



# House of Representatives

## File No. 771

General Assembly

January Session, 2003

**(Reprint of File No. 481)**

Substitute House Bill No. 6508  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 23, 2003

### **AN ACT CONCERNING LONG-TERM PLANNING FOR ENERGY FACILITIES.**

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

1 Section 1. Section 16-50g of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2003*):

3 The legislature finds that power generating plants and transmission  
4 lines for electricity and fuels, community antenna television towers  
5 and telecommunication towers have had a significant impact on the  
6 environment and ecology of the state of Connecticut; and that  
7 continued operation and development of such power plants, lines and  
8 towers, if not properly planned and controlled, could adversely affect  
9 the quality of the environment, the ecological, scenic, historic and  
10 recreational values of the state. The purposes of this chapter are: To  
11 provide for the balancing of the need for adequate and reliable public  
12 utility services at the lowest reasonable cost to consumers with the  
13 need to protect the environment and ecology of the state and to  
14 minimize damage to scenic, historic, and recreational values; to  
15 provide environmental quality standards and criteria for the location,

16 design, construction and operation of facilities for the furnishing of  
17 public utility services at least as stringent as the federal environmental  
18 quality standards and criteria, and technically sufficient to assure the  
19 welfare and protection of the people of the state; to encourage research  
20 to develop new and improved methods of generating, storing and  
21 transmitting electricity and fuel and of transmitting and receiving  
22 television and telecommunications with minimal damage to the  
23 environment and other values described above; to promote energy  
24 security; to promote the sharing of towers for fair consideration  
25 wherever technically, legally, environmentally and economically  
26 feasible to avoid the unnecessary proliferation of towers in the state  
27 particularly where installation of such towers would adversely impact  
28 class I and II watershed lands, and aquifers; to require annual forecasts  
29 of the demand for electric power, together with identification and  
30 advance planning of the facilities needed to supply that demand and  
31 to facilitate local, regional, state-wide and interstate planning to  
32 implement the foregoing purposes.

33 Sec. 2. Subsection (a) of section 16-50i of the general statutes is  
34 repealed and the following is substituted in lieu thereof (*Effective*  
35 *October 1, 2004*):

36 (a) "Facility" means: (1) An electric transmission line of a design  
37 capacity of sixty-nine kilovolts or more, including associated  
38 equipment but not including a transmission line tap, as defined in  
39 subsection (e) of this section; (2) a fuel transmission facility, except a  
40 gas transmission line having a design capability of less than two  
41 hundred pounds per square inch gauge pressure; (3) any electric  
42 generating or storage facility using any fuel, including nuclear  
43 materials, including associated equipment for furnishing electricity but  
44 not including an emergency generating device, as defined in  
45 subsection (f) of this section or a facility (i) owned and operated by a  
46 private power producer, as defined in section 16-243b, (ii) which is a  
47 qualifying small power production facility or a qualifying  
48 cogeneration facility under the Public Utility Regulatory Policies Act of  
49 1978, as amended, or a facility determined by the council to be

50 primarily for a producer's own use, and (iii) which has, in the case of a  
51 facility utilizing renewable energy sources, a generating capacity of  
52 one megawatt of electricity or less and, in the case of a facility utilizing  
53 cogeneration technology, a generating capacity of twenty-five  
54 megawatts of electricity or less; (4) any electric substation or  
55 switchyard designed to change or regulate the voltage of electricity at  
56 sixty-nine kilovolts or more or to connect two or more electric circuits  
57 at such voltage, which substation or switchyard may have a substantial  
58 adverse environmental effect, as determined by the council established  
59 under section 16-50j, and other facilities which may have a substantial  
60 adverse environmental effect as the council may, by regulation,  
61 prescribe; (5) such community antenna television towers and head-end  
62 structures, including associated equipment, which may have a  
63 substantial adverse environmental effect, as said council shall, by  
64 regulation, prescribe; [and] (6) such telecommunication towers,  
65 including associated telecommunications equipment, owned or  
66 operated by the state, a public service company or a certified  
67 telecommunications provider or used in a cellular system, as defined  
68 in the Code of Federal Regulations Title 47, Part 22, as amended, which  
69 may have a substantial adverse environmental effect, as said council  
70 shall, by regulation, prescribe; and (7) any component of a proposal  
71 submitted pursuant to the request-for-proposal process.

72 Sec. 3. Section 16-50i of the general statutes is amended by adding  
73 subsection (g) as follows (*Effective October 1, 2004*):

74 (NEW) (g) "Request-for-proposal process" or "request-for-proposal"  
75 means the process set forth in section 19 of this act.

76 Sec. 4. Subsection (a) of section 16-50l of the general statutes is  
77 repealed and the following is substituted in lieu thereof (*Effective July*  
78 *1, 2003*):

79 (a) To initiate a certification proceeding, an applicant for a certificate  
80 shall file with the council an application, in such form as the council  
81 may prescribe, accompanied by a filing fee of not more than twenty-

82 five thousand dollars, which fee shall be established in accordance  
83 with section 16-50t, [containing] and a municipal participation fee of  
84 twenty-five thousand dollars to be deposited in the account  
85 established pursuant to section 15 of this act, except that an application  
86 for a facility described in subdivision (5) or (6) of subsection (a) of  
87 section 16-50i, as amended by this act, shall not pay such municipal  
88 participation fee. An application shall contain such information as the  
89 applicant may consider relevant and the council or any department or  
90 agency of the state exercising environmental controls may by  
91 regulation require, including the following information:

92 (1) In the case of facilities described in subdivisions (1), (2) and (4) of  
93 subsection (a) of section 16-50i, as amended by this act: (A) A  
94 description, including estimated costs, of the proposed transmission  
95 line, substation or switchyard, covering, where applicable  
96 underground cable sizes and specifications, overhead tower design  
97 and appearance and heights, if any, conductor sizes, and initial and  
98 ultimate voltages and capacities; (B) a statement and full explanation  
99 of why the proposed transmission line, substation or switchyard is  
100 necessary and how the facility conforms to a long-range plan for  
101 expansion of the electric power grid serving the state and  
102 interconnected utility systems, that will serve the public need for  
103 adequate, reliable and economic service; (C) a map of suitable scale of  
104 the proposed routing or site, showing details of the rights-of-way or  
105 site in the vicinity of settled areas, parks, recreational areas and scenic  
106 areas, and showing existing transmission lines within one mile of the  
107 proposed route or site; (D) justification for adoption of the route or site  
108 selected, including comparison with alternative routes or sites which  
109 are environmentally, technically and economically practical; (E) a  
110 description of the effect of the proposed transmission line, substation  
111 or switchyard on the environment, ecology, and scenic, historic and  
112 recreational values; (F) a justification for overhead portions, if any,  
113 including life-cycle cost studies comparing overhead alternatives with  
114 underground alternatives, and effects described in [subdivision]  
115 subparagraph (E) of this subdivision of undergrounding; (G) a

116 schedule of dates showing the proposed program of right-of-way or  
117 property acquisition, construction, completion and operation; and (H)  
118 identification of each federal, state, regional, district and municipal  
119 agency with which proposed route or site reviews have been  
120 undertaken, including a copy of each written agency position on such  
121 route or site; and

122 (2) [in] In the case of facilities described in subdivision (3) of  
123 subsection (a) of section 16-50i, as amended by this act: (A) A  
124 description of the proposed electric generating or storage facility; (B) a  
125 statement and full explanation of why the proposed facility is  
126 necessary; (C) a statement of loads and resources as described in  
127 section 16-50r; (D) safety and reliability information, including  
128 planned provisions for emergency operations and shutdowns; (E)  
129 estimated cost information, including plant costs, fuel costs, plant  
130 service life and capacity factor, and total generating cost per kilowatt-  
131 hour, both at the plant and related transmission, and comparative costs  
132 of alternatives considered; (F) a schedule showing the program for  
133 design, material acquisition, construction and testing, and operating  
134 dates; (G) available site information, including maps and description  
135 and present and proposed development, and geological, scenic,  
136 ecological, seismic, biological, water supply, population and load  
137 center data; (H) justification for adoption of the site selected, including  
138 comparison with alternative sites; (I) design information, including  
139 description of facilities, plant efficiencies, electrical connections to  
140 system, and control systems; (J) description of provisions, including  
141 devices and operations, for mitigation of the effect of the operation of  
142 the facility on air and water quality, for waste disposal, and for noise  
143 abatement, and information on other environmental aspects; (K) a  
144 listing of federal, state, regional, district and municipal agencies from  
145 which approvals either have been obtained or will be sought covering  
146 the proposed facility, copies of approvals received and the planned  
147 schedule for obtaining those approvals not yet received.

148 Sec. 5. Subsection (a) of section 16-50l of the general statutes, as  
149 amended by section 4 of this act, is repealed and the following is

150 substituted in lieu thereof (*Effective December 1, 2004*):

151 (a) (1) To initiate a certification proceeding, an applicant for a  
152 certificate shall file with the council an application, in such form as the  
153 council may prescribe, accompanied by a filing fee of not more than  
154 twenty-five thousand dollars, which fee shall be established in  
155 accordance with section 16-50t, and a municipal participation fee of  
156 twenty-five thousand dollars to be deposited in the account  
157 established pursuant to section 15 of this act, except that an application  
158 for a facility described in subdivision (5) or (6) of subsection (a) of  
159 section 16-50i, as amended by this act, shall not pay such municipal  
160 participation fee. An application shall contain such information as the  
161 applicant may consider relevant and the council or any department or  
162 agency of the state exercising environmental controls may by  
163 regulation require, including the following information:

164 [(1)] (A) In the case of facilities described in subdivisions (1), (2) and  
165 (4) of subsection (a) of section 16-50i, as amended by this act: [(A)] (i) A  
166 description, including estimated costs, of the proposed transmission  
167 line, substation or switchyard, covering, where applicable  
168 underground cable sizes and specifications, overhead tower design  
169 and appearance and heights, if any, conductor sizes, and initial and  
170 ultimate voltages and capacities; [(B)] (ii) a statement and full  
171 explanation of why the proposed transmission line, substation or  
172 switchyard is necessary and how the facility conforms to a long-range  
173 plan for expansion of the electric power grid serving the state and  
174 interconnected utility systems, that will serve the public need for  
175 adequate, reliable and economic service; [(C)] (iii) a map of suitable  
176 scale of the proposed routing or site, showing details of the rights-of-  
177 way or site in the vicinity of settled areas, parks, recreational areas and  
178 scenic areas, and showing existing transmission lines within one mile  
179 of the proposed route or site; [(D)] (iv) justification for adoption of the  
180 route or site selected, including comparison with alternative routes or  
181 sites which are environmentally, technically and economically  
182 practical; [(E)] (v) a description of the effect of the proposed  
183 transmission line, substation or switchyard on the environment,

184 ecology, and scenic, historic and recreational values; [(F)] (vi) a  
185 justification for overhead portions, if any, including life-cycle cost  
186 studies comparing overhead alternatives with underground  
187 alternatives, and effects described in [subparagraph (E)] (v) of this  
188 [subdivision] subparagraph of undergrounding; [(G)] (vii) a schedule  
189 of dates showing the proposed program of right-of-way or property  
190 acquisition, construction, completion and operation; and [(H)] (viii)  
191 identification of each federal, state, regional, district and municipal  
192 agency with which proposed route or site reviews have been  
193 undertaken, including a copy of each written agency position on such  
194 route or site; and

195 [(2)] (B) In the case of facilities described in subdivision (3) of  
196 subsection (a) of section 16-50i, as amended by this act: [(A)] (i) A  
197 description of the proposed electric generating or storage facility; [(B)]  
198 (ii) a statement and full explanation of why the proposed facility is  
199 necessary; [(C)] (iii) a statement of loads and resources as described in  
200 section 16-50r; [(D)] (iv) safety and reliability information, including  
201 planned provisions for emergency operations and shutdowns; [(E)] (v)  
202 estimated cost information, including plant costs, fuel costs, plant  
203 service life and capacity factor, and total generating cost per kilowatt-  
204 hour, both at the plant and related transmission, and comparative costs  
205 of alternatives considered; [(F)] (vi) a schedule showing the program  
206 for design, material acquisition, construction and testing, and  
207 operating dates; [(G)] (vii) available site information, including maps  
208 and description and present and proposed development, and  
209 geological, scenic, ecological, seismic, biological, water supply,  
210 population and load center data; [(H)] (viii) justification for adoption  
211 of the site selected, including comparison with alternative sites; [(I)]  
212 (ix) design information, including description of facilities, plant  
213 efficiencies, electrical connections to system, and control systems; [(J)]  
214 (x) description of provisions, including devices and operations, for  
215 mitigation of the effect of the operation of the facility on air and water  
216 quality, for waste disposal, and for noise abatement, and information  
217 on other environmental aspects; [(K)] (xi) a listing of federal, state,

218 regional, district and municipal agencies from which approvals either  
219 have been obtained or will be sought covering the proposed facility,  
220 copies of approvals received and the planned schedule for obtaining  
221 those approvals not yet received.

222 (2) On or after December 1, 2004, the filing of an application  
223 pursuant to subdivision (1) of this subsection shall initiate the request-  
224 for-proposal process, except for an application for a facility described  
225 in subdivision (5) or (6) of subsection (a) of section 16-50i, as amended  
226 by this act.

227 (3) Notwithstanding the provisions of this subsection, an entity that  
228 has submitted a proposal pursuant to the request-for-proposal process  
229 may initiate a certification proceeding by filing with the council an  
230 application containing the information required pursuant to this  
231 section, accompanied by a filing fee of not more than twenty-five  
232 thousand dollars, which fee shall be established in accordance with  
233 section 16-50t, and a municipal participation fee of twenty-five  
234 thousand dollars to be deposited in the account established pursuant  
235 to section 15 of this act, not later than thirty days after the Connecticut  
236 Energy Advisory Board performs the evaluation process pursuant to  
237 subsection (f) of section 19 of this act.

238 Sec. 6. Subsection (a) of section 16-50k of the general statutes is  
239 repealed and the following is substituted in lieu thereof (*Effective from*  
240 *passage*):

241 (a) Except as provided in subsection (b) of section 16-50z, no person  
242 shall exercise any right of eminent domain in contemplation of,  
243 commence the preparation of the site for, or commence the  
244 construction or supplying of a facility, or commence any modification  
245 of a facility, that may, as determined by the council, have a substantial  
246 adverse environmental effect in the state without having first obtained  
247 a certificate of environmental compatibility and public need,  
248 hereinafter referred to as a "certificate", issued with respect to such  
249 facility or modification by the council, except fuel cells with a

250 generating capacity of ten kilowatts or less which shall not require  
251 such certificate. Any facility with respect to which a certificate is  
252 required shall thereafter be built, maintained and operated in  
253 conformity with such certificate and any terms, limitations or  
254 conditions contained therein. Notwithstanding the provisions of this  
255 [subsection] chapter or title 16a, the council shall, in the exercise of its  
256 jurisdiction over the siting of generating facilities, approve by  
257 declaratory ruling (1) the construction of a facility solely for the  
258 purpose of generating electricity, other than an electric generating  
259 facility that uses nuclear materials or coal as fuel, at a site where an  
260 electric generating facility operated prior to July 1, 1998, [and] (2) the  
261 construction or location of any fuel cell, unless the council finds a  
262 substantial adverse environmental effect, and (3) the siting of  
263 temporary generation solicited by the Department of Public Utility  
264 Control pursuant to section 17 of substitute senate bill 733 of the  
265 current session.

266 Sec. 7. Subsection (e) of section 16-50l of the general statutes is  
267 repealed and the following is substituted in lieu thereof (*Effective*  
268 *October 1, 2004*):

269 (e) [At] Except as provided in subsection (e) of section 19 of this act,  
270 at least sixty days prior to the filing of [any] an application with the  
271 council, the applicant shall consult with the municipality in which the  
272 facility may be located and with any other municipality required to be  
273 served with a copy of the application under subdivision (1) of  
274 subsection (b) of this section concerning the proposed and alternative  
275 sites of the facility. For a facility described in subdivisions (1) to (4),  
276 inclusive, of subsection (a) of section 16-50i, as amended by this act, the  
277 applicant shall submit to the Connecticut Energy Advisory Board the  
278 same information that it provides to a municipality pursuant to this  
279 subsection on the same day of the consultation with the municipality.  
280 Such consultation with the municipality shall include, but not be  
281 limited to good faith efforts to meet with the chief elected official of the  
282 municipality. At the time of the consultation, the applicant shall  
283 provide the chief elected official with any technical reports concerning

284 the public need, the site selection process and the environmental  
285 effects of the proposed facility. The municipality may conduct public  
286 hearings and meetings as it deems necessary for it to advise the  
287 applicant of its recommendations concerning the proposed facility.  
288 Within sixty days of the initial consultation, the municipality shall  
289 issue its recommendations to the applicant. No later than fifteen days  
290 after submitting [the] an application to the council, the applicant shall  
291 provide to the council all materials provided to the municipality and a  
292 summary of the consultations with the municipality including all  
293 recommendations issued by the municipality.

294 Sec. 8. Subsection (a) of section 16-50m of the general statutes is  
295 repealed and the following is substituted in lieu thereof (*Effective*  
296 *October 1, 2004*):

297 (a) [Upon the receipt of an application for a certificate complying  
298 with section 16-50l, the council shall promptly fix a commencement  
299 date and location for a public hearing thereon not less than thirty days  
300 nor more than one hundred fifty days after such receipt.] The council  
301 shall promptly fix a commencement date and location for a public  
302 hearing on an application for a certificate complying with section 16-  
303 50l, as amended by this act, (1) where no proposals are received  
304 pursuant to the request-for-proposal process, not less than thirty days  
305 after the deadline for submission of such proposals nor more than sixty  
306 days after such deadline; (2) where a proposal is received pursuant to  
307 the request-for-proposal process, not less than thirty days after the  
308 deadline of submission of an application pursuant to subdivision (3) of  
309 subsection (a) of section 16-50l, as amended by this act, nor more than  
310 sixty days after such deadline; or (3) where the application is for a  
311 facility described in subdivision (5) or (6) of subsection (a) of section  
312 16-50i, as amended by this act, not less than thirty days after receipt of  
313 an application nor more than one hundred fifty days after such receipt.  
314 Applications that are common to a request-for-proposal shall be heard  
315 under a consolidated public hearing process. At least one session of  
316 such hearing shall be held at a location selected by the council in the  
317 county in which the facility or any part thereof is to be located after

318 six-thirty p.m. for the convenience of the general public. After holding  
319 at least one hearing session in the county in which the facility or any  
320 part thereof is to be located, the council may, in its discretion, hold  
321 additional hearing sessions at other locations. If the proposed facility is  
322 to be located in more than one county, the council shall fix the location  
323 for at least one public hearing session in whichever county it  
324 determines is most appropriate, provided the council may hold  
325 hearing sessions in more than one county.

326 Sec. 9. Section 16-50o of the general statutes is repealed and the  
327 following is substituted in lieu thereof (*Effective October 1, 2004*):

328 (a) A record shall be made of the hearing and of all testimony taken  
329 and the cross-examinations thereon. Every party or group of parties as  
330 provided in section 16-50n shall have the right to present such oral or  
331 documentary evidence and to conduct such cross-examination as may  
332 be required for a full and true disclosure of the facts.

333 (b) The applicant shall submit into the record the full text of the  
334 terms of any agreement, and a statement of any consideration therefor,  
335 if not contained in such agreement, entered into by the applicant and  
336 any party to the certification proceeding, or any third party, in  
337 connection with the construction or operation of the facility. This  
338 provision shall not require the public disclosure of proprietary  
339 information or trade secrets.

340 (c) The results of the evaluation process pursuant to subsection (f) of  
341 section 19 of this act shall be part of the record, where applicable.

342 ~~[(b)]~~ (d) A copy of the record shall be available at all reasonable  
343 times for examination by the public without cost at the principal office  
344 of the council. A copy of the transcript of testimony at the hearing shall  
345 be filed at an appropriate public office, as determined by the council,  
346 in each county in which the facility or any part thereof is proposed to  
347 be located.

348 Sec. 10. Subsection (a) of section 16-50p of the general statutes is

349 repealed and the following is substituted in lieu thereof (*Effective July*  
350 *1, 2003, and applicable to applications for a certificate of environmental*  
351 *compatibility and public need filed after July 1, 2003*):

352 (a) In a certification proceeding, the council shall render a decision  
353 upon the record either granting or denying the application as filed, or  
354 granting it upon such terms, conditions, limitations or modifications of  
355 the construction or operation of the facility as the council may deem  
356 appropriate. The council's decision shall be rendered within twelve  
357 months of the filing of an application concerning a facility described in  
358 subdivision (1) or (2) of subsection (a) of section 16-50i or subdivision  
359 (4) of said subsection (a) if the application was incorporated in an  
360 application concerning a facility described in subdivision (1) of said  
361 subsection (a), and within one hundred eighty days of the filing of any  
362 other application concerning a facility described in subdivision (4) of  
363 said subsection (a), and an application concerning a facility described  
364 in subdivision (3), (5) or (6) of said subsection (a), provided such time  
365 periods may be extended by the council by not more than one hundred  
366 eighty days with the consent of the applicant. The council shall file,  
367 with its order, an opinion stating in full its reasons for the decision.  
368 Except as provided in subsection (c) of this section, the council shall  
369 not grant a certificate, either as proposed or as modified by the council,  
370 unless it shall find and determine: (1) A public need for the facility and  
371 the basis of the need taking into consideration other feasible and  
372 prudent alternatives provided to the council by a party or intervenor  
373 that address the same public need; (2) the nature of the probable  
374 environmental impact of the facility, or a feasible and prudent  
375 alternative provided to the council by a party or intervenor, alone and  
376 cumulatively with other existing facilities, including a specification of  
377 every significant adverse effect, whether alone or cumulatively with  
378 other effects, on, and conflict with the policies of the state concerning,  
379 the natural environment, ecological balance, public health and safety,  
380 scenic, historic and recreational values, forests and parks, air and  
381 water purity and fish, aquaculture and wildlife; (3) why the adverse  
382 effects or conflicts referred to in subdivision (2) of this subsection are

383 not sufficient reason to deny the application, including why other  
384 feasible and prudent alternatives with less adverse effects or fewer  
385 conflicts that are provided to the council by a party or intervenor do  
386 not address the same public need; (4) in the case of an electric  
387 transmission line, (A) what part, if any, of the facility shall be located  
388 overhead, (B) that the facility conforms to a long-range plan for  
389 expansion of the electric power grid of the electric systems serving the  
390 state and interconnected utility systems and will serve the interests of  
391 electric system economy and reliability, and (C) that the overhead  
392 portions, if any, of the facility, [if any] or a feasible and prudent  
393 alternative provided to the council by a party intervenor, are cost  
394 effective and the most appropriate alternative based on a life-cycle cost  
395 analysis of the facility and underground alternatives to such facility,  
396 and are consistent with the purposes of this chapter, with such  
397 regulations as the council may adopt pursuant to subsection (a) of  
398 section 16-50t, and with the Federal Power Commission "Guidelines  
399 for the Protection of Natural Historic Scenic and Recreational Values in  
400 the Design and Location of Rights-of-Way and Transmission Facilities"  
401 or any successor guidelines and any other applicable federal  
402 guidelines; (5) in the case of an electric or fuel transmission line, that  
403 the location of the line will not pose an undue hazard to persons or  
404 property along the area traversed by the line. The terms of any  
405 agreement entered into by the applicant and any party to the  
406 certification proceeding, or any third party, in connection with the  
407 construction or operation of the facility, shall be part of the record of  
408 the proceedings and available for public inspection. The full text of any  
409 such agreement, and a statement of any consideration therefor, if not  
410 contained in the agreement, shall be filed with the council prior to the  
411 council's decision. This provision shall not require the public  
412 disclosure of proprietary information or trade secrets.

413 Sec. 11. Subsection (a) of section 16-50p of the general statutes, as  
414 amended by section 10 of this act, is repealed and the following is  
415 substituted in lieu thereof (*Effective October 1, 2004*):

416 (a) (1) In a certification proceeding, the council shall render a

417 decision upon the record either granting or denying the application as  
418 filed, or granting it upon such terms, conditions, limitations or  
419 modifications of the construction or operation of the facility as the  
420 council may deem appropriate.

421 (2) The council's decision shall be rendered [within] in accordance  
422 with the following:

423 (A) Not later than twelve months [of the filing of an application  
424 concerning] after the deadline for filing an application following the  
425 request-for-proposal process for a facility described in subdivision (1)  
426 or (2) of subsection (a) of section 16-50i, as amended by this act, or  
427 subdivision (4) of said subsection (a) if the application was  
428 incorporated in an application concerning a facility described in  
429 subdivision (1) of said subsection (a); [, and within]

430 (B) Not later than one hundred eighty days [of the filing of any  
431 other application concerning] after the deadline for filing an  
432 application following the request-for-proposal process for a facility  
433 described in subdivision (4) of said subsection (a), and an application  
434 concerning a facility described in subdivision (3) [, (5) or (6)] of said  
435 subsection (a), provided such time periods may be extended by the  
436 council by not more than one hundred eighty days with the consent of  
437 the applicant; and

438 (C) Not later than one hundred eighty days after the filing of an  
439 application for a facility described in subdivision (5) or (6) of said  
440 subsection (a), provided such time period may be extended by the  
441 council by not more than one hundred eighty days with the consent of  
442 the applicant.

443 (3) The council shall file, with its order, an opinion stating in full its  
444 reasons for the decision. Except as provided in subsection (c) of this  
445 section, the council shall not grant a certificate, either as proposed or as  
446 modified by the council, unless it shall find and determine:

447 [(1)] (A) A public need for the facility and the basis of the need;

448 [taking into consideration other feasible and prudent alternatives  
449 provided to the council by a party or intervenor that address the same  
450 public need;]

451 [(2) the] (B) The nature of the probable environmental impact of the  
452 facility [, or a feasible and prudent alternative provided to the council  
453 by a party intervenor,] alone and cumulatively with other existing  
454 facilities, including a specification of every significant adverse effect,  
455 whether alone or cumulatively with other effects, on, and conflict with  
456 the policies of the state concerning, the natural environment, ecological  
457 balance, public health and safety, scenic, historic and recreational  
458 values, forests and parks, air and water purity and fish, aquaculture  
459 and wildlife;

460 [(3) why] (C) Why the adverse effects or conflicts referred to in  
461 [subdivision (2) of this subsection] subparagraph (B) of this  
462 subdivision are not sufficient reason to deny the application; [,  
463 including why other feasible and prudent alternatives with less  
464 adverse effects or fewer conflicts that are provided to the council by a  
465 party or intervenor do not address the same public need;]

466 [(4) in] (D) In the case of an electric transmission line, [(A)] (i) what  
467 part, if any, of the facility shall be located overhead, [(B)] (ii) that the  
468 facility conforms to a long-range plan for expansion of the electric  
469 power grid of the electric systems serving the state and interconnected  
470 utility systems and will serve the interests of electric system economy  
471 and reliability, and [(C)] (iii) that the overhead portions, if any, of the  
472 facility [, or a feasible and prudent alternative provided to the council  
473 by a party intervenor,] are cost effective and the most appropriate  
474 alternative based on a life-cycle cost analysis of the facility and  
475 underground alternatives to such facility, and are consistent with the  
476 purposes of this chapter, with such regulations as the council may  
477 adopt pursuant to subsection (a) of section 16-50t, and with the Federal  
478 Power Commission "Guidelines for the Protection of Natural Historic  
479 Scenic and Recreational Values in the Design and Location of Rights-  
480 of-Way and Transmission Facilities" or any successor guidelines and

481 any other applicable federal guidelines;

482 [(5) in] (E) In the case of an electric or fuel transmission line, that the  
483 location of the line will not pose an undue hazard to persons or  
484 property along the area traversed by the line; and

485 (F) In the case of an application that was heard under a consolidated  
486 hearing process with other applications that were common to a  
487 request-for-proposal, that the facility proposed in the subject  
488 application represents the most appropriate alternative among such  
489 applications based on the findings and determinations pursuant to this  
490 subsection.

491 [The terms of any agreement entered into by the applicant and any  
492 party to the certification proceeding, or any third party, in connection  
493 with the construction or operation of the facility, shall be part of the  
494 record of the proceedings and available for public inspection. The full  
495 text of any such agreement, and a statement of any consideration  
496 therefor, if not contained in the agreement, shall be filed with the  
497 council prior to the council's decision. This provision shall not require  
498 the public disclosure of proprietary information or trade secrets.]

499 Sec. 12. Subsection (c) of section 16-50p of the general statutes is  
500 repealed and the following is substituted in lieu thereof (*Effective July*  
501 *1, 2003, and applicable to applications for a certificate of environmental*  
502 *compatibility and public need filed after July 1, 2003*):

503 (c) (1) The council shall not grant a certificate for a facility described  
504 in subdivision (3) of subsection (a) of section 16-50i, either as proposed  
505 or as modified by the council, unless it finds and determines: (A) A  
506 public benefit for the facility; (B) the nature of the probable  
507 environmental impact, including a specification of every significant  
508 adverse and beneficial effect that, whether alone or cumulatively with  
509 other effects, conflicts with the policies of the state concerning the  
510 natural environment, ecological balance, public health and safety,  
511 scenic, historic and recreational values, forests and parks, air and  
512 water purity and fish and wildlife; and (C) why the adverse effects or

513 conflicts referred to in subparagraph (B) of this subdivision are not  
514 sufficient reason to deny the application. For purposes of  
515 subparagraph (A) of this subdivision, a public benefit exists if such a  
516 facility is necessary for the reliability of the electric power supply of  
517 the state or for a competitive market for electricity.

518 (2) The council shall not grant a certificate for a facility described in  
519 subdivision (1) of subsection (a) of section 16-50i which is substantially  
520 underground or underwater except where such facilities interconnect  
521 with existing overhead facilities, either as proposed or as modified by  
522 the council, unless it finds and determines:

523 (A) A public benefit for the facility, in the case of such facility that is  
524 substantially underground, and a public need for such facility, in the  
525 case of such facility that is substantially underwater, taking into  
526 consideration other feasible and prudent alternatives provided to the  
527 council by a party or intervenor that address the same public need or  
528 public benefit, as applicable;

529 (B) [the] The nature of the probable environmental impact of the  
530 facility, or a feasible and prudent alternative provided to the council  
531 by a party intervenor, alone and cumulatively with other existing  
532 facilities, including a specification of every single adverse and  
533 beneficial effect that, whether alone or cumulatively with other effects,  
534 conflict with the policies of the state concerning the natural  
535 environment, ecological balance, public health and safety, scenic,  
536 historic and recreational values, forests and parks, air and purity and  
537 fish and wildlife;

538 (C) [why] Why the adverse effects or conflicts referred to in  
539 subparagraph (B) of this subdivision are not sufficient reason to deny  
540 the application, including why other feasible and prudent alternatives  
541 with less adverse effects and fewer conflicts that were provided to the  
542 council by a party or intervenor do not address the same public need  
543 or public benefit, as applicable;

544 (D) [in] In the case of a new electric transmission line, (i) what part,

545 if any, of the facility shall be located overhead, (ii) that the facility  
546 conforms to a long-range plan for expansion of the electric power grid  
547 of the electric systems serving the state and interconnected utility  
548 systems and will serve the interests of electric system economy and  
549 reliability, and (iii) that the overhead portions of the facility, if any, are  
550 cost-effective and the most appropriate alternative based on a life-cycle  
551 cost analysis of the facility and underground alternatives to such  
552 facility and are consistent with the purposes of this chapter, with such  
553 regulations as the council may adopt pursuant to subsection (a) of  
554 section 16-50t, and with the Federal Energy Regulatory Commission  
555 "Guidelines For the Protection of Natural Historic Scenic and  
556 Recreational Values in the Design and Location of Rights-of-Way and  
557 Transmission Facilities" or any other successor guidelines and any  
558 other applicable federal guidelines; and

559 (E) [in] In the case of an electric or fuel transmission line, that the  
560 location of the line will not pose an undue hazard to persons or  
561 property along the area traversed by the line. For purposes of  
562 subparagraph (A) of this subdivision, a public benefit exists if such a  
563 facility is necessary for the reliability of the electric power supply of  
564 the state or for the development of a competitive market for electricity.

565 Sec. 13. Subsection (c) of section 16-50p of the general statutes, as  
566 amended by section 12 of this act, is repealed and the following is  
567 substituted in lieu thereof (*Effective October 1, 2004*):

568 (c) (1) The council shall not grant a certificate for a facility described  
569 in subdivision (3) of subsection (a) of section 16-50i, either as proposed  
570 or as modified by the council, unless it finds and determines: (A) A  
571 public benefit for the facility; (B) the nature of the probable  
572 environmental impact, including a specification of every significant  
573 adverse and beneficial effect that, whether alone or cumulatively with  
574 other effects, conflicts with the policies of the state concerning the  
575 natural environment, ecological balance, public health and safety,  
576 scenic, historic and recreational values, forests and parks, air and  
577 water purity and fish and wildlife; [and] (C) why the adverse effects or

578 conflicts referred to in subparagraph (B) of this subdivision are not  
579 sufficient reason to deny the application; and (D) in the case of an  
580 application that was heard under a consolidated hearing process with  
581 other applications that were common to a request-for-proposal, that  
582 the facility proposed in the subject application represents the most  
583 appropriate alternative among such applications based on the findings  
584 and determinations pursuant to this subdivision. For purposes of  
585 subparagraph (A) of this subdivision, a public benefit exists if such a  
586 facility is necessary for the reliability of the electric power supply of  
587 the state or for a competitive market for electricity.

588 (2) The council shall not grant a certificate for a facility described in  
589 subdivision (1) of subsection (a) of section 16-50i which is substantially  
590 underground or underwater except where such facilities interconnect  
591 with existing overhead facilities, either as proposed or as modified by  
592 the council, unless it finds and determines:

593 (A) A public benefit for the facility, in the case of such facility that is  
594 substantially underground, and a public need for such facility, in the  
595 case of such facility that is substantially underwater; [taking into  
596 consideration other feasible and prudent alternatives provided to the  
597 council by a party or intervenor that address the same public need or  
598 public benefit, as applicable;]

599 (B) The nature of the probable environmental impact of the facility [,  
600 or a feasible and prudent alternative provided to the council by a party  
601 intervenor,] alone and cumulatively with other existing facilities,  
602 including a specification of every single adverse and beneficial effect  
603 that, whether alone or cumulatively with other effects, conflict with the  
604 policies of the state concerning the natural environment, ecological  
605 balance, public health and safety, scenic, historic and recreational  
606 values, forests and parks, air and purity and fish and wildlife;

607 (C) Why the adverse effects or conflicts referred to in subparagraph  
608 (B) of this subdivision are not sufficient reason to deny the application;  
609 [, including why other feasible and prudent alternatives with less

610 adverse effects and fewer conflicts that were provided to the council  
611 by a party or intervenor do not address the same public need or public  
612 benefit, as applicable;]

613 (D) In the case of a new electric transmission line, (i) what part, if  
614 any, of the facility shall be located overhead, (ii) that the facility  
615 conforms to a long-range plan for expansion of the electric power grid  
616 of the electric systems serving the state and interconnected utility  
617 systems and will serve the interests of electric system economy and  
618 reliability, and (iii) that the overhead portions of the facility, if any, are  
619 cost-effective and the most appropriate alternative based on a life-cycle  
620 cost analysis of the facility and underground alternatives to such  
621 facility and are consistent with the purposes of this chapter, with such  
622 regulations as the council may adopt pursuant to subsection (a) of  
623 section 16-50t, and with the Federal Energy Regulatory Commission  
624 "Guidelines For the Protection of Natural Historic Scenic and  
625 Recreational Values in the Design and Location of Rights-of-Way and  
626 Transmission Facilities" or any other successor guidelines and any  
627 other applicable federal guidelines; [and]

628 (E) In the case of an electric or fuel transmission line, that the  
629 location of the line will not pose an undue hazard to persons or  
630 property along the area traversed by the line; and

631 (F) In the case of an application that was heard under a consolidated  
632 hearing process with other applications that were common to a  
633 request-for-proposal, that the facility proposed in the subject  
634 application represents the most appropriate alternative among such  
635 applications based on the findings and determinations pursuant to this  
636 subdivision. For purposes of subparagraph (A) of this subdivision, a  
637 public benefit exists if such a facility is necessary for the reliability of  
638 the electric power supply of the state or for the development of a  
639 competitive market for electricity and a public need exists if such  
640 facility is necessary for the reliability of the electric power supply of  
641 the state.

642 Sec. 14. Subsection (a) of section 16-245l of the general statutes is  
643 repealed and the following is substituted in lieu thereof (*Effective July*  
644 *1, 2003*):

645 (a) The Department of Public Utility Control shall establish and each  
646 electric distribution company shall collect a systems benefits charge to  
647 be imposed against all end use customers of each electric distribution  
648 company beginning January 1, 2000. The department shall hold a  
649 hearing that shall be conducted as a contested case in accordance with  
650 chapter 54 to establish the amount of the systems benefits charge. The  
651 department may revise the systems benefits charge or any element of  
652 said charge as the need arises. The systems benefits charge shall be  
653 used to fund (1) the expenses of the public education outreach  
654 program developed under subsection (a) of section 16-244d other than  
655 expenses for department staff, (2) the reasonable and proper expenses  
656 of the education outreach consultant pursuant to subsection (d) of  
657 section 16-244d, (3) the cost of hardship protection measures under  
658 sections 16-262c and 16-262d and other hardship protections, including  
659 but not limited to, electric service bill payment programs, funding and  
660 technical support for energy assistance, fuel bank and weatherization  
661 programs and weatherization services, (4) the payment program to  
662 offset tax losses described in section 12-94d, (5) any sums paid to a  
663 resource recovery authority pursuant to subsection (b) of section 16-  
664 243e, (6) low income conservation programs approved by the  
665 Department of Public Utility Control, (7) displaced worker protection  
666 costs, (8) unfunded storage and disposal costs for spent nuclear fuel  
667 generated before January 1, 2000, approved by the appropriate  
668 regulatory agencies, (9) postretirement safe shutdown and site  
669 protection costs that are incurred in preparation for decommissioning,  
670 (10) decommissioning fund contributions, [and] (11) operating  
671 expenses for the Connecticut Energy Advisory Board, and (12) legal,  
672 appraisal and purchase costs of a conservation or land use restriction  
673 and other related costs as the department in its discretion deems  
674 appropriate, incurred by a municipality on or before January 1, 2000, to  
675 ensure the environmental, recreational and scenic preservation of any

676 reservoir located within this state created by a pump storage  
677 hydroelectric generating facility. As used in this subsection, "displaced  
678 worker protection costs" means the reasonable costs incurred, prior to  
679 January 1, 2006, by an electric company or a generation entity or  
680 affiliate arising from the dislocation of any employee other than an  
681 officer, provided such dislocation is a result of restructuring of the  
682 electric generation market and such dislocation occurs on or after July  
683 1, 1998; and provided further such costs result from either the  
684 execution of agreements reached through collective bargaining for  
685 union employees or from the company's or entity's or affiliate's  
686 programs and policies for nonunion employees. "Displaced worker  
687 protection costs" includes costs incurred or projected for severance,  
688 retraining, early retirement, outplacement and related expenses.  
689 "Displaced worker protection costs" does not include those costs  
690 included in determining a tax credit pursuant to section 12-217bb.

691       Sec. 15. (NEW) (*Effective July 1, 2003, and applicable to applications for a*  
692 *certificate of environmental compatibility and public need filed after July 1,*  
693 *2003*) (a) There is established an account to be known as the "municipal  
694 participation account", within the General Fund, which shall be a  
695 separate, nonlapsing account. There shall be deposited in the account  
696 the municipal participation fees received pursuant to subdivisions (1)  
697 and (3) of subsection (a) of section 16-50l of the general statutes, as  
698 amended by this act. The interest derived from the investment of the  
699 account shall be credited to the fund. Any balance remaining in the  
700 account at the end of any fiscal year shall be carried forward in the  
701 account for the fiscal year next succeeding.

702       (b) Payments from the account shall be made upon authorization by  
703 the State Treasurer not later than sixty days after receipt of an  
704 application for a proposed facility, except for a facility described in  
705 subdivisions (5) and (6) of subsection (a) of section 16-50i of the general  
706 statutes, as amended by this act, to each municipality entitled to  
707 receive a copy of such application under section 16-50l of the general  
708 statutes, as amended by this act, in order to defray expenses incurred  
709 by such municipalities in participating as a party to a certification

710 proceeding, except for a proceeding on an application for a facility  
711 described in subdivision (5) or (6) of subsection (a) of section 16-50i of  
712 the general statutes, as amended by this act. Any moneys remaining at  
713 the end of such proceeding shall be refunded to the applicant in even  
714 amounts. Where more than one municipality seeks moneys from such  
715 account, the council shall evenly distribute such moneys among the  
716 municipalities. No municipality may receive moneys from the account  
717 in excess of twenty-five thousand dollars. No municipality may receive  
718 moneys from the account in excess of the dollar amount such  
719 municipality has expended from its own municipal funds. A  
720 municipality that has received moneys from the account in excess of  
721 the costs it incurred in participating in the certification proceeding, as  
722 determined by the council, shall refund such excess moneys to the  
723 account upon the conclusion of such proceeding.

724 (c) In administering the moneys in the account, the State Treasurer  
725 shall verify that the subject municipality (1) actually participated as a  
726 party to the subject certification proceeding, and (2) actually spent the  
727 money it claims to have spent on participating in the subject  
728 certification proceeding.

729 Sec. 16. Section 16a-3 of the general statutes is repealed and the  
730 following is substituted in lieu thereof (*Effective July 1, 2003*):

731 (a) There is established a Connecticut Energy Advisory Board  
732 consisting of [~~sixteen~~] nine members, including [~~the Commissioner of~~  
733 ~~Economic and Community Development,~~] the Commissioner of  
734 Environmental Protection, [~~the chairperson of the Connecticut Siting~~  
735 ~~Council,~~] the chairperson of the Public Utilities Control Authority, [~~the~~  
736 ~~Commissioner of Public Works and~~] the Commissioner of  
737 Transportation, the Consumer Counsel, the Commissioner of  
738 Agriculture, and the Secretary of the Office of Policy and Management,  
739 or their respective designees. The Governor shall appoint [~~four~~  
740 ~~members~~] one member, the president pro tempore of the Senate shall  
741 appoint [~~three members~~] one member, and the speaker of the House of  
742 Representatives shall appoint [~~three members~~] one member, all of

743 whom shall serve in accordance with section 4-1a. [At least one of the  
744 members appointed to said board by the Governor shall be a  
745 representative of organized labor.] No appointee may be employed by,  
746 or a consultant of, a public service company, as defined in section 16-1,  
747 or an electric supplier, as defined in section 16-1 or an affiliate or  
748 subsidiary of such company or supplier.

749 (b) The board shall, [(1) under section 16a-7, (A) recommend to the  
750 Governor and General Assembly programs for enhancing the state's  
751 energy management and carrying out the purposes of section 16a-35k  
752 and (B) recommend long-range energy supply and demand options  
753 with particular emphasis on conservation and energy resource  
754 development within the state, (2) act as a mediator and coordinator for  
755 programs which will identify opportunities for and concerns of the  
756 state in managing its future energy requirements, especially with  
757 regard to conservation and the use of renewable energy resources, (3)  
758 respond to requests of the General Assembly to review or examine  
759 issues requiring consideration and policy formulation and (4) examine  
760 the energy component of the state's economy as it affects citizens,  
761 government, commerce and industry] (1) prepare an annual report  
762 pursuant to section 17 of this act; (2) represent the state in regional  
763 energy system planning processes conducted by the regional  
764 independent system operator, as defined in section 16-1; (3) encourage  
765 representatives from the municipalities that are affected by a proposed  
766 project of regional significance to participate in regional energy system  
767 planning processes conducted by the regional independent system  
768 operator; (4) issue a request-for-proposal in accordance with  
769 subsections (b) and (c) of section 19 of this act; (5) evaluate the  
770 proposals received pursuant to the request-for-proposal in accordance  
771 with subsection (f) of section 19 of this act; (6) participate in a forecast  
772 proceeding conducted pursuant to subsection (a) of section 16-50r; and  
773 (7) participate in a life-cycle proceeding conducted pursuant to  
774 subsection (b) of section 16-50r.

775 (c) The board shall elect a chairman and a vice-chairman from  
776 among its members and shall adopt such rules of procedure as are

777 necessary to carry out its functions. [Each member of the board who  
778 holds no salaried state office shall be compensated for the performance  
779 of his official duties at the rate of fifty dollars per day.]

780 (d) The board shall convene its first meeting not later than  
781 September 1, 2003. A quorum of the board shall consist of two-thirds  
782 of the members currently serving on the board.

783 (e) The board shall employ such staff as is required for the proper  
784 discharge of its duties. The board shall annually submit to the  
785 Department of Public Utility Control a proposal regarding the level of  
786 funding required for the discharge of its duties, which proposal shall  
787 be approved by the department either as submitted or as modified by  
788 the department.

789 [(d)] (f) The Connecticut Energy Advisory Board shall be within the  
790 Office of Policy and Management for administrative purposes only.

791 Sec. 17. (NEW) (*Effective July 1, 2003*) On or before January 1, 2004,  
792 and annually thereafter, the Connecticut Energy Advisory Board shall  
793 prepare a comprehensive energy plan based on existing reports and  
794 studies as to the need for new energy resources, new energy  
795 transmission facilities in the state and new energy conservation  
796 initiatives in the state. The board shall hold regional public hearings on  
797 the proposed plan and shall give at least thirty days notice of each  
798 hearing by publication on the Internet websites of the agencies  
799 participating on the board. Notice of such hearing may be published in  
800 one or more newspapers having general circulation in each  
801 municipality as deemed necessary by the board. The notice shall state  
802 the date, time and place of the hearing, the subject matter of the  
803 hearing, the statutory authority for the plan and the location where a  
804 copy of the plan may be examined. Any person may comment on the  
805 proposed plan. The board shall provide a time period of not less than  
806 forty-five days from the date the notice is published on the Internet  
807 websites of the agencies participating on the board for review and  
808 comment. The board shall consider fully, after all public hearings, all

809 written and oral comments respecting the proposed plan and shall  
810 mail to each person who commented or requested notification, notice  
811 of availability of the following documents at a designated location: The  
812 text of the final plan, a summary of the differences between the  
813 proposed and final plan and the reasons for such differences, and the  
814 principal considerations raised in opposition to the proposed plan and  
815 the reasons for rejecting any such considerations. The chairman of the  
816 board shall sign the final plan and shall submit it to the joint standing  
817 committee of the General Assembly having cognizance of matters  
818 relating to energy, the environment and transportation. Such plan shall  
819 reflect the legislative findings and policy stated in section 16a-35k of  
820 the general statutes, shall be consistent with the state plan of  
821 conservation and development adopted under chapter 297 of the  
822 general statutes, and shall include, but not be limited to, (1) an  
823 assessment of current energy supplies, demand and costs; (2) an  
824 identification and evaluation of the factors likely to affect future  
825 energy supplies, demand and costs; (3) a statement of progress made  
826 toward long-term goals set in the previous report; (4)  
827 recommendations for decreasing dependency on fossil fuels by  
828 promoting energy conservation, solar and other alternative energy  
829 sources; (5) an assessment of the infrastructure of the state for natural  
830 gas and electric systems; (6) an evaluation of the impact of regional  
831 transmission infrastructure planning processes conducted by the  
832 regional independent system operator, as defined in section 16-1 of the  
833 general statutes, on the state's environment, on energy market design,  
834 and economic development in the state; (7) the consideration of  
835 alternative energy planning mechanisms and targets as an alternative  
836 to integrated resource planning; (8) a statement of energy policies and  
837 long-range energy planning objectives and strategies appropriate to  
838 achieve, among other things, the least-cost mix of energy supply  
839 sources and measures that reduce demand for energy, giving due  
840 regard to such factors as ratepayer impacts, security and diversity of  
841 fuel supplies and energy generating methods, protection of public  
842 health and safety, adverse or beneficial environmental impacts,  
843 conservation of energy and energy resources and the ability of the state

844 to compete economically; and (9) recommendations for administrative  
845 and legislative actions to implement such policies, objectives and  
846 strategies.

847 Sec. 18. (NEW) (*Effective July 1, 2003*) Not later than December 1,  
848 2004, the Connecticut Energy Advisory Board shall develop  
849 infrastructure criteria guidelines for the evaluation process under  
850 subsection (f) of section 19 of this act, which guidelines shall be  
851 consistent with state environmental policy, state economic  
852 development policy, the state's policy regarding the restructuring of  
853 the electric industry, as set forth in section 16-244 of the general  
854 statutes, and the findings in the comprehensive energy plan prepared  
855 pursuant to section 17 of this act, and shall include, but not be limited  
856 to, the following: (1) Environmental preference standards; (2)  
857 efficiency standards, including, but not limited to, efficiency standards  
858 for transmission, generation and demand-side management; (3)  
859 generation preference standards; (4) electric capacity, use trends and  
860 forecasted resource needs; (5) natural gas capacity, use trends and  
861 forecasted resource needs; and (6) national and regional reliability  
862 criteria applicable to the regional bulk power grid, as determined in  
863 consultation with the regional independent system operator, as  
864 defined in section 16-1 of the general statutes.

865 Sec. 19. (NEW) (*Effective October 1, 2004*) (a) Not later than fifteen  
866 days after receiving information pursuant to subsection (e) of section  
867 16-50l of the general statutes, as amended by this act, the Connecticut  
868 Energy Advisory Board shall publish such information in one or more  
869 newspapers or periodicals, as selected by the board.

870 (b) On or after December 1, 2004, not later than fifteen days after the  
871 filing of an application pursuant to subdivision (1) of subsection (a) of  
872 section 16-50i of the general statutes, as amended by this act, except for  
873 an application for a facility described in subdivision (5) or (6) of  
874 subsection (a) of section 16-50i of the general statutes, as amended by  
875 this act, the Connecticut Energy Advisory Board shall issue a request-  
876 for-proposal to seek alternative solutions to the need that will be

877 addressed by the proposed facility in such application. Such request-  
878 for-proposal shall, where relevant, solicit proposals that include  
879 distributed generation or energy efficiency measures. The board shall  
880 publish such request-for-proposal in one or more newspapers or  
881 periodicals, as selected by the board.

882 (c) The board may issue a request-for-proposal for solutions to a  
883 need for new energy resources, new energy transmission facilities in  
884 the state, and new energy conservation initiatives in the state identified  
885 in the annual comprehensive energy report prepared under section 17  
886 of this act or identified in regional energy system planning processes  
887 conducted by the regional independent system operator, as defined in  
888 section 16-1 of the general statutes. Such request-for-proposal shall,  
889 where relevant, solicit proposals that include distributed generation or  
890 energy efficiency measures. The board shall publish such request-for-  
891 proposal in one or more newspapers or periodicals, as selected by the  
892 board.

893 (d) Not later than sixty days after the first date of publication of a  
894 request-for-proposal, a person or any legal entity may submit a  
895 proposal by filing with the board information as such person or entity  
896 may consider relevant to such proposal. The board may request  
897 further information from the person or entity that it deems necessary  
898 to evaluate the proposal pursuant to subsection (f) of this section.

899 (e) Upon the submission of a proposal pursuant to a request-for-  
900 proposal, the person or entity submitting the proposal shall consult  
901 with the municipality in which the facility may be located and with  
902 any other municipality that would be required to be served with a  
903 copy of an application for such proposal under subdivision (1) of  
904 subsection (b) of section 16-50l of the general statutes, as amended by  
905 this act, concerning the proposed and alternative sites of the facility.  
906 Such consultation with the municipality shall include, but not be  
907 limited to, good faith efforts to meet with the chief elected official of  
908 the municipality. At the time of the consultation, the person or entity  
909 submitting the proposal shall provide the chief elected official with

910 any technical reports concerning the public need, the site selection  
911 process and the environmental effects of the proposed facility. The  
912 municipality may conduct public hearings and meetings as it deems  
913 necessary for it to advise the person or entity submitting the proposal  
914 of its recommendations concerning the proposed facility. Within sixty  
915 days of the initial consultation, the municipality shall issue its  
916 recommendations to the person or entity submitting the proposal. If a  
917 person or entity chooses to file an application pursuant to subdivision  
918 (3) of subsection (a) of section 16-50l, as amended by this act, then such  
919 person or entity shall provide to the Connecticut Siting Council a  
920 summary of the consultations with the municipality, including all  
921 recommendations issued by the municipality. A person or entity that  
922 has complied with this subsection shall be exempt from the provisions  
923 of subsection (e) of section 16-50l, as amended by this act.

924 (f) Not later than forty-five days after the deadline for submissions  
925 in response to a request-for-proposal, the board shall issue a report  
926 that evaluates each proposal received, including any proposal  
927 contained in an application to the council that initiated a request-for-  
928 proposal, based on the materials received pursuant to subsection (d) of  
929 this section, or information contained in the application, as required by  
930 section 16-50l of the general statutes, as amended by this act, for  
931 conformance with the infrastructure criteria guidelines created  
932 pursuant to section 18 of this act. The board shall forward the results of  
933 such evaluation process to the Connecticut Siting Council.

934 Sec. 20. Section 16a-4 of the general statutes is repealed and the  
935 following is substituted in lieu thereof (*Effective July 1, 2003*):

936 The Secretary of the Office of Policy and Management shall employ,  
937 subject to the provisions of chapter 67, such staff as is required for the  
938 proper discharge of duties of the office as set forth in this chapter and  
939 sections 4-5, 4-124l, 4-124p, 8-3b, 8-32a, 8-33a, 8-35a, 8-189, subsection  
940 (b) of section 8-206, sections 16a-20, 16a-102, 22a-352 and 22a-353, [,  
941 and shall provide the board with such assistance as is necessary to  
942 enable the board to fulfill its obligations as set forth in this chapter and

943 section 16a-102.] The secretary may adopt, pursuant to chapter 54, such  
944 regulations as are necessary to carry out the purposes of this chapter.

945 Sec. 21. Section 16a-8 of the general statutes is repealed and the  
946 following is substituted in lieu thereof (*Effective July 1, 2003*):

947 The board shall encourage programs to foster cooperative efforts by  
948 and among Connecticut business, industry, utilities, the academic  
949 community and government to develop new sources of energy. [The  
950 board may include in its report pursuant to section 16a-7 its  
951 recommendations concerning implementation of such programs.]

952 Sec. 22. Subsection (e) of section 25-204 of the general statutes is  
953 repealed and the following is substituted in lieu thereof (*Effective July*  
954 *1, 2003*):

955 (e) After adoption pursuant to subsection (d) of this section of an  
956 inventory, statement of objectives and map, the river committee shall  
957 prepare a report on all federal, state and municipal laws, plans,  
958 programs and proposed activities which may affect the river corridor  
959 defined in such map. Such laws shall include regulations adopted  
960 pursuant to chapter 440 and zoning, subdivision and site plan  
961 regulations adopted pursuant to section 8-3. Such plans shall include  
962 plans of conservation and development adopted pursuant to section 8-  
963 23, the state plan for conservation and development, water utility  
964 supply plans adopted pursuant to section 25-32d, coordinated water  
965 system plans adopted pursuant to section 25-33h, the comprehensive  
966 energy plan adopted pursuant to section [16a-35m] 17 of this act,  
967 municipal open space plans, the commissioner's fish and wildlife  
968 plans, the master transportation plan adopted pursuant to section 13b-  
969 15, plans prepared by regional planning agencies pursuant to section  
970 8-31a, and publicly-owned wastewater treatment facility plans. State  
971 and regional agencies shall, within available resources, assist the river  
972 committee in identifying such laws, plans, programs and proposed  
973 activities. The report to be prepared pursuant to this section shall  
974 identify any conflicts between such federal, state, regional and

975 municipal laws, plans, programs and proposed activities and the river  
976 committee's objectives for river corridor protection and preservation as  
977 reflected in the statement of objectives. If conflicts are identified, the  
978 river committee shall notify the applicable state, regional or municipal  
979 agencies and such agencies shall, within available resources, attempt  
980 with the river commission to resolve such conflicts.

981 Sec. 23. Subdivision (4) of section 25-231 of the general statutes is  
982 repealed and the following is substituted in lieu thereof (*Effective July*  
983 *1, 2003*):

984 (4) "Major state plan" means any of the following: The master  
985 transportation plan adopted pursuant to section 13b-15, the plan for  
986 development of outdoor recreation adopted pursuant to section 22a-21,  
987 the solid waste management plan adopted pursuant to section 22a-211,  
988 the state-wide plan for the management of water resources adopted  
989 pursuant to section 22a-352, the state-wide environmental plan  
990 adopted pursuant to section 22a-8, the historic preservation plan  
991 adopted under the National Historic Preservation Act, 16 USC 470 et  
992 seq., the state-wide facility and capital plan adopted pursuant to  
993 section 4b-23, the long-range state housing plan adopted pursuant to  
994 section 8-37t, the comprehensive energy plan adopted pursuant to  
995 section [16a-35m] 17 of this act, the water quality management plan  
996 adopted under the federal Clean Water Act, 33 USC 1251 et seq., the  
997 Connecticut hazardous waste management plan adopted pursuant to  
998 section 22a-134cc, any plans for managing forest resources adopted  
999 pursuant to section 23-20 and the Connecticut River Atlantic Salmon  
1000 Compact adopted pursuant to section 26-302.

1001 Sec. 24. Subsection (e) of section 25-234 of the general statutes is  
1002 repealed and the following is substituted in lieu thereof (*Effective July*  
1003 *1, 2003*):

1004 (e) After adoption of an inventory, statement of objectives and map,  
1005 pursuant to subsection (d) of this section, the river commission shall  
1006 prepare a report on all federal, state, regional and municipal laws,

1007 plans, programs and proposed activities which may affect the river  
 1008 corridor defined in such map. Such federal, state, regional and  
 1009 municipal laws shall include regulations adopted pursuant to chapter  
 1010 440, and zoning, subdivision and site plan regulations adopted  
 1011 pursuant to section 8-3. Such federal, state, regional and municipal  
 1012 plans shall include plans of development adopted pursuant to section  
 1013 8-23, the state plan for conservation and development, water utility  
 1014 supply plans submitted pursuant to section 25-32d, coordinated water  
 1015 system plans submitted pursuant to section 25-33h, the comprehensive  
 1016 energy plan adopted pursuant to section [16a-35m] 17 of this act, the  
 1017 master transportation plan adopted pursuant to section 13b-15, plans  
 1018 prepared by regional planning organizations pursuant to section 8-31a  
 1019 and plans of publicly-owned wastewater treatment facilities whose  
 1020 discharges may affect the subject river corridor. State and regional  
 1021 agencies shall, within available resources, assist the river commission  
 1022 in identifying such laws, plans, programs and proposed activities. The  
 1023 report to be prepared pursuant to this section shall identify any  
 1024 conflicts between such federal, state, regional and municipal laws,  
 1025 plans, programs and proposed activities and the river commission's  
 1026 objectives for river corridor management as reflected in the statement  
 1027 of objectives. If conflicts are identified, the river commission shall  
 1028 notify the applicable state, regional or municipal agencies and such  
 1029 agencies shall, within available resources and in consultation with the  
 1030 river commission, attempt to resolve such conflicts.

1031 Sec. 25. (*Effective July 1, 2003*) Sections 16a-7 and 16a-35m of the  
 1032 general statutes are repealed.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003</i>
Sec. 2	<i>October 1, 2004</i>
Sec. 3	<i>October 1, 2004</i>
Sec. 4	<i>July 1, 2003</i>
Sec. 5	<i>December 1, 2004</i>

Sec. 6	<i>from passage</i>
Sec. 7	<i>October 1, 2004</i>
Sec. 8	<i>October 1, 2004</i>
Sec. 9	<i>October 1, 2004</i>
Sec. 10	<i>July 1, 2003, and applicable to applications for a certificate of environmental compatibility and public need filed after July 1, 2003</i>
Sec. 11	<i>October 1, 2004</i>
Sec. 12	<i>July 1, 2003, and applicable to applications for a certificate of environmental compatibility and public need filed after July 1, 2003</i>
Sec. 13	<i>October 1, 2004</i>
Sec. 14	<i>July 1, 2003</i>
Sec. 15	<i>July 1, 2003, and applicable to applications for a certificate of environmental compatibility and public need filed after July 1, 2003</i>
Sec. 16	<i>July 1, 2003</i>
Sec. 17	<i>July 1, 2003</i>
Sec. 18	<i>July 1, 2003</i>
Sec. 19	<i>October 1, 2004</i>
Sec. 20	<i>July 1, 2003</i>
Sec. 21	<i>July 1, 2003</i>
Sec. 22	<i>July 1, 2003</i>
Sec. 23	<i>July 1, 2003</i>
Sec. 24	<i>July 1, 2003</i>
Sec. 25	<i>July 1, 2003</i>

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:**

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Public Utility Control, Dept.; Consumer Counsel	CC&PUCF - None	None	None
Siting Council, CT	CC&PUCF - Revenue Gain	Potential Significant	Potential Significant
Department of Agriculture	GF - None	None	None
Policy & Mgmt., Off.	GF - Savings	Minimal	Minimal
Various State Agencies	GF - Savings	Potential	Potential

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund; GF=General Fund

**Municipal Impact:**

Municipalities	Effect	FY 04 \$	FY 05 \$
Various Municipalities	Savings	Potential	Potential

**Explanation**

House Amendment "A" eliminates the original bill and the associated fiscal impact and becomes the bill. The bill as amended includes various provisions that promote energy conservation and planning in the state.

*Connecticut Energy Advisory Board*

The bill changes the membership of the Connecticut Energy Advisory Board (CEAB) by eliminating several members and adding the Commissioner of the Department of Agriculture and the secretaries of the Offices of Consumer Counsel and Policy and Management. Passage of this provision would not result in any fiscal impact to the state. In addition, the bill establishes that all operating expenses of CEAB be covered through systems benefits charges included on all

customers' electric bills.<sup>1</sup> Finally, the bill eliminates the provision that allows for the compensation of non-salaried state employees at a rate of fifty dollars per diem and requires CEAB to employ the staff it needs to discharge its duties. With the additional CEAB responsibilities as proposed in the bill, the amount of necessary resources is unknown at this time. However, it is anticipated to be in the range of \$200,000 - \$300,000.

*Connecticut Siting Council*

The bill requires applicants for Siting Council certificates, other than applicants for telecommunications towers, to pay a \$25,000 municipal participation fee.<sup>2</sup> Passage of the bill could result in significant revenue gain of \$1.5 million - \$2 million. The bill also allows for the refund of such funds in the event that no proposals are submitted in response to the corresponding request for proposal (RFP). These funds are to be deposited in a non-lapsing municipal participation account within the Consumer Counsel and Public Utility Control Fund (CC&PUCF) and used to reimburse municipalities for expenses incurred in participating in the Siting Council process. All interest from deposited funds is to remain in the fund. In addition, the RFP respondents are required to pay the municipal participation fee and a filing fee of \$25,000 that is already established under current law.

The Siting Council renders about 250-300 decisions per year, more than half are telecommunications related. Ten to fifteen percent of all proceedings involve controversial requests for certificates or declaratory rulings. It is anticipated that only half of these cases would involve the type where the aforementioned fees would be applicable. Consequently, passage of the bill would result in indeterminate revenue gain since interest from such fees would remain

---

<sup>1</sup> The systems benefits charges (SBC) pay for various social policy costs related to the electric industry. The SBC rate is routinely adjusted to ensure that expenditures match revenues. Last year, approximately \$60 million was generated.

<sup>2</sup> The Siting Council classifies cases as "dockets" that involve new developments and "petitions or filings" that involve existing structures or facilities. The bill is unclear as to the applicability of the fee to all cases or dockets only.

in the CC&PCUF.

---

**OLR Bill Analysis**

sHB 6508 (as amended by House "A")\*

**AN ACT CONCERNING LONG-TERM PLANNING FOR ENERGY FACILITIES****SUMMARY:**

This bill expands the responsibilities of the Connecticut Energy Advisory Board (CEAB) to include energy planning and the identification of alternative solutions to the state's energy infrastructure needs. It requires CEAB to prepare an annual plan, using existing data, on the need for new energy resources, transmission facilities, and energy conservation initiatives in the state. This provision supersedes a mandate that the Office of Policy and Management (OPM) develop a similar plan every four years and that CEAB report its recommendations on energy policy every other year.

The bill requires CEAB to develop guidelines by December 1, 2004 for evaluating alternative proposals for addressing the state's energy infrastructure needs.

CEAB must issue a request for proposals (RFP) when the Siting Council receives an application on or after December 1, 2004 for a certificate to build an energy facility (electric transmission line, power plant, substation, or gas transmission line) in order to identify alternative solutions. The bill allows the board to issue an RFP on its own initiative to address the needs identified in its annual plan. It requires CEAB to evaluate any proposals received in response to the RFP, as well as the original application, using the guidelines it has developed. CEAB must report its findings to the Siting Council. The report becomes part of the record upon which the Siting Council must make its decision.

The bill requires CEAB to participate in New England transmission planning processes and certain Siting Council proceedings. It modifies CEAB's membership and funds the board through the systems benefits charge on electric bills.

The bill also:

1. requires an applicant for a Siting Council certificate for an energy facility, starting July 1, 2003, to pay a fee of \$25,000, which goes to an account the bill establishes to reimburse the potential host municipality or municipalities for expenses they incur in participating in the Siting Council process;
2. subjects facilities that are proposed in the RFP process to the council's jurisdiction;
3. requires the council to hold a consolidated hearing on the original application and any applications submitted in response to the RFP;
4. in cases where there was a consolidated hearing, requires the council to grant a certificate to the application that represents the most appropriate alternative based on the council's findings and determinations;
5. extends the deadline for the council to hold its hearings and issue its decision to account for the time taken up in the CEAB review process;
6. imposes more stringent council approval standards for underwater transmission lines and changes the decision criteria for other energy and telecommunications facilities regulated by the council, starting July 1, 2003;
7. requires the council to promote energy security as part of its mission; and
8. allows the council to approve the siting of temporary generation facilities pursuant to SB 773 (see BACKGROUND) by declaratory ruling rather than by the longer certification process.

\*House Amendment "A" (1) limits the siting provisions of the original bill to applications filed with the Siting Council on or after December 1, 2004 and requires that CEAB develop the siting guidelines by this date; (2) reduces the amount of time CEAB has to review such applications and the Siting Council has to hold a hearing on them; (3) modifies the Siting Council decision criteria for energy and telecommunications

facilities; (4) restores the current timing of the consultation that a prospective applicant must hold with the host municipality; (5) requires that the municipal participation fee be deposited in the General Fund rather than a special fund, gives the state treasurer control over its disbursement and modifies a refund provision; and (6) makes several minor changes.

EFFECTIVE DATE: July 1, 2003, except (1) the provision on the siting of temporary generation facilities is effective on passage, (2) the provisions related to RFP and the applicant's submission of information provided to a municipality to CEAB are effective October 1, 2004.

### **CEAB RESPONSIBILITIES**

The bill expands CEAB's responsibilities to include the following tasks, which are described in greater detail below:

1. preparing an annual energy plan, following a process similar to that used in preparing an environmental impact statement;
2. issuing an RFP to identify alternate solutions to the state's energy infrastructure needs; and
3. evaluating proposals received in response to the RFP.

The bill also requires CEAB to:

1. represent the state in the transmission planning process conducted by the Independent System Operator-New England, which administers the regional electric grid and wholesale market;
2. encourage municipalities to participate in this process;
3. participate in the Siting Council proceeding that projects future electric supply and demand; and
4. participate in the Siting Council proceeding that compares the life-cycle costs of underground with above ground transmission line alternatives.

The bill requires CEAB to employ the staff it needs to discharge its

duties. It eliminates a requirement that OPM provide staff support for the board. It funds CEAB's operating expenses using the existing systems benefits charge. This charge, which is on electric bills of all customers other than those served by municipal utilities, pays various social policy costs related to the electric industry. The bill requires CEAB to annually submit a proposed budget to the Department of Public Utility Control for its approval.

## **ENERGY PLANNING**

The bill requires CEAB to prepare a comprehensive energy plan by January 1 annually. The plan must be based on existing reports and studies on the need for new energy resources, in-state transmission facilities, and energy conservation initiatives.

### ***Proposed Plan***

CEAB must hold regional public hearings on its proposed plan, providing at least 30 days notice on the websites of the participating agencies. The board can publish additional notices it considers necessary in one or more general circulation newspapers. The notice must state the date, time, and place of the hearing, and where the plan can be examined.

The board must allow at least 45 days from the date the Law Journal notice is published for comment on the proposed plan. The board must fully consider, after the hearings, all written and oral comments regarding the plan.

### ***Final Plan***

The final plan must reflect the state's energy policy (CGS § 16a-35k) and be consistent with the state Plan of Conservation and Development. The energy plan must:

1. assess current energy supplies, demand, and costs;
2. identify and evaluate the factors likely to affect these variables in the future;
3. describe the progress made toward meeting the long-term goals specified in the previous plan;

4. recommend measures to decrease dependency on fossil fuels by promoting conservation and alternative fuels;
5. assess the state's natural gas and electric infrastructure;
6. evaluate the impact of the regional transmission planning process conducted by the entity that operates the transmission grid on the state's environment and economic development and on energy market design; and
7. consider alternative energy planning mechanisms and targets instead of integrated resource planning (an electric utility planning system used before the electric markets were partially deregulated).

The plan must also present energy policies and long-range planning objectives and strategies to achieve, among other things, the least expensive mix of supply resources and measures that reduce energy demand. In doing so, the board must consider effects on ratepayers, security and diversity of fuel supplies and generating methods, protection of public health and safety, environmental impacts, energy conservation, and the state's ability to compete economically. The plan must include the board's administrative and legislative recommendations to implement these policies, objectives, and strategies, which must be submitted to the Energy and Technology Committee.

The bill's requirements take the place of provisions that require:

1. the Office of Policy and Management (OPM) to prepare an energy plan addressing items one through four on the above list, plus mechanisms to implement its recommendations; and
2. CEAB to report to the governor and legislature annually, with the report in odd-numbered years providing CEAB's energy supply and conservation recommendations and the report in even-numbered years describing progress in implementing the recommendations in OPM's and its own previous reports.

### ***Distribution of the Plan and Related Documents***

Under the bill, the board must mail a notice of availability of the

following documents to each person who comments on the proposed plan or requests notice:

1. the text of the final plan,
2. a summary of the differences between the proposed and final plans and the reasons for the differences, and
3. the principal considerations raised against the proposed plan and the reasons for rejecting them.

The board chairman must sign the final plan and send it to the Energy and Technology, Environment, and Transportation committees.

### ***Reflecting the Energy Plan in Rivers Plans***

By law, two or more municipalities can form commissions to coordinate management of rivers that are used for multiple purposes. Such commissions must prepare a report on all plans that may affect the river corridor. Under the bill, the report must address the CEAB energy plan, rather than the OPM plan.

## **IDENTIFYING AND EVALUATING ALTERNATE SOLUTIONS**

### ***Guidelines***

The bill requires CEAB to develop guidelines by December 1, 2004 for evaluating proposals submitted in response to requests for proposals. The guidelines must be consistent with its annual energy plan and state environmental policy. The guidelines must at least include: (1) environmental preference standards; (2) efficiency standards for generation, transmission, and demand side management, among other things; (3) generation preference standards; (4) electric and natural gas capacity, use trends, and forecasted resource needs; and (5) regional bulk power grid reliability criteria.

### ***Issuing the RFP***

Under the bill, starting December 1, 2004, CEAB must issue an RFP for alternative solutions to the need addressed by a Siting Council application for an energy facility within 15 days of its filing. In addition, CEAB can issue RFPs on its own initiative, in response to a

need for new energy resources, transmission facilities, and energy conservation initiatives identified in its annual energy plan or in the regional planning processes administered by the entity that administers the regional transmission grid. In all cases the RFP must, when appropriate, solicit proposals for distributed generation or energy efficiency measures. CEAB must publish the RFP in one or more newspapers or periodicals it chooses.

### ***Evaluating Proposals***

Anyone can submit a proposal in response to the RFP within 60 days from its first publication date, containing information the proposer considers relevant. CEAB can request additional information in order to be able to evaluate the proposal. Within 45 days of the submission deadline, CEAB must issue a report that evaluates each of the proposals it has received for compliance with the infrastructure guidelines described above. CEAB must send the results of its evaluation to the Siting Council and the results of the evaluation process must be part of the record that forms the basis for the council's decision. Responders to the RFP have 30 days from the evaluations, if they wish, to file applications with the Siting Council.

### **CEAB MEMBERSHIP**

The bill reduces the CEAB's membership from 16 to 10. It eliminates:

1. the Siting Council chairperson and public works commissioner,
2. three of the governor's appointments, and
3. two of the three appointments each made by the House speaker and Senate president pro tempore.

It adds the OPM secretary, consumer counsel, and agriculture commissioner to the board.

The bill prohibits board member from being employed by or serving as a consultant to a DPUC-regulated utility, a competitive electric supplier, or an affiliate or subsidiary of a utility or supplier. It eliminates a requirement that one of the governor's appointees represent organized labor. It eliminates a provision that entitles CEAB members who are not state officials to a \$50 per diem.

The bill requires the reconstituted board to hold its first meeting by September 1, 2003. It specifies that a quorum consists of two-thirds of the members currently serving on the board.

### **SITING COUNCIL TIMELINE**

Starting October 1, 2004, the bill extends the deadline for the Siting Council to hold a hearing and issue a decision on an application for an energy facility to accommodate the CEAB review process described above.

#### ***Hearings***

Under current law, the council must schedule an initial hearing from 30 to 150 days after it receives an application. The bill instead requires the hearing for a proposed energy facility to be scheduled: from 30 to 60 days after the deadline for submitting proposals in response to the RFP in cases where no proposals were submitted. (The submission deadline could be up to 75 days from the date the original application was made to the council.)

If CEAB receives one or more proposals, the hearing must be held from 30 to 60 days after the deadline for the proposer to submit its application to the Siting Council, which could be up to 150 days from the filing of the original application with the Siting Council. In such cases, the council must hear the competing applications in a consolidated process.

#### ***Decision Criteria***

The bill modifies the council's decision criteria for both energy and telecommunication facilities it regulates. It has separate provisions for transmission lines, and for applications filed between July 1, 2003 and October 1, 2004 and those filed thereafter.

***Transmission Lines.*** In the case of transmission lines, current law has different standards for aboveground lines vs. those that are underground or under water. For the former, the council cannot approve an application unless the public need for the facility outweighs its environmental impacts. In the case of the latter facilities, the council cannot approve a line unless its public benefit outweighs the environmental impact, a less stringent standard. The bill subject

applications for under water lines filed on or after July 1, 2003 to the more stringent public need standard.

Under current law, the council can only approve a proposal for overhead transmission lines if they are (1) cost effective, (2) the most appropriate alternative to underground options on a life-cycle basis, and (3) are consistent with the Siting Council law and regulations. The bill extends these provisions to alternatives proposed by parties and intervenors in the case.

***Generally Applicable Provisions.*** For applications filed after July 1, 2003 but before October 1, 2004, the bill requires that the council's determination consider other feasible and prudent alternatives identified by a party or intervenor in the case to address the same public need. It also requires the council to determine (1) the environmental impacts for the identified alternatives and (2) for both the original and alternative proposals, the cumulative environmental impacts of the proposed facilities and other existing facilities. It also requires the council to show why other feasible and prudent alternatives with less environmental impact identified by parties or intervenors in the case do not address the same public need as the original proposal.

For applications filed on or after October 1, 2004, the bill generally returns to the current law. But it also requires that when an application is heard under a consolidated hearing (i.e., one or more subsequent applications were filed following the RFP process) the council must grant a certificate to the facility that represents the most appropriate alternative, based on the procedures specified in the law.

### ***Decision Deadline***

Starting October 1, 2004, the bill delays the Siting Council's deadline for issuing its decision on applications regarding energy facilities. Under current law, the deadline is 12 months after the filing of an application for an electric or fuel transmission line or a substation included in an application for an electric transmission line. For other applications, the deadline is 180 days from the application date.

The bill delays the deadline for all of these facilities by the time allowed for submitting an application to the Siting Council following the RFP process, i.e., up to 150 days from the submission of the original

application.

### **APPLICANT'S CONSULTATION WITH HOST MUNICIPALITY**

By law, a prospective applicant for a certificate must consult with the potential host community at least 60 days before filing the application. The prospective applicant the applicant must provide the municipality with any technical documents it has on the need for the facility, the site selection process, and the facility's environmental effects. The bill requires the prospective applicant to submit the same information with CEAB at the time it provides it to the municipality. CEAB must publish this information within 15 days of receiving it in newspapers and periodicals it chooses.

By law, (1) the municipal consultation must at least include good faith efforts to meet with the municipality's chief elected official; (2) the municipality may hold meetings and public hearings on the proposal; and (4) the municipality must issue its recommendations to the applicant within 60 days of the initial consultation. The bill extends the consultation requirements to entities that file proposals in response to the RFP. Such entities must begin their consultation when they file their proposals, but the requirements do not apply a second time if the entity files an application with the council.

The bill also requires all applicants to provide CEAB all materials it provided to the municipality and a summary of the consultations, including the municipality's recommendations. CEAB must publish this information within 15 days of receiving it.

The bill also subjects entities that file proposals in response to the RFP to the Siting Council's jurisdiction once they submit their proposals to CEAB.

### **MUNICIPAL PARTICIPATION FUNDING**

The bill requires applicants for a Siting Council certificate, other than applicants for telecommunications towers, to pay a municipal participation fee of \$25,000. It establishes a non-lapsing "municipal participation account" within the General Fund, and requires the fees to be deposited into it. Interest from the account stays with it.

If a proposal is submitted under the RFP process, the proposer may

apply for a Siting Council certificate. If it does, it must pay (1) the municipal participation fee and (2) the filing fee of up to \$25,000 required under current law. The proposer must take these steps within 30 days of CEAB's evaluation of the proposals submitted in response to the RFP.

The bill allows municipalities that are, by law, entitled to notice of a Siting Council application for an energy facility to seek payments from the account with the state treasurer's approval. These are (1) any municipality that is the potential host site for the proposed facility and (2) any municipality whose boundary is no more than 2,500 feet from the facility.

The municipality can apply for funding to defray its costs of participating in the Siting Council process. If several municipalities seek funding, the fee must be split evenly among them. No municipality can receive more than \$25,000 or more than it has spent from its own funds. If a municipality receives more money from the account than it spends, it must return the excess to the account at the end of the Siting Council proceeding. The unspent money must be returned to the applicant.

The state treasurer must make approved payments within 60 days of the application to the Siting Council. She must verify that the municipality actually participated as a party in the case and spent the money it claimed to have spent.

In the case where a proposer under the RFP process has submitted a Siting Council application, the municipal participation fees derived from both the original applicant and this entity must be used in the common certification proceeding. If money is left over, it must be used in the next proceeding.

## **BACKGROUND**

### ***Related Bills***

sSB 773, passed by the Senate, significantly changes the state's electric restructuring law. Among other things, it allows the Department of Public Utility Control to issue a request for proposals for temporary generation facilities if it determines that such facilities could reduce the costs of transmission congestion for ratepayers. It allows the costs of

such facilities to be recovered in the systems benefits charge, a component of electric rates.

sSB 1018 (File 462) requires the Siting Council to consider whether other prudent and feasible alternatives to a proposed project could meet the needs addressed by the project with less environmental impact.

sSB 1158 (File 721) extends, by one year, the moratorium on the Siting Council and Department of Environmental Protection approving most applications for utility lines crossing Long Island Sound.

sHB 6682 (File 488) changes the Siting Council's standard of review for underground and submarine transmission line applications.

**Legislative History**

The House referred the original version of the bill (File 481) to Finance, Revenue and Bonding Committee on May 6 and the Government Administration and Elections Committee on May 14. The committees favorably reported the bill on May 13 and 21, respectively.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute Change of Reference  
Yea 14    Nay 1

Environment Committee

Joint Favorable Report  
Yea 27    Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Report  
Yea 43    Nay 0

Government Administration and Elections Committee

Joint Favorable Report  
Yea 17 Nay 0