



House of Representatives

General Assembly

File No. 64

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House Bill No. 5417

House of Representatives, March 15, 2004

The Committee on Energy and Technology reported through REP. BACKER of the 121st Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT IMPLEMENTING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE UTILITY LAWS.

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

1 Section 1. Section 16-50g of the general statutes, as amended by
2 section 1 of public act 03-140, is repealed and the following is
3 substituted in lieu thereof (*Effective from passage*):

4 The legislature finds that power generating plants and transmission
5 lines for electricity and fuels, community antenna television towers
6 and telecommunication towers have had a significant impact on the
7 environment and ecology of the state of Connecticut; and that
8 continued operation and development of such power plants, lines and
9 towers, if not properly planned and controlled, could adversely affect
10 the quality of the environment [] and the ecological, scenic, historic
11 and recreational values of the state. The purposes of this chapter are:
12 To provide for the balancing of the need for adequate and reliable

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

34 Sec. 2. Subsection (h) of section 16-50j of the general statutes, as
35 amended by section 1 of public act 03-263, is repealed and the
36 following is substituted in lieu thereof (*Effective from passage*):

37 (h) Prior to commencing any hearing pursuant to section 16-50m, as
38 amended, the council shall consult with and solicit written comments
39 from the Department of Environmental Protection, the Department of
40 Public Health, the Council on Environmental Quality, the Department
41 of Agriculture, the Department of Public Utility Control, the Office of
42 Policy and Management, the Department of Economic and
43 Community Development and the Department of Transportation. In
44 addition, the Department of Environmental Protection shall have the
45 continuing responsibility to investigate and report to the council on all
46 applications which prior to October 1, 1973, were within the

47 jurisdiction of said Department of Environmental Protection with
48 respect to the granting of a permit. Copies of such comments shall be
49 made available to all parties prior to the commencement of the
50 hearing. Subsequent to the commencement of the hearing, said
51 departments [] and council [and commissions] may file additional
52 written comments with the council within such period of time as the
53 council designates. All such written comments shall be made part of
54 the record provided by section 16-50o, as amended. Said departments
55 [] and council [and commissions] shall not enter any contract or
56 agreement with any party to the proceedings or hearings described in
57 this section or section 16-50p, as amended, that requires said
58 [department,] departments or council [or commission] to withhold or
59 retract comments, refrain from participating in or withdraw from said
60 proceedings or hearings.

61 Sec. 3. Subdivision (2) of subsection (a) of section 16-50l of the
62 general statutes, as amended by section 4 of public act 03-140, is
63 repealed and the following is substituted in lieu thereof (*Effective from*
64 *passage*):

65 (2) In the case of facilities described in subdivision (3) of subsection
66 (a) of section 16-50i, as amended: (A) A description of the proposed
67 electric generating or storage facility; (B) a statement and full
68 explanation of why the proposed facility is necessary; (C) a statement
69 of loads and resources as described in section 16-50r; (D) safety and
70 reliability information, including planned provisions for emergency
71 operations and shutdowns; (E) estimated cost information, including
72 plant costs, fuel costs, plant service life and capacity factor, and total
73 generating cost per kilowatt-hour, both at the plant and related
74 transmission, and comparative costs of alternatives considered; (F) a
75 schedule showing the program for design, material acquisition,
76 construction and testing, and operating dates; (G) available site
77 information, including maps and description and present and
78 proposed development, and geological, scenic, ecological, seismic,
79 biological, water supply, population and load center data; (H)
80 justification for adoption of the site selected, including comparison

81 with alternative sites; (I) design information, including a description of
82 facilities, plant efficiencies, electrical connections to the system, and
83 control systems; (J) a description of provisions, including devices and
84 operations, for mitigation of the effect of the operation of the facility on
85 air and water quality, for waste disposal, and for noise abatement, and
86 information on other environmental aspects; (K) a listing of federal,
87 state, regional, district and municipal agencies from which approvals
88 either have been obtained or will be sought covering the proposed
89 facility, copies of approvals received and the planned schedule for
90 obtaining those approvals not yet received.

91 Sec. 4. Subparagraph (B) of subdivision (1) of subsection (a) of
92 section 16-50l of the general statutes, as amended by section 4 of public
93 act 03-140, is repealed and the following is substituted in lieu thereof
94 (*Effective December 1, 2004*):

95 (B) In the case of facilities described in subdivision (3) of subsection
96 (a) of section 16-50i, as amended: (i) A description of the proposed
97 electric generating or storage facility; (ii) a statement and full
98 explanation of why the proposed facility is necessary; (iii) a statement
99 of loads and resources as described in section 16-50r; (iv) safety and
100 reliability information, including planned provisions for emergency
101 operations and shutdowns; (v) estimated cost information, including
102 plant costs, fuel costs, plant service life and capacity factor, and total
103 generating cost per kilowatt-hour, both at the plant and related
104 transmission, and comparative costs of alternatives considered; (vi) a
105 schedule showing the program for design, material acquisition,
106 construction and testing, and operating dates; (vii) available site
107 information, including maps and description and present and
108 proposed development, and geological, scenic, ecological, seismic,
109 biological, water supply, population and load center data; (viii)
110 justification for adoption of the site selected, including comparison
111 with alternative sites; (ix) design information, including a description
112 of facilities, plant efficiencies, electrical connections to the system, and
113 control systems; (x) a description of provisions, including devices and
114 operations, for mitigation of the effect of the operation of the facility on

115 air and water quality, for waste disposal, and for noise abatement, and
116 information on other environmental aspects; (xi) a listing of federal,
117 state, regional, district and municipal agencies from which approvals
118 either have been obtained or will be sought covering the proposed
119 facility, copies of approvals received and the planned schedule for
120 obtaining those approvals not yet received.

121 Sec. 5. Subparagraph (A) of subdivision (1) of subsection (a) of
122 section 16-50l of the general statutes, as amended by section 5 of public
123 act 03-140, is repealed and the following is substituted in lieu thereof
124 (*Effective December 1, 2004*):

125 (A) In the case of facilities described in subdivisions (1), (2) and (4)
126 of subsection (a) of section 16-50i, as amended: (i) A description,
127 including estimated costs, of the proposed transmission line,
128 substation or switchyard, covering, where applicable underground
129 cable sizes and specifications, overhead tower design and appearance
130 and heights, if any, conductor sizes, and initial and ultimate voltages
131 and capacities; (ii) a statement and full explanation of why the
132 proposed transmission line, substation or switchyard is necessary and
133 how the facility conforms to a long-range plan for expansion of the
134 electric power grid serving the state and interconnected utility
135 systems, that will serve the public need for adequate, reliable and
136 economic service; (iii) a map of suitable scale of the proposed routing
137 or site, showing details of the rights-of-way or site in the vicinity of
138 settled areas, parks, recreational areas and scenic areas, and showing
139 existing transmission lines within one mile of the proposed route or
140 site; (iv) justification for adoption of the route or site selected,
141 including comparison with alternative routes or sites which are
142 environmentally, technically and economically practical; (v) a
143 description of the effect of the proposed transmission line, substation
144 or switchyard on the environment, ecology, and scenic, historic and
145 recreational values; (vi) a justification for overhead portions, if any,
146 including life-cycle cost studies comparing overhead alternatives with
147 underground alternatives, and effects described in clause (v) of this
148 subparagraph of undergrounding; (vii) a schedule of dates showing

149 the proposed program of right-of-way or property acquisition,
150 construction, completion and operation; and (viii) identification of
151 each federal, state, regional, district and municipal agency with which
152 proposed route or site reviews have been undertaken, including a copy
153 of each written agency position on such route or site.

154 Sec. 6. Subsection (a) of section 16-50p of the general statutes, as
155 amended by section 10 of public act 03-140, is repealed and the
156 following is substituted in lieu thereof (*Effective from passage*):

157 (a) In a certification proceeding, the council shall render a decision
158 upon the record either granting or denying the application as filed, or
159 granting it upon such terms, conditions, limitations or modifications of
160 the construction or operation of the facility as the council may deem
161 appropriate. The council's decision shall be rendered within twelve
162 months of the filing of an application concerning a facility described in
163 subdivision (1) or (2) of subsection (a) of section 16-50i, as amended, or
164 subdivision (4) of said subsection (a) if the application was
165 incorporated in an application concerning a facility described in
166 subdivision (1) of said subsection (a), and within one hundred eighty
167 days of the filing of any other application concerning a facility
168 described in subdivision (4) of said subsection (a), and an application
169 concerning a facility described in subdivision (3), (5) or (6) of said
170 subsection (a), provided such time periods may be extended by the
171 council by not more than one hundred eighty days with the consent of
172 the applicant. The council shall file, with its order, an opinion stating
173 in full its reasons for the decision. Except as provided in subsection (c)
174 of this section, the council shall not grant a certificate, either as
175 proposed or as modified by the council, unless it shall find and
176 determine: (1) A public need for the facility and the basis of the need
177 taking into consideration other feasible and prudent alternatives
178 provided to the council by a party or intervenor that address the same
179 public need; (2) the nature of the probable environmental impact of the
180 facility, or a feasible and prudent alternative provided to the council
181 by a party or intervenor, alone and cumulatively with other existing
182 facilities, including a specification of every significant adverse effect,

183 whether alone or cumulatively with other effects, on, and conflict with
184 the policies of the state concerning, the natural environment, ecological
185 balance, public health and safety, scenic, historic and recreational
186 values, forests and parks, air and water purity and fish, aquaculture
187 and wildlife; (3) why the adverse effects or conflicts referred to in
188 subdivision (2) of this subsection are not sufficient reason to deny the
189 application, including why other feasible and prudent alternatives
190 with less adverse effects or fewer conflicts that are provided to the
191 council by a party or intervenor do not address the same public need;
192 (4) in the case of an electric transmission line, (A) what part, if any, of
193 the facility shall be located overhead, (B) that the facility conforms to a
194 long-range plan for expansion of the electric power grid of the electric
195 systems serving the state and interconnected utility systems and will
196 serve the interests of electric system economy and reliability, and (C)
197 that the overhead portions, if any, of the facility, or a feasible and
198 prudent alternative provided to the council by a party or intervenor,
199 are cost effective and the most appropriate alternative based on a life-
200 cycle cost analysis of the facility and underground alternatives to such
201 facility, and are consistent with the purposes of this chapter, with such
202 regulations as the council may adopt pursuant to subsection (a) of
203 section 16-50t, and with the Federal Power Commission "Guidelines
204 for the Protection of Natural Historic Scenic and Recreational Values in
205 the Design and Location of Rights-of-Way and Transmission Facilities"
206 or any successor guidelines and any other applicable federal
207 guidelines; (5) in the case of an electric or fuel transmission line, that
208 the location of the line will not pose an undue hazard to persons or
209 property along the area traversed by the line; and (6) in the case of a
210 facility described in subdivision (6) of subsection (a) of section 16-50i,
211 as amended, that is proposed to be installed on land under agricultural
212 restriction, as provided in section 22-26cc, as amended, that the facility
213 will not result in a material decrease of acreage and productivity of the
214 arable land. The terms of any agreement entered into by the applicant
215 and any party to the certification proceeding, or any third party, in
216 connection with the construction or operation of the facility, shall be
217 part of the record of the proceedings and available for public

218 inspection. The full text of any such agreement, and a statement of any
219 consideration therefor, if not contained in the agreement, shall be filed
220 with the council prior to the council's decision. This provision shall not
221 require the public disclosure of proprietary information or trade
222 secrets.

223 Sec. 7. Subparagraph (B) of subdivision (2) of subsection (c) of
224 section 16-50p of the general statutes, as amended by section 12 of
225 public act 03-140, is repealed and the following is substituted in lieu
226 thereof (*Effective from passage*):

227 (B) The nature of the probable environmental impact of the facility,
228 or a feasible and prudent alternative provided to the council by a party
229 or intervenor, alone and cumulatively with other existing facilities,
230 including a specification of every single adverse and beneficial effect
231 that, whether alone or cumulatively with other effects, conflict with the
232 policies of the state concerning the natural environment, ecological
233 balance, public health and safety, scenic, historic and recreational
234 values, forests and parks, air and purity and fish and wildlife.

235 Sec. 8. Subsection (a) of section 15 of public act 03-140 is repealed
236 and the following is substituted in lieu thereof (*Effective from passage*):

237 (a) There is established an account to be known as the "municipal
238 participation account", within the General Fund, which shall be a
239 separate, nonlapsing account. There shall be deposited in the account
240 the municipal participation fees received pursuant to subdivisions (1)
241 and (3) of subsection (a) of section 16-50l, as amended. The interest
242 derived from the investment of the account shall be credited to the
243 [fund] account. Any balance remaining in the account at the end of any
244 fiscal year shall be carried forward in the account for the fiscal year
245 next succeeding.

246 Sec. 9. Subparagraph (E) of subdivision (2) of subsection (b) of
247 section 16-244c of the general statutes, as amended by section 4 of
248 public act 03-135, is repealed and the following is substituted in lieu
249 thereof (*Effective from passage*):

250 (E) The transitional standard offer may be adjusted, by an increase
251 or decrease, to the extent approved by the department, in the event
252 that (i) the revenue requirements of the company are affected as the
253 result of changes in (I) legislative enactments other than public act 03-
254 135* or public act 98-28*, (II) administrative requirements, or (III)
255 accounting standards adopted after July 1, 2003, provided such
256 accounting standards are adopted by entities that are independent of
257 the company and [which] have authority to issue such standards, or
258 (ii) an electric distribution company incurs extraordinary and
259 unanticipated expenses required for the provision of safe and reliable
260 electric service to the extent necessary to provide such service.

261 Sec. 10. Subsection (g) of section 16-245 of the general statutes, as
262 amended by section 6 of public act 03-135, is repealed and the
263 following is substituted in lieu thereof (*Effective from passage*):

264 (g) As conditions of continued licensure, in addition to the
265 requirements of subsection (c) of this section: (1) The licensee shall
266 comply with the National Labor Relations Act and regulations, if
267 applicable; (2) the licensee shall comply with the Connecticut Unfair
268 Trade Practices Act and applicable regulations; (3) each generating
269 facility operated by or under long-term contract to the licensee shall
270 comply with regulations adopted by the Commissioner of
271 Environmental Protection, pursuant to section 22a-174j; (4) the licensee
272 shall comply with the portfolio standards, pursuant to section 16-245a,
273 as amended; (5) the licensee shall be a member of the New England
274 Power Pool or its successor or [has] have a contractual relationship
275 with one or more entities who are members of the New England
276 Power Pool or its successor and the licensee shall comply with the
277 rules of the regional independent system operator and standards and
278 any other reliability guidelines of the regional independent systems
279 operator; (6) the licensee shall agree to cooperate with the department
280 and other electric suppliers in the event of an emergency condition that
281 may jeopardize the safety and reliability of electric service; (7) the
282 licensee shall comply with the code of conduct established pursuant to
283 section 16-244h; (8) for a license to a participating municipal electric

284 utility, the licensee shall provide open and nondiscriminatory access to
285 its distribution facilities to other licensed electric suppliers; (9) the
286 licensee or the entity or entities with whom the licensee has a
287 contractual relationship to purchase power shall be in compliance with
288 all applicable licensing requirements of the Federal Energy Regulatory
289 Commission; (10) each generating facility operated by or under long-
290 term contract to the licensee shall be in compliance with chapter 277a
291 and state environmental laws and regulations; (11) the licensee shall
292 comply with the renewable portfolio standards established in section
293 16-245a, as amended; and (12) the licensee shall acknowledge that it is
294 subject to chapters 208, 212, 212a and 219, as applicable, and the
295 licensee shall pay all taxes it is subject to in this state. Also as a
296 condition of [a license] licensure, the department shall prohibit each
297 licensee from declining to provide service to customers for the reason
298 that the customers are located in economically distressed areas. The
299 department may establish additional reasonable conditions to assure
300 that all retail customers will continue to have access to electric
301 generation services.

302 Sec. 11. Subdivision (6) of subsection (l) of section 16-245 of the
303 general statutes, as amended by section 6 of public act 03-135, is
304 repealed and the following is substituted in lieu thereof (*Effective from*
305 *passage*):

306 (6) Any registered electric aggregator that fails to comply with a
307 registration condition or [who] violates any provision of this section
308 shall be subject to civil penalties by the Department of Public Utility
309 Control in accordance with the procedures contained in section 16-41,
310 or the suspension or revocation of such registration, or a prohibition
311 on accepting new customers following a hearing that is conducted as a
312 contested case in accordance with the provisions of chapter 54.

313 Sec. 12. Subdivision (2) of subsection (d) of section 16-245m of the
314 general statutes, as amended by section 9 of public act 03-135, is
315 repealed and the following is substituted in lieu thereof (*Effective from*
316 *passage*):

317 (2) Programs included in the plan shall be screened through cost-
318 effectiveness testing which compares the value and payback period of
319 program benefits to program costs to ensure that programs are
320 designed to obtain energy savings whose value is greater than the
321 costs of the programs. Cost-effectiveness testing shall utilize available
322 information obtained from real-time monitoring systems to ensure
323 accurate validation and verification of energy use. Program cost-
324 effectiveness shall be reviewed annually, or otherwise as is practicable.
325 If a program is determined to fail the cost-effectiveness test as part of
326 the review process, it shall either be modified to meet the test or shall
327 be terminated. On or before January 31, 2001, and annually thereafter
328 until January 31, 2006, the board shall provide a report to the joint
329 standing committees of the General Assembly having cognizance of
330 matters relating to energy and the environment which documents
331 expenditures [.] and fund balances and evaluates the cost-effectiveness
332 of such programs conducted in the preceding year.

333 Sec. 13. Subsection (a) of section 16-245m of the general statutes, as
334 amended by section 49 of public act 03-6 of the June 30 special session,
335 is repealed and the following is substituted in lieu thereof (*Effective*
336 *from passage*):

337 (a) On and after January 1, 2000, the Department of Public Utility
338 Control shall assess or cause to be assessed a charge of three mills per
339 kilowatt hour of electricity sold to each end use customer of an electric
340 distribution company to be used to implement the program as
341 provided in this section for conservation and load management
342 programs but not for the amortization of costs incurred prior to July 1,
343 1997, for such conservation and load management programs.
344 Notwithstanding the provisions of this section, receipts from such
345 charge shall be disbursed to the resources of the General Fund during
346 the period from July 1, 2003, to June 30, 2005, unless the department
347 shall, on or before October 30, 2003, issue a financing order for each
348 affected distribution company in accordance with sections 16-245e to
349 16-245k, inclusive, as amended, to sustain funding of conservation and
350 load management programs by substituting an equivalent amount, as

351 determined by the department in such financing order, of proceeds of
352 rate reduction bonds for disbursement to the resources of the General
353 Fund during the period from July 1, 2003, to June 30, 2005. The
354 department may authorize in such financing order the issuance of rate
355 reduction bonds that substitute for disbursement to the General Fund
356 for receipts of both the charge under this subsection and under
357 subsection (b) of section 16-245n, as amended, and also may, in its
358 discretion, authorize the issuance of rate reduction bonds under this
359 subsection and subsection (b) of section 16-245n, as amended, that
360 relate to more than one electric distribution company. The department
361 shall, in such financing order or other appropriate order, offset any
362 increase in the competitive transition assessment necessary to pay
363 principal, premium, if any, interest and expenses of the issuance of
364 such rate reduction bonds by making an equivalent reduction to the
365 charge imposed under this subsection, provided any failure to offset
366 all or any portion of such increase in the competitive transition
367 assessment shall not affect the need to implement the full amount of
368 such increase as required by this subsection and by sections 16-245e to
369 16-245k, inclusive, as amended. Such financing order shall also
370 provide if the rate reduction bonds are not issued, any unrecovered
371 funds expended and committed by the electric distribution companies
372 for conservation and load management programs, provided such
373 expenditures were approved by the department after August 20, 2003,
374 and prior to the date of determination that the rate reduction bonds
375 cannot be issued, shall be recovered by the companies from their
376 respective competitive transition assessment or systems benefits
377 charge but such expenditures shall not exceed four million dollars per
378 month. All receipts from the remaining charge imposed under this
379 subsection, after reduction of such charge to offset the increase in the
380 competitive transition assessment as provided in this subsection, shall
381 be disbursed to the Energy Conservation and Load Management Fund
382 commencing as of July 1, 2003. Any increase in the competitive
383 transition assessment or decrease in the conservation and load
384 management component of an electric distribution company's rates
385 resulting from the issuance of or obligations under rate reduction

386 bonds shall be included as rate adjustments on customer bills.

387 Sec. 14. Subsection (c) of section 16-258a of the general statutes, as
388 amended by section 1 of public act 03-27, is repealed and the following
389 is substituted in lieu thereof (*Effective from passage*):

390 (c) Each person registered with the department shall submit to the
391 department by July fifteenth of each year, on a form prescribed by the
392 department, an update of information the department deems relevant.
393 Each registered person shall pay an annual registration fee to be
394 determined by the department which shall not exceed the actual
395 administrative costs of the department and provide a bond or other
396 security as described in subdivision (1) of subsection (b) of this section.
397 If the department determines that a person registered with the
398 department has not complied with the requirements of subsection (b)
399 or (c) of this section, the department shall notify such person that
400 [their] such person's registration expires on September thirtieth of that
401 year and such person shall no longer be authorized to sell natural gas
402 to an end user in the state.

403 Sec. 15. Section 17 of public act 03-140 is repealed and the following
404 is substituted in lieu thereof (*Effective from passage*):

405 On or before January 1, 2004, and annually thereafter, the
406 Connecticut Energy Advisory Board shall prepare a comprehensive
407 energy plan based on existing reports and studies as to the need for
408 new energy resources, new energy transmission facilities in the state
409 and new energy conservation initiatives in the state. The board shall
410 hold regional public hearings on the proposed plan and shall give at
411 least thirty days' notice of each hearing by publication on the Internet
412 websites of the agencies participating on the board. Notice of such
413 hearing may be published in one or more newspapers having general
414 circulation in each municipality as deemed necessary by the board.
415 The notice shall state the date, time and place of the hearing, the
416 subject matter of the hearing, the statutory authority for the plan and
417 the location where a copy of the plan may be examined. Any person
418 may comment on the proposed plan. The board shall provide a time

419 period of not less than forty-five days from the date the notice is
420 published on the Internet websites of the agencies participating on the
421 board for review and comment. The board shall consider fully, after all
422 public hearings, all written and oral comments respecting the
423 proposed plan and shall mail to each person who commented or
424 requested notification, notice of availability of the following
425 documents at a designated location: The text of the final plan, a
426 summary of the differences between the proposed and final plan and
427 the reasons for such differences, and the principal considerations
428 raised in opposition to the proposed plan and the reasons for rejecting
429 any such considerations. The chairman of the board shall sign the final
430 plan and shall submit it to the joint standing [committee] committees
431 of the General Assembly having cognizance of matters relating to
432 energy, the environment and transportation. Such plan shall reflect the
433 legislative findings and policy stated in section 16a-35k, shall be
434 consistent with the state plan of conservation and development
435 adopted under chapter 297 and shall include, but not be limited to, (1)
436 an assessment of current energy supplies, demand and costs; (2) an
437 identification and evaluation of the factors likely to affect future
438 energy supplies, demand and costs; (3) a statement of progress made
439 toward long-term goals set in the previous report; (4)
440 recommendations for decreasing dependency on fossil fuels by
441 promoting energy conservation, solar and other alternative energy
442 sources; (5) an assessment of the infrastructure of the state for natural
443 gas and electric systems; (6) an evaluation of the impact of regional
444 transmission infrastructure planning processes conducted by the
445 regional independent system operator, as defined in section 16-1, as
446 amended, on the state's environment, on energy market design, and on
447 economic development in the state; (7) the consideration of alternative
448 energy planning mechanisms and targets as an alternative to
449 integrated resource planning; (8) a statement of energy policies and
450 long-range energy planning objectives and strategies appropriate to
451 achieve, among other things, the least-cost mix of energy supply
452 sources and measures that reduce demand for energy, giving due
453 regard to such factors as ratepayer impacts, security and diversity of

454 fuel supplies and energy generating methods, protection of public
455 health and safety, adverse or beneficial environmental impacts,
456 conservation of energy and energy resources and the ability of the state
457 to compete economically; and (9) recommendations for administrative
458 and legislative actions to implement such policies, objectives and
459 strategies.

460 Sec. 16. Subsection (d) of section 16a-37u of the general statutes, as
461 amended by section 51 of public act 03-132, is repealed and the
462 following is substituted in lieu thereof (*Effective from passage*):

463 (d) The Secretary of the Office of Policy and Management shall
464 require each state agency to maximize its use of public service
465 companies' energy conservation and load management programs and
466 to provide sites in its facilities for demonstration projects of highly
467 energy efficient equipment, provided no such demonstration project
468 [does not impair] impairs the functioning of the facility.

469 Sec. 17. Subsection (a) of section 16-245l of the general statutes, as
470 amended by section 3 of public act 02-64 and section 8 of public act 03-
471 135, is repealed and the following is substituted in lieu thereof
472 (*Effective from passage*):

473 (a) The Department of Public Utility Control shall establish and each
474 electric distribution company shall collect a systems benefits charge to
475 be imposed against all end use customers of each electric distribution
476 company beginning January 1, 2000. The department shall hold a
477 hearing that shall be conducted as a contested case in accordance with
478 chapter 54 to establish the amount of the systems benefits charge. The
479 department may revise the systems benefits charge or any element of
480 said charge as the need arises. The systems benefits charge shall be
481 used to fund (1) the expenses of the public education outreach
482 program developed under subsections (a), (f) and (g) of section 16-
483 244d other than expenses for department staff, (2) the reasonable and
484 proper expenses of the education outreach consultant pursuant to
485 subsection (d) of section 16-244d, (3) the cost of hardship protection
486 measures under sections 16-262c and 16-262d and other hardship

487 protections, including but not limited to, electric service bill payment
488 programs, funding and technical support for energy assistance, fuel
489 bank and weatherization programs and weatherization services, (4) the
490 payment program to offset tax losses described in section 12-94d, (5)
491 any sums paid to a resource recovery authority pursuant to subsection
492 (b) of section 16-243e, (6) low income conservation programs approved
493 by the Department of Public Utility Control, (7) displaced worker
494 protection costs, (8) unfunded storage and disposal costs for spent
495 nuclear fuel generated before January 1, 2000, approved by the
496 appropriate regulatory agencies, (9) postretirement safe shutdown and
497 site protection costs that are incurred in preparation for
498 decommissioning, (10) decommissioning fund contributions, (11) the
499 costs of temporary electric generation facilities incurred pursuant to
500 section 16-19ss, [and] (12) operating expenses for the Connecticut
501 Energy Advisory Board, and (13) legal, appraisal and purchase costs of
502 a conservation or land use restriction and other related costs as the
503 department in its discretion deems appropriate, incurred by a
504 municipality on or before January 1, 2000, to ensure the environmental,
505 recreational and scenic preservation of any reservoir located within
506 this state created by a pump storage hydroelectric generating facility.
507 As used in this subsection, "displaced worker protection costs" means
508 the reasonable costs incurred, prior to January 1, 2008, by an electric
509 supplier, exempt wholesale generator, electric company, an operator of
510 a nuclear power generating facility in this state or a generation entity
511 or affiliate arising from the dislocation of any employee other than an
512 officer, provided such dislocation is a result of restructuring of (A) the
513 electric generation market and such dislocation occurs on or after July
514 1, 1998, or (B) the closing of a Title IV source or an exempt wholesale
515 generator, as defined in 15 USC 79z-5a, on or after January 1, 2004, as a
516 result of such source's failure to meet requirements imposed as a result
517 of sections 22a-197 and 22a-198 and this section or those Regulations of
518 Connecticut State Agencies adopted by the Department of
519 Environmental Protection, as amended from time to time, in
520 accordance with Executive Order Number 19, issued on May 17, 2000;
521 and provided further such costs result from either the execution of

522 agreements reached through collective bargaining for union
 523 employees or from the company's or entity's or affiliate's programs
 524 and policies for nonunion employees. "Displaced worker protection
 525 costs" includes costs incurred or projected for severance, retraining,
 526 early retirement, outplacement, coverage for surviving spouse
 527 insurance benefits and related expenses. "Displaced worker protection
 528 costs" does not include those costs included in determining a tax credit
 529 pursuant to section 12-217bb.

530 Sec. 18. (*Effective from passage*) Section 14 of public act 03-140 is
 531 repealed.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>December 1, 2004</i>
Sec. 5	<i>December 1, 2004</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>
Sec. 9	<i>from passage</i>
Sec. 10	<i>from passage</i>
Sec. 11	<i>from passage</i>
Sec. 12	<i>from passage</i>
Sec. 13	<i>from passage</i>
Sec. 14	<i>from passage</i>
Sec. 15	<i>from passage</i>
Sec. 16	<i>from passage</i>
Sec. 17	<i>from passage</i>
Sec. 18	<i>from passage</i>

ET **Joint Favorable**

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

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill has no fiscal impact.

OLR Bill Analysis
HB 5417

***AN ACT IMPLEMENTING THE LEGISLATIVE COMMISSIONERS'
RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE
UTILITY LAWS***

SUMMARY:

This bill makes technical changes in the utility laws.

EFFECTIVE DATE: Upon passage, except two technical changes regarding the siting of utility facilities are effective December 1, 2004

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Report

Yea 16 Nay 0