



General Assembly

February Session, 2004

Raised Bill No. 371

LCO No. 1600

* _____SB00371ENV__040704_____*

Referred to Committee on Energy and Technology

Introduced by:
(ET)

AN ACT CONCERNING WATER COMPANY LANDS.

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

1 Section 1. Subsection (e) of section 16-43 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2004*):

4 (e) For the purposes of rate making, the department shall use an
5 accounting method for the economic benefits of sales of land by a
6 water company, as defined in section 16-1, as amended, that at any
7 time has been in the water company's rate base that equitably allocates
8 all of the economic benefits of any such sale between the ratepayers
9 and the shareholders of the company. Any such allocation shall be
10 based on the facts of each application for sale and the department may,
11 except as otherwise provided in this subsection, allocate all of the
12 economic benefits of any such sale to either the ratepayers or the
13 shareholders. The department shall allocate the economic benefits of
14 any such sale of water company land which promotes a perpetual
15 public interest in the use of land for open space or recreational
16 purposes, as defined in section 16-43b, substantially in favor of a water
17 company's shareholders if not less than [twenty-five] ninety per cent of

18 the area of [such] any buildable portion of class III land and one
19 hundred per cent of any class II land in the sale is to be used for open
20 space or recreational purposes and shall allocate up to one hundred
21 per cent of the benefits to the shareholders if one hundred per cent of
22 all of the land in the sale is to be used for open space or recreational
23 purposes. The department shall determine how much more than a
24 majority of such benefits shall be allocated to the shareholders based
25 on the extent to which part of the land is for open space or recreational
26 purposes. Any such land designated for open space or recreation shall
27 not be required to be part of or contiguous to the class III land which is
28 subject to the sale in order to be considered in the determination of the
29 allocation of benefits provided such noncontiguous land is (1)
30 consistent with the state or local plan for open space and recreation in
31 the municipality in which it is located, or (2) is adjacent to existing
32 protected open space, or (3) creates a linkage between two or more
33 parcels of protected open space and further provided only half of the
34 acreage within such noncontiguous land designated for open space or
35 recreational purposes shall be counted toward the percentage used in
36 determining whether the twenty-five per cent minimum requirement
37 in this section is met. Substitution of noncontiguous land to meet this
38 requirement shall not be permitted if such land to be sold together
39 with any contiguous class III land from which the water company has
40 divided or subdivided it for sale is more than one hundred fifty acres
41 and is contiguous to land protected as open space, forest land or
42 farmland designated under sections 12-107c to 12-107e, inclusive, as
43 amended, or classified as water company land, any of which, in
44 combination with the land to be sold, is more than five hundred acres.
45 The deed for any noncontiguous land used in any such determination
46 shall clearly indicate that the land is held for the public interest in
47 perpetuity. For purposes of this subsection, "buildable portion of class
48 III land" means all the class III land subject to sale, excluding (A)
49 wetlands, as defined in sections 22a-29 and 22a-38, and (B) slopes of
50 greater than twenty per cent.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>

ET *Joint Favorable*

ENV *Joint Favorable*