



Senate

General Assembly

File No. 359

February Session, 2008

Substitute Senate Bill No. 188

Senate, April 1, 2008

The Committee on Energy and Technology reported through SEN. FONFARA, J. of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CERTAIN ELECTRIC UTILITY POWERS AND INVESTMENTS.

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

1 Section 1. (NEW) (*Effective from passage*) On or before June 1, 2008,
2 the Department of Public Utility Control shall conduct a contested case
3 proceeding, in accordance with the provisions of chapter 54 of the
4 general statutes, to determine the efficacy of including additional
5 investments by electric distribution companies in cost-effective
6 conservation and load management programs beyond the levels
7 funded, pursuant to subsection (a) of section 16-245m of the 2008
8 supplement to the general statutes, in said companies' rate bases. Not
9 later than January 1, 2009, the department shall submit a report with
10 the results of such proceeding to the joint standing committee of the
11 General Assembly having cognizance of matters relating to energy, in
12 accordance with the provisions of section 11-4a of the general statutes.

13 Sec. 2. (NEW) (*Effective from passage*) Notwithstanding any limitation

14 imposed by its charter, each domestic electric company, as defined in
 15 section 16-246a of the general statutes, is authorized and empowered
 16 to generate and transmit electric energy and to acquire utility facilities
 17 necessary or convenient for the purposes of its electric utility business
 18 or undivided interests therein, and to operate the same, anywhere
 19 within or without the state, provided nothing herein shall be construed
 20 to authorize such a company to sell electric energy in this state to any
 21 person or within any area, except as otherwise authorized by its
 22 charter or the general statutes. An electric distribution company may
 23 own or operate electric generation assets only as authorized by section
 24 16-243m of the general statutes and public act 07-242.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

ET Joint Favorable Subst.

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: None

Municipal Impact: None

Explanation

This bill requires the Department of Public Utility Control (DPUC) to conduct a contested case proceeding. The bill also allows electric companies to engage in certain activities convenient for its electric utility business. There is no fiscal impact associated with this bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 188*****AN ACT CONCERNING CERTAIN ELECTRIC UTILITY POWERS AND INVESTMENTS.*****SUMMARY:**

This bill allows each in-state electric company to generate and transmit electric energy and to acquire utility facilities needed or convenient for its electric utility business or its undivided interests in the business. It also allows the companies to operate the facilities anywhere in or outside the state. These provisions apply notwithstanding any limitation in the company's charter. But the bill does not authorize the company to sell electric energy in Connecticut to any person or within any area, except as authorized by its charter or the statutes. And the company can only own or operate generation assets (e.g., power plants) as authorized by current law.

The bill requires the Department of Public Utility Control, by June 1, 2008, to conduct a contested case proceeding in accordance with the Uniform Administrative Procedure Act to determine the efficacy of including, in the rate base of the state's electric companies, investments in cost-effective conservation and load management, beyond the level funded by the Connecticut Energy Efficiency Fund (Under utility law, companies make a return on their investments in the rate base but not their other expenses.) The bill requires the department to report the results of the proceeding to the Energy and Technology Committee by January 1, 2009.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/11/2008)