



# House of Representatives

General Assembly

**File No. 315**

February Session, 2008

Substitute House Bill No. 5725

*House of Representatives, March 31, 2008*

The Committee on Energy and Technology reported through REP. FONTANA, S. of the 87th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT CONCERNING THE CONNECTICUT SITING COUNCIL.***

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

1 Section 1. Subsection (f) of section 16-50j of the 2008 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage*):

4 (f) The public members of the council, including the chairman, the  
5 members appointed by the speaker of the House and president pro  
6 tempore of the Senate and the four ad hoc members specified in  
7 subsection (c) of this section, shall be compensated for their attendance  
8 at public hearings, executive sessions, or other council business as may  
9 require their attendance at the rate of two hundred dollars, provided in  
10 no case shall the daily compensation exceed two hundred dollars.  
11 Council members shall receive reimbursement for their necessary  
12 expenses incurred in the discharge of their official duties.

13 Sec. 2. Section 16-50r of the general statutes is repealed and the

14 following is substituted in lieu thereof (*Effective from passage*):

15 (a) Every person engaged in electric transmission services, as  
16 defined in section 16-1 of the 2008 supplement to the general statutes,  
17 electric generation services, as defined in said section, or electric  
18 distribution services, as defined in said section generating electric  
19 power in the state utilizing a generating facility with a capacity greater  
20 than one megawatt, shall, annually, on or before March first, file a  
21 report on a forecast of loads and resources which may consist of an  
22 update of the previous year's report with the council for its review. The  
23 report shall cover the ten-year forecast period beginning with the year  
24 of the report. Upon request, the report shall be made available to the  
25 public. The report shall include, as applicable: (1) A tabulation of  
26 estimated peak loads, resources and margins for each year; (2) data on  
27 energy use and peak loads for the five preceding calendar years; (3) a  
28 list of existing generating facilities in service; (4) a list of scheduled  
29 generating facilities for which property has been acquired, for which  
30 certificates have been issued and for which certificate applications  
31 have been filed; (5) a list of planned generating units at plant locations  
32 for which property has been acquired, or at plant locations not yet  
33 acquired, that will be needed to provide estimated additional electrical  
34 requirements, and the location of such facilities; (6) a list of planned  
35 transmission lines on which proposed route reviews are being  
36 undertaken or for which certificate applications have already been  
37 filed; (7) a description of the steps taken to upgrade existing facilities  
38 and to eliminate overhead transmission and distribution lines in  
39 accordance with the regulations and standards described in section 16-  
40 50t; and (8) for each private power producer having a facility  
41 generating more than one megawatt and from whom the person  
42 furnishing the report has purchased electricity during the preceding  
43 calendar year, a statement including the name, location, size and type  
44 of generating facility, the fuel consumed by the facility and the by-  
45 product of the consumption.

46 (b) Every person engaged in natural gas transmission services,  
47 natural gas storage services or natural gas distribution services in the

48 state shall, on or before March 1, 2009, and biennially thereafter, file a  
49 report on a forecast of natural gas consumption and resources with the  
50 council for its review. The report shall cover the ten-year forecast  
51 period beginning with the year of the report. Upon request, the report  
52 shall be made available to the public. The report shall include, as  
53 applicable: (1) A tabulation of estimated natural gas consumption,  
54 resources and margins for each year; (2) data on natural gas  
55 consumption and resources for the five preceding calendar years; (3) a  
56 list of existing natural gas transmission facilities in service; (4) a list of  
57 scheduled natural gas transmission facilities for which property has  
58 been acquired, for which certificates have been issued or for which  
59 certificate applications have been filed; (5) a list of planned natural gas  
60 transmission facilities for which property has been acquired or at  
61 facility locations not yet acquired that will be needed to provide  
62 estimated additional natural gas requirements and the location of such  
63 facilities; and (6) a list of planned natural gas transmission lines.

64 (c) Confidential, proprietary or trade secret information provided  
65 under this section may be submitted under a duly granted protective  
66 order. The council may adopt regulations, in accordance with the  
67 provisions of chapter 54, that specify the expected filing requirements.  
68 [for persons that transmit electric power in the state, electric  
69 distribution companies, and persons that generate electric power in the  
70 state utilizing a generating facility with a capacity of greater than one  
71 megawatt.] Until such regulations are adopted, persons that transmit  
72 or distribute electric power or transmit, distribute or store natural gas  
73 in the state shall file reports pursuant to this [section that include the  
74 information requested in subdivisions (6) and (7) of this subsection;  
75 electric distribution companies in the state shall file reports pursuant  
76 to this section that include the information requested in subdivisions  
77 (1), (2), (7) and (8) of this subsection; persons that generate electric  
78 power in the state utilizing a generating facility with a capacity greater  
79 than one megawatt shall file reports pursuant to this section that  
80 include the information requested in subdivisions (3), (4), (5) and (8) of  
81 this subsection] section. The council shall hold a public hearing on  
82 such filed electric forecast reports annually and such filed natural gas

83 forecast reports biennially. The council shall conduct a review in an  
84 executive session of any confidential, proprietary or trade secret  
85 information submitted under a protective order during such a hearing.  
86 At least one session of such hearing shall be held after six-thirty p.m.  
87 Upon reviewing such forecast reports, the council [may] shall issue its  
88 own report assessing the overall status of natural gas loads,  
89 consumption and resources in the state. [If the council issues such a]  
90 Such report [, it] shall be made available to the public and shall be  
91 furnished to the Connecticut Energy Advisory Board, established  
92 pursuant to section 16a-3, and each member of the joint standing  
93 committee of the General Assembly having cognizance of matters  
94 relating to energy and technology, any other member of the General  
95 Assembly making a written request to the council for the report and  
96 such other state and municipal bodies as the council may designate.  
97 The council shall publish the report, on its web site and otherwise  
98 distribute it to meet the informational needs of interested people.

99 [(b)] (d) On October 1, 1994, and not less than once every five years  
100 thereafter, the council shall establish a proceeding to investigate and  
101 determine life-cycle costs for both overhead and underground  
102 transmission line alternatives. The council shall determine the  
103 schedule and scope of the investigation at a publicly noticed meeting  
104 held not earlier than ninety days preceding the first public hearing on  
105 the matter. The scope of the investigation shall include, but not be  
106 limited to, an inquiry of all relevant life-cycle costs, relative reliability,  
107 constraints concerning access and construction, potential damage to  
108 the environment and compatibility with the existing electric supply  
109 system. As part of the investigation the council shall hold public  
110 hearings which shall afford all interested parties opportunity to be  
111 heard. At least one public hearing shall be held after six-thirty p.m.

112 [(c)] (e) An investigation conducted pursuant to subsection [(b)] (d)  
113 of this section may include the retention of consultants, manufacturers  
114 and other experts necessary for the council to objectively determine the  
115 range of life-cycle costs of such alternatives. No such consultant,  
116 manufacturer or expert shall have any financial interest in, or, in the

117 twelve months preceding the investigation, have engaged in any  
118 business, employment or professional activity for compensation with a  
119 corporation, company, association, joint stock association, partnership  
120 or person, or lessee thereof, owning, leasing, maintaining, operating,  
121 managing or controlling poles, wires, conduits or other fixtures, along  
122 public highways or streets, for the transmission or distribution of  
123 electric current for sale for light, heat or power within the state, or with  
124 a person, firm or corporation which manufactures such poles, wires,  
125 conduits or other fixtures. The council shall apportion and assess its  
126 expenses for consultants, hearing facilities, stenographic reports and  
127 other reasonable and necessary expenses of conducting such an  
128 investigation among those persons, firms and corporations having  
129 gross revenues from the retail sale of electric power in excess of one  
130 hundred thousand dollars during the preceding calendar year. The  
131 council shall assess each such person, firm or corporation in  
132 proportion of its gross revenues to the aggregate gross revenues of all  
133 such persons, firms and corporations. Each person, firm or corporation  
134 subject to an assessment shall pay its assessed amount not later than  
135 thirty days after receiving notice of its assessment or as specified by  
136 the council. Prior to incurring expenses for which assessments shall be  
137 made under this subsection, the council shall review the anticipated  
138 expenses at a public meeting, notice of which shall be given to each  
139 person, firm or corporation subject to an assessment. A person, firm or  
140 corporation may object to an assessment made pursuant to this  
141 subsection by filing with the council, not later than thirty days after  
142 receiving notice of its assessment, a petition stating the amount of the  
143 assessment to which it objects and the grounds upon which it claims  
144 such assessment is excessive, erroneous, unlawful or invalid. Upon the  
145 request of the petitioner, the council shall hold a hearing. After  
146 reviewing the company's petition and testimony, if any, the council  
147 shall issue an order in accordance with its findings. The petitioner shall  
148 pay the council the amount indicated in the order not later than thirty  
149 days after the date of the order.

150 [(d)] (f) The council shall remit all payments received pursuant to  
151 this section to the State Treasurer for deposit in the Siting Council

152 Fund. Such payments shall be accounted for as expenses recovered  
 153 from electric power suppliers. All payments made under this section  
 154 shall be in addition to any taxes payable to the state under chapters  
 155 211, 212, 212a and 219.

156 [(e)] (g) An assessment unpaid on the due date or any portion of an  
 157 assessment withheld after the due date under this section shall be  
 158 subject to interest at the rate of one and one-fourth per cent per month  
 159 or fraction thereof.

160 Sec. 3. Subsection (b) of section 16a-3 of the 2008 supplement to the  
 161 general statutes is repealed and the following is substituted in lieu  
 162 thereof (*Effective from passage*):

163 (b) The board shall (1) represent the state in regional energy system  
 164 planning processes conducted by the regional independent system  
 165 operator, as defined in section 16-1 of the 2008 supplement to the  
 166 general statutes; (2) encourage representatives from the municipalities  
 167 that are affected by a proposed project of regional significance to  
 168 participate in regional energy system planning processes conducted by  
 169 the regional independent system operator; (3) participate in a forecast  
 170 proceeding conducted pursuant to [subsection] subsections (a) and (b)  
 171 of section 16-50r, as amended by this act; (4) participate in a life-cycle  
 172 proceeding conducted pursuant to subsection [(b)] (d) of section 16-  
 173 50r, as amended by this act; and (5) review the procurement plan  
 174 submitted by the electric distribution companies pursuant to section  
 175 16a-3a of the 2008 supplement to the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-50j(f)
Sec. 2	<i>from passage</i>	16-50r
Sec. 3	<i>from passage</i>	16a-3(b)

**Statement of Legislative Commissioners:**

In subsection (b) of section 2, "with the council for its review" was added for internal consistency.

**ET**      *Joint Favorable Subst.-LCO*

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 chamber thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Siting Council, CT	SCF - Savings	See Below	See Below

Note: SCF=Siting Council Fund

**Municipal Impact:** None

**Explanation**

This bill results in two changes to the Connecticut Siting Council. The first allows for Council members to be reimbursed for any necessary expenses incurred in the discharge of their official duties. Since current practice already allows for reimbursement, this portion of the bill has no fiscal impact.

The bill also requires the Council to issue a forecast report regarding gas resources and consumption every two years. The Council currently issues this report every year; producing this report every other year will result in a savings of \$20,000-\$25,000.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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**OLR Bill Analysis**

**sHB 5725**

***AN ACT CONCERNING THE CONNECTICUT SITING COUNCIL.***

**SUMMARY:**

This bill requires the members of the natural gas industry to file forecasts of gas resources and consumption with the Connecticut Siting Council every two years. It requires the council to hold a hearing and issue a report on the forecasts. The bill modifies similar provisions in existing law regarding electric industry forecasts but eliminates an authorization for the council to issue a report on the electric forecasts. It requires the Connecticut Energy Advisory Board (CEAB) to participate in the gas forecast proceedings; current law requires the board to participate in the comparable electric industry proceedings.

Finally, the bill requires members of the Siting Council to be reimbursed for the necessary expenses incurred in the discharge of their official duties.

EFFECTIVE DATE: Upon passage

**NATURAL GAS FORECASTS**

The bill requires each entity that provides natural gas transmission, storage, or distribution services in the state to file a 10-year forecast of gas consumption and resources by March 1 in every odd-numbered year. The forecast must include, as applicable; (1) estimated natural gas consumption, resources, and margins for each year; (2) data on natural gas consumption and resources for the five preceding calendar years; (3) a list of existing natural gas transmission facilities in service; (4) a list of scheduled natural gas transmission facilities for which property has been acquired, certificates have been issued, or certificate applications have been filed; (5) a list of planned natural gas

transmission facilities for which property has been acquired or facility locations not yet acquired that will be needed to meet estimated additional natural gas requirements and their location; and (6) a list of planned natural gas pipelines. The forecast must be made available to public upon request.

As is the case for the existing electric forecasts, the bill allows the council to (1) grant orders to protect confidential, proprietary, or trade secret information and (2) adopt regulations to specify filing requirements. Until the regulations are adopted, the bill's filing requirements apply.

The bill requires the council to hold a hearing on the gas forecasts biennially, with at least one hearing held after 6:30 p.m. It requires the council to conduct a review in an executive session of any information submitted under a protective order in during the hearing. The council must issue a report on natural gas loads, consumption, and resources in the state. It must make the report available to public, CEAB, and the members of the Energy and Technology Committee. The council also must make the report available to any legislator who makes a written request for it and to other state and municipal bodies the council designates. The bill requires the council to publish the report on its website and otherwise distribute it to meet the informational needs of interested people.

## **ELECTRIC FORECASTS**

By law, entities that provide electric transmission and distribution services, as well as electric generators with facilities with a capacity of one megawatt must file annual forecasts with the council. (Commercial power plants typically have a capacity of 500 to 1,000 megawatts.) The bill eliminates a provision specifying filing requirements for entities in each sector of the industry (generation, transmission, and distribution) until the Siting Council adopts its filing regulations. These regulations have not yet been adopted.

The bill eliminates the council's explicit authority to issue a report of

electric loads and resources.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea 21 Nay 0 (03/11/2008)