



General Assembly

Substitute Bill No. 1118

January Session, 2005

* SB01118ET_PD_032205 *

AN ACT CONCERNING UTILITY COMPANY PROPERTY.

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

1 Section 1. (NEW) (*Effective July 1, 2005*) The provisions of this section
2 shall be applicable to each gas company, electric distribution company
3 or water company, as defined in section 16-1 of the general statutes.
4 The true and actual value of the personal property of any gas
5 company, electric distribution company or water company shall be
6 established in relation to such property's original cost and shall reflect
7 the depreciation lives and salvage rates approved by the Department
8 of Public Utility Control, provided the total amount of depreciation
9 allowed shall not exceed seventy per cent. The original cost of such
10 property shall include the costs of materials, labor, installation,
11 overhead and interest during construction. If the original cost is not
12 available, a reasonable estimate may be used. If such property is
13 purchased, original cost means the purchase price of such property
14 provided any portion of such price found imprudent or otherwise
15 excessive by the Department of Public Utility Control and not allowed
16 for recovery in regulated rates or otherwise recoverable shall be
17 excluded. The depreciated cost of such property as reported on the
18 declaration required by section 12-42 or 12-43 of the general statutes
19 shall be the portion of the property owner's total depreciated cost of
20 such property allocated to the municipality from the total cost
21 appearing on the most recent annual report filed with the Department

22 of Public Utility Control, in accordance with section 16-27 of the
23 general statutes. The provisions of section 12-53 of the general statutes
24 shall be applicable with respect to the personal property of any gas
25 company, electric distribution company or water company, except that
26 the assessor shall not use a methodology other than the one set forth in
27 this subsection to determine the value of such property.
28 Notwithstanding the provisions of this section, a municipality may, by
29 ordinance adopted by its legislative body, select an alternative method
30 of valuation to establish the assessed value of such personal property
31 of any gas company, electric distribution company or water company.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	New section

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Joint Favorable Subst. C/R

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