or
15 desirable, the department shall (1) allow opportunity for the parties
16 and participants to the proceeding for which the services of a
17 consultant are being considered to comment regarding the necessity or
18 desirability of such services, (2) upon the request of a party or
19 participant to the proceeding for which the services of a consultant are
20 being considered, hold a hearing, and (3) limit the reasonable and
21 proper expenses for such services to not more than two hundred
22 thousand dollars for each agency per proceeding involving a public
23 service company, telecommunications company, electric supplier or
24 person seeking certification to provide telecommunications services
25 pursuant to chapter 283, with more than fifteen thousand customers,
26 and to not more than fifty thousand dollars for each agency per
27 proceeding involving such a company, electric supplier or person with
28 less than fifteen thousand customers, provided the department or the
29 Office of Consumer Counsel may exceed such limits for good cause. In
30 the case of multiple proceedings conducted to implement the
31 provisions of this section and sections 16-1, 16-19, 16-19e, 16-22,
32 16-247a to 16-247c, inclusive, 16-247e to 16-247i, inclusive, 16-247k and
33 subsection (e) of 16-331, the department or the Office of Consumer
34 Counsel may exceed such limits, but the total amount for all such
35 proceedings shall not exceed the aggregate amount which would be
36 available pursuant to this section. All reasonable and proper expenses,
37 as defined in subdivision (3) of this section, shall be borne by the
38 affected company, electric supplier or person and shall be paid by such
39 company, electric supplier or person at such times and in such manner
40 as the department or the Office of Consumer Counsel directs. All
41 reasonable and proper costs and expenses, as defined in subdivision
42 (3) of this section, shall be recognized by the department for all
43 purposes as proper business expenses of the affected company, electric
44 supplier or person. The providers of consultant services shall be
45 selected by the department or the Office of Consumer Counsel and

46 shall submit written findings and recommendations to the department
47 or the Office of Consumer Counsel, as the case may be, which shall be
48 made part of the public record.

ET Committee Vote: Yea 16 Nay 0 JFS C/R GAE

GAE Committee Vote: Yea 21 Nay 0 JF

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Public Utility Control, Office of Consumer Counsel

Municipal Impact: None

Explanation

State Impact:

The bill permits the Office of Consumer Counsel (OCC) and the Department of Public Utility Control (DPUC) to retain consultants for proceedings before certain federal agencies and for appeals of DPUC decisions. The consultant costs, which are limited by current law, must be paid by the affected company as specified by either the DPUC or OCC. Thus, there is no fiscal impact to either the DPUC or OCC.

OLR Bill Analysis

sHB 5751

AN ACT CONCERNING THE USE OF CONSULTANTS BY THE OFFICE OF CONSUMER COUNSEL.

SUMMARY:

This bill broadens the authority of the Department of Public Utility Control (DPUC) and the Office of Consumer Counsel (OCC) to retain consultants to provide expertise in areas where staff expertise does not exist or is insufficient. By law, the agencies can retain consultants for proceedings before DPUC. The bill allows either agency to retain consultants for proceedings before several federal agencies or appeals of DPUC decisions. The agencies are the Federal Energy Regulatory Commission, the Securities and Exchange Commission, the Federal Trade Commission, the Department of Justice, and the Federal Communications Commission. The bill subjects the retention of the consultants in these proceedings to the requirements and limitations that apply under current law.

EFFECTIVE DATE: October 1, 2000

REQUIREMENTS AND LIMITATIONS ON RETAINING CONSULTANTS

By law, if either agency determines that retaining a consultant is necessary or desirable, DPUC must:

1. give the parties and other participants in the proceeding an opportunity to comment, and
2. hold a hearing if a party or other participant requests one.

The relevant agency chooses the consultant, who must submit written findings and recommendations to the agency, which must become part of the record.

The affected company must pay the consultant's reasonable and proper costs at the time and in the manner the agency specifies. DPUC must recognize these costs as proper business expenses for the company.

DPUC must limit the consultant's cost to \$50,000 per agency per proceeding if the affected company has fewer than 15,000 customers and \$200,000 per agency per proceeding for larger companies. These limits apply to proceedings involving utility and telecommunications companies, electric suppliers, and entities seeking certification to provide telecommunications services. DPUC or OCC can exceed these limits for good cause. In cases involving multiple proceedings to implement the laws governing telecommunications competition and rate cases, the per proceeding limits do not apply, but the total amount available for consultants remains the same.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute Change of Reference

Yea 16 Nay 0

Government Administration and Elections Committee

Joint Favorable Report

Yea 21 Nay 0