



House of Representatives

General Assembly

File No. 71

January Session, 2009

Substitute House Bill No. 6427

House of Representatives, March 16, 2009

The Committee on Energy and Technology reported through REP. NARDELLO of the 89th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE STATUTORY TIME LIMIT TO COMPLETE A MULTIYEAR RATE APPLICATION.

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

1 Section 1. Subsection (a) of section 16-19 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (a) No public service company may charge rates in excess of those
5 previously approved by the authority or the Department of Public
6 Utility Control except that any rate approved by the Public Utilities
7 Commission or the authority shall be permitted until amended by the
8 authority or the department, that rates not approved by the authority
9 or the department may be charged pursuant to subsection (b) of this
10 section, and that the hearing requirements with respect to adjustment
11 clauses are as set forth in section 16-19b. Each public service company
12 shall file any proposed amendment of its existing rates with the
13 department in such form and in accordance with such reasonable

14 regulations as the department may prescribe. Each electric, electric
15 distribution, gas or telephone company filing a proposed amendment
16 shall also file with the department an estimate of the effects of the
17 amendment, for various levels of consumption, on the household
18 budgets of high and moderate income customers and customers
19 having household incomes not more than one hundred fifty per cent of
20 the federal poverty level. Each electric and electric distribution
21 company shall also file such an estimate for space heating customers.
22 Each water company, except a water company that provides water to
23 its customers less than six consecutive months in a calendar year, filing
24 a proposed amendment, shall also file with the department a plan for
25 promoting water conservation by customers in such form and in
26 accordance with a memorandum of understanding entered into by the
27 department pursuant to section 4-67e. Each public service company
28 shall notify each customer who would be affected by the proposed
29 amendment, by mail, at least one week prior to the public hearing
30 thereon, that an amendment has been or will be requested. Such notice
31 shall also indicate (1) the Department of Public Utility Control
32 telephone number for obtaining information concerning the schedule
33 for public hearings on the proposed amendment, and (2) whether the
34 proposed amendment would, in the company's best estimate, increase
35 any rate or charge by twenty per cent or more, and, if so, describe in
36 general terms any such rate or charge and the amount of the proposed
37 increase, provided no such company shall be required to provide more
38 than one form of the notice to each class of its customers. In the case of
39 a proposed amendment to the rates of any public service company, the
40 department shall hold a public hearing thereon, except as permitted
41 with respect to interim rate amendments by [subsection] subsections
42 (d) and [subsection] (g) of this section, and shall make such
43 investigation of such proposed amendment of rates as is necessary to
44 determine whether such rates conform to the principles and guidelines
45 set forth in section 16-19e, or are unreasonably discriminatory or more
46 or less than just, reasonable and adequate, or that the service furnished
47 by such company is inadequate to or in excess of public necessity and
48 convenience. The department, if in its opinion such action appears

49 necessary or suitable in the public interest may, and, upon written
50 petition or complaint of the state, under direction of the Governor,
51 shall, make the aforesaid investigation of any such proposed
52 amendment which does not involve an alteration in rates. If the
53 department finds any proposed amendment of rates to not conform to
54 the principles and guidelines set forth in section 16-19e, or to be
55 unreasonably discriminatory or more or less than just, reasonable and
56 adequate to enable such company to provide properly for the public
57 convenience, necessity and welfare, or the service to be inadequate or
58 excessive, it shall determine and prescribe, as appropriate, an adequate
59 service to be furnished or just and reasonable maximum rates and
60 charges to be made by such company. In the case of a proposed
61 amendment filed by an electric, electric distribution, gas or telephone
62 company, the department shall also adjust the estimate filed under this
63 subsection of the effects of the amendment on the household budgets
64 of the company's customers, in accordance with the rates and charges
65 approved by the department. The department shall issue a final
66 decision on each rate filing within one hundred fifty days from the
67 proposed effective date thereof, provided it may, before the end of
68 such period and upon notifying all parties and intervenors to the
69 proceedings, extend the period by thirty days. In proceedings in which
70 a public service company has filed a multiyear rate amendment, the
71 department may further extend the period for issuing a final decision
72 by not more than sixty days beyond such thirty-day period.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-19(a)

Statement of Legislative Commissioners:

The new sentence at the end of section 1 was rewritten for clarity.

ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill extends the time frame the Department of Public Utility Control has to issue a final decision in a multiyear utility rate case. There is no fiscal impact associated with this bill.

The Out Years

None

OLR Bill Analysis

sHB 6427

AN ACT CONCERNING THE STATUTORY TIME LIMIT TO COMPLETE A MULTIYEAR RATE APPLICATION.

SUMMARY:

This bill extends, by 60 days, the deadline for the Department of Public Utility Control (DPUC) to issue a final decision in multiyear utility rate cases (e.g., a case where a company proposes to increase rates in two consecutive years). Under current law, DPUC must issue its final decision in all rate cases within 150 days from the date the application is filed and can extend this deadline by 30 days if it notifies all of the parties and intervenors in the case. The bill allows DPUC to take up to 60 additional days beyond the 30 day period in multiyear rate cases.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 20 Nay 0 (02/26/2009)