



House of Representatives

File No. 688

General Assembly

February Session, 2008

(Reprint of File No. 315)

Substitute House Bill No. 5725
As Amended by House Amendment Schedule
"A"

Approved by the Legislative Commissioner
April 18, 2008

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2 the general statutes is repealed and the following is substituted in lieu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 Section 16-50r of the general statutes is repealed and the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 five-year forecast
51 period beginning with the year of the report. If a gas distribution
52 company files a forecast pursuant to section 16-32f of the 2008
53 supplement to the general statutes, such company may use its latest
54 submittal to comply with the requirement of this subsection. Upon
55 request, the report shall be made available to the public. The report
56 shall include, as applicable: (1) A tabulation of estimated natural gas
57 consumption, resources and margins for each year; (2) data on natural
58 gas consumption and resources for the five preceding calendar years;
59 (3) a list of existing natural gas transmission facilities in service; (4) a
60 list of scheduled natural gas transmission facilities for which property
61 has been acquired, for which certificates have been issued or for which
62 certificate applications have been filed; (5) a list of planned natural gas
63 transmission facilities for which property has been acquired or at
64 facility locations not yet acquired that will be needed to provide
65 estimated additional natural gas requirements and the location of such
66 facilities; and (6) a list of planned natural gas transmission lines.

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

83 include the information requested in subdivisions (3), (4), (5) and (8) of
84 this subsection] section. The council shall hold a public hearing on
85 such filed electric forecast reports annually and such filed natural gas
86 forecast reports biennially. The council shall conduct a review in an
87 executive session of any confidential, proprietary or trade secret
88 information submitted under a protective order during such a hearing.
89 At least one session of such hearing shall be held after six-thirty p.m.
90 Upon reviewing such forecast reports, the council [may] shall issue its
91 own report assessing the overall status of natural gas loads,
92 consumption and resources in the state. [If the council issues such a]
93 Such report [, it] shall be made available to the public and shall be
94 furnished to the Connecticut Energy Advisory Board, established
95 pursuant to section 16a-3, and each member of the joint standing
96 committee of the General Assembly having cognizance of matters
97 relating to energy and technology, any other member of the General
98 Assembly making a written request to the council for the report and
99 such other state and municipal bodies as the council may designate.
100 The council shall publish the report, on its web site and otherwise
101 distribute it to meet the informational needs of interested people.

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

115 [(c)] (e) An investigation conducted pursuant to subsection [(b)] (d)
116 of this section may include the retention of consultants, manufacturers

117 and other experts necessary for the council to objectively determine the
118 range of life-cycle costs of such alternatives. No such consultant,
119 manufacturer or expert shall have any financial interest in, or, in the
120 twelve months preceding the investigation, have engaged in any
121 business, employment or professional activity for compensation with a
122 corporation, company, association, joint stock association, partnership
123 or person, or lessee thereof, owning, leasing, maintaining, operating,
124 managing or controlling poles, wires, conduits or other fixtures, along
125 public highways or streets, for the transmission or distribution of
126 electric current for sale for light, heat or power within the state, or with
127 a person, firm or corporation which manufactures such poles, wires,
128 conduits or other fixtures. The council shall apportion and assess its
129 expenses for consultants, hearing facilities, stenographic reports and
130 other reasonable and necessary expenses of conducting such an
131 investigation among those persons, firms and corporations having
132 gross revenues from the retail sale of electric power in excess of one
133 hundred thousand dollars during the preceding calendar year. The
134 council shall assess each such person, firm or corporation in
135 proportion of its gross revenues to the aggregate gross revenues of all
136 such persons, firms and corporations. Each person, firm or corporation
137 subject to an assessment shall pay its assessed amount not later than
138 thirty days after receiving notice of its assessment or as specified by
139 the council. Prior to incurring expenses for which assessments shall be
140 made under this subsection, the council shall review the anticipated
141 expenses at a public meeting, notice of which shall be given to each
142 person, firm or corporation subject to an assessment. A person, firm or
143 corporation may object to an assessment made pursuant to this
144 subsection by filing with the council, not later than thirty days after
145 receiving notice of its assessment, a petition stating the amount of the
146 assessment to which it objects and the grounds upon which it claims
147 such assessment is excessive, erroneous, unlawful or invalid. Upon the
148 request of the petitioner, the council shall hold a hearing. After
149 reviewing the company's petition and testimony, if any, the council
150 shall issue an order in accordance with its findings. The petitioner shall
151 pay the council the amount indicated in the order not later than thirty

152 days after the date of the order.

153 [(d)] (f) The council shall remit all payments received pursuant to
154 this section to the State Treasurer for deposit in the Siting Council
155 Fund. Such payments shall be accounted for as expenses recovered
156 from electric power suppliers. All payments made under this section
157 shall be in addition to any taxes payable to the state under chapters
158 211, 212, 212a and 219.

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

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

166 (b) The board shall (1) represent the state in regional energy system
167 planning processes conducted by the regional independent system
168 operator, as defined in section 16-1 of the 2008 supplement to the
169 general statutes; (2) encourage representatives from the municipalities
170 that are affected by a proposed project of regional significance to
171 participate in regional energy system planning processes conducted by
172 the regional independent system operator; (3) participate in a forecast
173 proceeding conducted pursuant to [subsection] subsections (a) and (b)
174 of section 16-50r, as amended by this act; (4) participate in a life-cycle
175 proceeding conducted pursuant to subsection [(b)] (d) of section 16-
176 50r, as amended by this act; and (5) review the procurement plan
177 submitted by the electric distribution companies pursuant to section
178 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)
--------	---------------------	----------

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.

House "A" (LCO 4158) changes the forecast report submitted by companies in the natural gas industry to cover a five-year instead of a ten-year forecast. It also makes a change to what reports the companies can use to comply with this requirement. There is no change to the fiscal impact of the underlying bill.

The Out Years

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

OLR Bill Analysis**sHB 5725 (as amended by House "A")******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.

*House Amendment "A" (1) reduces the period of the gas forecast from 10 to five years and (2) allows gas companies to use an existing forecast to meet the bill's requirements.

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 five-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. If gas company files the supply and demand forecast required under existing law, it can use its latest submittal to meet those requirements.

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)