



General Assembly

Substitute Bill No. 1117

January Session, 2005

* SB01117ET_LAB030305 *

AN ACT CONCERNING WORKERS DISPLACED AS A RESULT OF ELECTRIC RESTRUCTURING.

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

1 Section 1. Section 16-245l of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) The Department of Public Utility Control shall establish and each
4 electric distribution company shall collect a systems benefits charge to
5 be imposed against all end use customers of each electric distribution
6 company beginning January 1, 2000. The department shall hold a
7 hearing that shall be conducted as a contested case in accordance with
8 chapter 54 to establish the amount of the systems benefits charge. The
9 department may revise the systems benefits charge or any element of
10 said charge as the need arises. The systems benefits charge shall be
11 used to fund (1) the expenses of the public education outreach
12 program developed under subsections (a), (f) and (g) of section 16-
13 244d other than expenses for department staff, (2) the reasonable and
14 proper expenses of the education outreach consultant pursuant to
15 subsection (d) of section 16-244d, (3) the cost of hardship protection
16 measures under sections 16-262c and 16-262d and other hardship
17 protections, including but not limited to, electric service bill payment
18 programs, funding and technical support for energy assistance, fuel
19 bank and weatherization programs and weatherization services, (4) the

20 payment program to offset tax losses described in section 12-94d, (5)
21 any sums paid to a resource recovery authority pursuant to subsection
22 (b) of section 16-243e, (6) low income conservation programs approved
23 by the Department of Public Utility Control, (7) displaced worker
24 protection costs, (8) unfunded storage and disposal costs for spent
25 nuclear fuel generated before January 1, 2000, approved by the
26 appropriate regulatory agencies, (9) postretirement safe shutdown and
27 site protection costs that are incurred in preparation for
28 decommissioning, (10) decommissioning fund contributions, (11) the
29 costs of temporary electric generation facilities incurred pursuant to
30 section 16-19ss, (12) operating expenses for the Connecticut Energy
31 Advisory Board, and (13) legal, appraisal and purchase costs of a
32 conservation or land use restriction and other related costs as the
33 department in its discretion deems appropriate, incurred by a
34 municipality on or before January 1, 2000, to ensure the environmental,
35 recreational and scenic preservation of any reservoir located within
36 this state created by a pump storage hydroelectric generating facility.
37 As used in this subsection, "displaced worker protection costs" means
38 the reasonable costs incurred, prior to January 1, 2008, (A) by an
39 electric supplier, exempt wholesale generator, electric company, an
40 operator of a nuclear power generating facility in this state or a
41 generation entity or affiliate arising from the dislocation of any
42 employee other than an officer, provided such dislocation is a result of
43 (i) restructuring of the electric generation market and such dislocation
44 occurs on or after July 1, 1998, or (ii) the closing of a Title IV source or
45 an exempt wholesale generator, as defined in 15 USC 79z-5a, on or
46 after January 1, 2004, as a result of such source's failure to meet
47 requirements imposed as a result of sections 22a-197 and 22a-198 and
48 this section or those [Regulations] regulations of Connecticut [State
49 Agencies] state agencies adopted by the Department of Environmental
50 Protection, as amended from time to time, in accordance with
51 Executive Order Number 19, issued on May 17, 2000, and provided
52 further such costs result from either the execution of agreements
53 reached through collective bargaining for union employees or from the
54 company's or entity's or affiliate's programs and policies for nonunion

55 employees, and (B) by an electric distribution company or an exempt
56 wholesale generator arising from the retraining of a former employee
57 of an unaffiliated exempt wholesale generator, which employee was
58 involuntary dislocated on or after January 1, 2004, from such wholesale
59 generator, except for cause. "Displaced worker protection costs"
60 includes costs incurred or projected for severance, retraining, early
61 retirement, outplacement, coverage for surviving spouse insurance
62 benefits and related expenses. "Displaced worker protection costs"
63 does not include those costs included in determining a tax credit
64 pursuant to section 12-217bb.

65 (b) The amount of the systems benefits charge shall be determined
66 by the department in a general and equitable manner and shall be
67 imposed on all end use customers of each electric distribution
68 company at a rate that is applied equally to all customers of the same
69 class in accordance with methods of allocation in effect on July 1, 1998,
70 provided the system benefits charge shall not be imposed on
71 customers receiving services under a special contract which is in effect
72 on July 1, 1998, until such special contracts expire. The system benefits
73 charge shall be imposed beginning on January 1, 2000, on all customers
74 receiving services under a special contract which are entered into or
75 renewed after July 1, 1998. The systems benefits charge shall have a
76 generally applicable manner of determination that may be measured
77 on the basis of percentages of total costs of retail sales of generation
78 services. The systems benefits charge shall be payable on an equal
79 basis on the same payment terms and shall be eligible or subject to
80 prepayment on an equal basis. Any exemption of the systems benefits
81 charge by customers under a special contract shall not result in an
82 increase in rates to any customer. A person owning, leasing,
83 maintaining, operating, managing or controlling poles, wires, conduits
84 or other fixtures, along public highways or streets, for the transmission
85 or distribution of electric current for sale for light, heat or power
86 within this state, or engaged in generating electricity to be so
87 transmitted or distributed for such purpose, a private power producer,
88 as defined in section 16-243b, an exempt wholesale generator, as

89 defined in 15 USC 79z-5a, a municipal electric utility established under
90 chapter 101, a municipal electric energy cooperative established under
91 chapter 101a, an electric cooperative established under chapter 597 and
92 any other electric utility owned, leased, maintained, operated,
93 managed or controlled by any unit of local government under any
94 general statute or any public or special act that employs a person who
95 was employed by an exempt wholesale generator on or before January
96 1, 2005, who is involuntarily dislocated, except for cause, and that
97 provides services or incurs expenses on employing a displaced worker,
98 which services or expenses are displaced worker protection costs as
99 described in subsection (a) of this section, may apply to recover such
100 displaced worker protection costs, plus one thousand dollars per
101 displaced worker so employed, pursuant to the provisions of
102 subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	16-2451

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Joint Favorable Subst. C/R

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