



House of Representatives

General Assembly

File No. 488

January Session, 2003

Substitute House Bill No. 6682

House of Representatives, April 22, 2003

The Committee on Environment reported through REP. WIDLITZ of the 98th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING A MUNICIPAL PARTICIPATION FEE AND THE SITING COUNCIL REVIEW OF UNDERGROUND OR UNDERWATER TRANSMISSION LINES.

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

1 Section 1. Subsection (a) of section 16-50l of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2003*):

4 (a) To initiate a certification proceeding, an applicant for a certificate
5 shall file with the council an application, in such form as the council
6 may prescribe, accompanied by a filing fee of not more than twenty-
7 five thousand dollars, which fee shall be established in accordance
8 with section 16-50t, [containing] and a municipal participation fee of
9 twenty-five thousand dollars to be deposited in the municipal
10 participation account established pursuant to section 3 of this act. An
11 application shall contain such information as the applicant may
12 consider relevant and the council or any department or agency of the

13 state exercising environmental controls may by regulation require,
14 including the following information: (1) In the case of facilities
15 described in subdivisions (1), (2) and (4) of subsection (a) of section 16-
16 50i: (A) A description, including estimated costs, of the proposed
17 transmission line, substation or switchyard, covering, where applicable
18 underground cable sizes and specifications, overhead tower design
19 and appearance and heights, if any, conductor sizes, and initial and
20 ultimate voltages and capacities; (B) a statement and full explanation
21 of why the proposed transmission line, substation or switchyard is
22 necessary and how the facility conforms to a long-range plan for
23 expansion of the electric power grid serving the state and
24 interconnected utility systems, that will serve the public need for
25 adequate, reliable and economic service; (C) a map of suitable scale of
26 the proposed routing or site, showing details of the rights-of-way or
27 site in the vicinity of settled areas, parks, recreational areas and scenic
28 areas, and showing existing transmission lines within one mile of the
29 proposed route or site; (D) justification for adoption of the route or site
30 selected, including comparison with alternative routes or sites which
31 are environmentally, technically and economically practical; (E) a
32 description of the effect of the proposed transmission line, substation
33 or switchyard on the environment, ecology, and scenic, historic and
34 recreational values; (F) a justification for overhead portions, if any,
35 including life-cycle cost studies comparing overhead alternatives with
36 underground alternatives, and effects described in subdivision (E) of
37 undergrounding; (G) a schedule of dates showing the proposed
38 program of right-of-way or property acquisition, construction,
39 completion and operation; and (H) identification of each federal, state,
40 regional, district and municipal agency with which proposed route or
41 site reviews have been undertaken, including a copy of each written
42 agency position on such route or site; and (2) in the case of facilities
43 described in subdivision (3) of subsection (a) of section 16-50i: (A) A
44 description of the proposed electric generating or storage facility; (B) a
45 statement and full explanation of why the proposed facility is
46 necessary; (C) a statement of loads and resources as described in
47 section 16-50r; (D) safety and reliability information, including

48 planned provisions for emergency operations and shutdowns; (E)
49 estimated cost information, including plant costs, fuel costs, plant
50 service life and capacity factor, and total generating cost per kilowatt-
51 hour, both at the plant and related transmission, and comparative costs
52 of alternatives considered; (F) a schedule showing the program for
53 design, material acquisition, construction and testing, and operating
54 dates; (G) available site information, including maps and description
55 and present and proposed development, and geological, scenic,
56 ecological, seismic, biological, water supply, population and load
57 center data; (H) justification for adoption of the site selected, including
58 comparison with alternative sites; (I) design information, including
59 description of facilities, plant efficiencies, electrical connections to
60 system, and control systems; (J) description of provisions, including
61 devices and operations, for mitigation of the effect of the operation of
62 the facility on air and water quality, for waste disposal, and for noise
63 abatement, and information on other environmental aspects; and (K) a
64 listing of federal, state, regional, district and municipal agencies from
65 which approvals either have been obtained or will be sought covering
66 the proposed facility, copies of approvals received and the planned
67 schedule for obtaining those approvals not yet received.

68 Sec. 2. Subdivision (2) of subsection (c) of section 16-50p of the
69 general statutes is repealed and the following is substituted in lieu
70 thereof (*Effective July 1, 2003*):

71 (2) The council shall not grant a certificate for a facility described in
72 subdivision (1) of subsection (a) of section 16-50i which is substantially
73 underground or underwater except where such facilities interconnect
74 with existing overhead facilities, either as proposed or as modified by
75 the council, unless it finds and determines: (A) [A] In the case of such
76 facility which is substantially underground, a public benefit for the
77 facility or, in the case of such facility which is substantially
78 underwater, a public need for the facility; (B) the nature of the
79 probable environmental impact, including a specification of every
80 single adverse and beneficial effect that, whether alone or cumulatively
81 with other effects, conflict with the policies of the state concerning the

82 natural environment, ecological balance, public health and safety,
83 scenic, historic and recreational values, forests and parks, air and
84 purity and fish and wildlife; (C) why the adverse effects or conflicts
85 referred to in subparagraph (B) of this subdivision are not sufficient
86 reason to deny the application; (D) in the case of a new electric
87 transmission line, (i) what part, if any, of the facility shall be located
88 overhead, (ii) that the facility conforms to a long-range plan for
89 expansion of the electric power grid of the electric systems serving the
90 state and interconnected utility systems and will serve the interests of
91 electric system economy and reliability, and (iii) that the overhead
92 portions of the facility, if any, are cost-effective and the most
93 appropriate alternative based on a life-cycle cost analysis of the facility
94 and underground alternatives to such facility and are consistent with
95 the purposes of this chapter, with such regulations as the council may
96 adopt pursuant to subsection (a) of section 16-50t, and with the Federal
97 Energy Regulatory Commission "Guidelines For the Protection of
98 Natural Historic Scenic and Recreational Values in the Design and
99 Location of Rights-of-Way and Transmission Facilities" or any other
100 successor guidelines and any other applicable federal guidelines; and
101 (E) in the case of an electric or fuel transmission line, that the location
102 of the line will not pose an undue hazard to persons or property along
103 the area traversed by the line. For purposes of subparagraph (A) of this
104 subdivision, a public benefit exists if such a facility is necessary for the
105 reliability of the electric power supply of the state or for the
106 development of a competitive market for electricity and a public need
107 exists if such a facility is necessary for the reliability of the electric
108 power supply of the state.

109 Sec. 3. (NEW) (*Effective July 1, 2003*) (a) There is established an
110 account to be known as the "municipal participation account", within
111 the Consumer Counsel and Public Utility Control Fund established
112 pursuant to section 16-48a of the general statutes, which shall be a
113 separate, nonlapsing account. There shall be deposited in the account
114 the municipal participation fee received pursuant to subsection (a) of
115 section 16-50l of the general statutes, as amended by this act. The
116 interest derived from the investment of the account shall be credited to

117 the fund. Any balance remaining in the account at the end of any fiscal
118 year shall be carried forward in the account for the fiscal year next
119 succeeding.

120 (b) Payments from the account shall be made upon authorization by
121 the Connecticut Siting Council not later than sixty days after receipt of
122 an application for a proposed facility, to each municipality entitled to
123 receive a copy of such application under section 16-50l of the general
124 statutes, as amended by this act, in order to defray expenses incurred
125 by such municipalities in participating as a party to a certification
126 proceeding. A fee received pursuant to an application shall be
127 designated for use in the certification proceeding for such application,
128 except that where there are excess moneys at the conclusion of such
129 proceeding, such moneys shall be used for a subsequent proceeding.
130 Where more than one municipality seeks moneys from such account,
131 the council shall evenly distribute such moneys among the
132 municipalities. No municipality may receive moneys from the account
133 in excess of twenty-five thousand dollars. No municipality may receive
134 moneys from the account in excess of the dollar amount such
135 municipality has expended from its own municipal funds. A
136 municipality that has received moneys from the account in excess of
137 the costs it incurred in participating in the certification proceeding, as
138 determined by the council, shall refund such excess moneys to the
139 account upon the conclusion of such proceeding.

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

ENV *Joint Favorable Subst.*

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 \$
Siting Council, CT	CC&PUCF - Revenue Gain	\$5 million - \$6 million	\$5 million - \$6 million
Siting Council, CT	CC&PUCF - Cost	56,978	67,445

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

Municipal Impact:

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

Explanation

The bill requires that applicants seeking certificates of environmental compatibility and public need for energy or communications facilities from the Connecticut Siting Council pay a \$25,000 municipal participation fee. Because the bill seems to include all cases handled by the Council, passage of the bill could result in significant revenue gain and the need for an additional clerk position (including fringes) to manage and administer these funds.¹ Collected fees are to be deposited in a separate, non-lapsing account within the Consumer Counsel & Public Utility Control Fund. Payments are to be made from this account to towns in which any portion of a proposed facility is to be located, as well as adjoining towns, for the purposes of participating in the relevant proceeding. Unused funds must be returned to the fund and interest earned is credited to the fund.

¹ The Siting Council classifies cases as “dockets” that involve new developments and “petitions or filings” that involve existing structures or facilities. The Council renders about 200-350 decisions annually.

OLR Bill Analysis

sHB 6682

AN ACT CONCERNING THE SITING COUNCIL REVIEW OF UNDERGROUND OR UNDERWATER TRANSMISSION LINES

SUMMARY:

By law, people seeking to build energy or communications facilities must obtain a certificate of environmental compatibility and public need from the Connecticut Siting Council. This bill requires that applicants seeking such a certificate pay a \$25,000 municipal participation fee, in addition to the \$25,000 filing fee the law already requires. Proceeds from the fee are to be used to defray expenses incurred by towns that host, or are located near, the proposed facility site.

The bill allows the council to grant a certificate for an underwater electric transmission line only if it finds it is necessary for the reliability of the state's electric power supply. Under current law, the council can approve the line if it finds either the line is necessary for the state's electric power supply, or for the development of a competitive market for electricity.

EFFECTIVE DATE: July 1, 2003

MUNICIPAL PARTICIPATION FEE

The bill creates a separate, non-lapsing, municipal participation account within the Consumer Counsel and Public Utility Control fund for the deposit of the fees the bill creates. Within 60 days of receiving an application for a proposed facility the council must make payments from the account to each town entitled to receive a copy of the application. These are towns in which any portion of the proposed facility is to be located, both as primarily proposed and in any alternative locations, and any adjoining towns with a boundary not more than 2,500 feet from the proposed facility.

Municipal participation fees must be used for the proceeding for which they were paid. Any money remaining at the conclusion of a proceeding must be used for a subsequent proceeding. If more than one town applies for the money, the council must divide the money

evenly between them. No town may receive more from the fund than it spends from its own funds, to a maximum of \$25,000. A town that has received more money from the account than it spent in the proceeding, as determined by the council, must refund the excess money at the end of the proceedings.

Any interest earned from the investment of the money in the account must be credited to the fund. Any funds remaining at the end of a fiscal year must be carried forward to the next fiscal year.

BACKGROUND

Related Bills

sHB 1018, An Act Concerning The Protection of Long Island Sound, favorably reported by the Environment Committee April 4, requires the council to find a public need exists before approving either underwater or underground electric lines.

sHB 6508, An Act Concerning Long Term Planning for Energy Facilities, favorably reported by the Energy and Technology Committee March 20 and the Environment Committee April 4, substantially amends the siting process for energy infrastructure, and contains municipal fee provisions similar to this bill's.

Facility

In a proceeding before the siting council, a facility can be an electric transmission line, a gas pipeline, an electric generating or storage facility, electric substation, or cable TV or telecommunications tower.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 27 Nay 0