AN ACT CONCERNING ENVIRONMENTAL HEALTH.

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

Section 1. Section 16-262m of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2009):

(a) As used in this section and section 8-25a, "water company" means a corporation, company, association, joint stock association, partnership, municipality, state agency, other entity or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling any pond, lake, reservoir, stream, well or distributing plant or system employed for the purpose of supplying water to fifteen or more service connections or twenty-five or more persons for at least sixty days in any one year.

(b) No water company may begin the construction of a water supply system for the purpose of supplying water to fifteen or more service connections or twenty-five or more persons for at least sixty days in any one year, and no person or entity, except a water company supplying more than two hundred fifty service connections or one thousand persons, may begin expansion of such a water supply system, without having first obtained a certificate of public convenience and necessity.

(c) For systems serving twenty-five or more residents that are not
the subject of proceedings under subsection (c) of section 16-262n or
section 16-262o, an application for a certificate of public convenience
and necessity shall be on a form prescribed by the Department of
Public Utility Control, in consultation with the Department of Public
Health, and accompanied by a copy of the [water company's]
applicant's construction or expansion plans, a fee of one hundred
dollars and when [applicable] an exclusive service area provider has
been determined pursuant to section 25-33g, a copy of a signed
ownership agreement between the [water company] applicant and
provider for the exclusive service area, as determined pursuant to
section 25-33g, detailing those terms and conditions under which the
system will be constructed or expanded and for which the provider
will assume service and ownership responsibilities. [The] When an
exclusive service area provider has been determined pursuant to
section 25-33g, the application shall also be accompanied by a written
certification from the exclusive service area provider, as the entity that
will own the water supply system, that such provider has reviewed
and concurs with the information provided by the applicant in the
application. Written certification from the exclusive service area
provider shall be on a form prescribed by said departments. Said
departments shall issue a certificate to an applicant upon determining,
to their satisfaction, that (1) no interconnection is feasible with a water
system owned by, or made available through arrangement with, the
provider for the exclusive service area, as determined pursuant to
section 25-33g or with another existing water system where no
exclusive service area has been assigned, (2) the applicant will
complete the construction or expansion in accordance with
engineering standards established by regulation by the Department of
Public Utility Control for water supply systems, (3) ownership of the
system will be assigned to the provider for the exclusive service area,
[as] when an exclusive service area provider has been determined
pursuant to section 25-33g, (4) the proposed construction or expansion
will not result in a duplication of water service in the applicable
service area, [and] (5) the applicant meets all federal and state
standards for water supply systems, and (6) the entity that will own
the water supply system has the financial, managerial and technical
resources to (A) operate the proposed water supply system in a
reliable and efficient manner, and (B) provide continuous adequate
service to consumers served by the water supply system. Any
construction or expansion with respect to which a certificate is
required shall thereafter be built, maintained and operated in
conformity with the certificate and any terms, limitations or conditions
contained therein.

(d) The Department of Public Utility Control and the Department of
Public Health[,] shall each adopt regulations, in accordance with the
provisions of chapter 54, to carry out the purposes of subsections (a) to
(c), inclusive, of this section.

(e) (1) For systems serving twenty-five or more persons, but not
twenty-five or more residents, at least sixty days in any one year an
application for a certificate of public convenience and necessity shall
be on a form prescribed by the Department of Public Health and
accompanied by a copy of the construction or expansion plans. The
Department of Public Health shall issue a certificate to an applicant
upon determining, to its satisfaction, that (A) no interconnection is
feasible with a water system owned by, or made available through
arrangement with, the provider for the exclusive service area, as
determined pursuant to section 25-33g or with another existing water
system where no existing exclusive service area has been assigned, (B)
the applicant will complete the construction or expansion in
accordance with engineering standards established by regulation for
water supply systems, (C) ownership of the system will be assigned to
the provider for the exclusive service area, as determined pursuant to
section 25-33g, if agreeable to the exclusive service area provider and
the Department of Public Health, or may remain with the applicant, if
agreeable to the Department of Public Health, [provided the applicant
has the financial, managerial and technical resources to (i) operate the
proposed water supply system in a reliable and efficient manner, and
(ii) provide continuous adequate service to consumers served by the
system,] until such time as the water system for the exclusive service

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area, as determined by section 25-33g, has made an extension of the
water main, after which the applicant shall obtain service from the
provider for the exclusive service area, (D) the proposed construction
or expansion will not result in a duplication of water service in the
applicable service area, [and] (E) the applicant meets all federal and
state standards for water supply systems, and (F) the entity that will
own the water supply system has the financial, managerial and
technical resources to (i) operate the proposed water supply system in
a reliable and efficient manner, and (ii) provide continuous adequate
service to consumers served by the water supply system. Any
construction or expansion with respect to which a certificate is
required shall thereafter be built, maintained and operated in
conformity with the certificate and any terms, limitation or conditions
contained therein. Properties held by the Department of
Environmental Protection and used for or in support of fish culture,
natural resource conservation or outdoor recreational purposes shall
be exempt from the requirements of subdivisions (1), (3) and (4) of
subsection (c) of this section and subparagraphs (A), (C) and (D) of
subdivision (1) of subsection (e) of this section.

(2) The Department of Public Health shall adopt regulations, in
accordance with the provisions of chapter 54, to carry out the purposes
of this subsection. Such regulations may include measures that
encourage water conservation and proper maintenance.

Sec. 2. Subsections (a) and (b) of section 25-32d of the general
statutes are repealed and the following is substituted in lieu thereof
(Effective October 1, 2009):

(a) Each water company, as defined in section 25-32a, and supplying
water to one thousand or more persons or two hundred fifty or more
consumers and any other water company as defined in said section
requested by the Commissioner of Public Health shall submit a water
supply plan to the Commissioner of Public Health for approval with
the concurrence of the Commissioner of Environmental Protection. The
concurrence of the Public Utilities Control Authority shall be required
for approval of a plan submitted by a water company regulated by the authority. The Commissioner of Public Health shall consider the comments of the Public Utilities Control Authority on any plan which may impact any water company regulated by the authority. The Commissioner of Public Health shall distribute a copy of the plan to the Commissioner of Environmental Protection and the Public Utilities Control Authority. A copy of the plan shall be sent to the Secretary of the Office of Policy and Management for information and comment. A previously approved plan shall be revised only to the extent necessary to provide an update of those plan elements identified in subsection (b) of this section, at such time as the water company filing the plan or the Commissioner of Public Health determines, [or] provided any such revisions are filed, except as otherwise provided in this subsection, at intervals of not [less than three years nor] more than [five] nine years after the date of [initial] the last plan approval. When any company required to file a plan has failed to maintain an adequate margin of safety, is under an order entered by either the Commissioner of Public Health or the Commissioner of Environmental Protection, or has otherwise failed to meet public water supply obligations as prescribed in state law or regulation, the Commissioner of Public Health may require that plan revisions be filed six years after the date of the last plan approval.

(b) Any water supply plan submitted pursuant to this section shall evaluate the water supply needs in the service area of the water company submitting the plan and propose a strategy to meet such needs. The plan shall include: (1) A description of existing water supply systems; (2) an analysis of future water supply demands; (3) an assessment of alternative water supply sources which may include sources receiving sewage and sources located on state land; (4) contingency procedures for public drinking water supply emergencies, including emergencies concerning the contamination of water, the failure of a water supply system or the shortage of water; (5) a recommendation for new water system development; (6) a forecast of any future land sales, an identification which includes the acreage and
location of any land proposed to be sold, sources of public water
supply to be abandoned and any land owned by the company which it
has designated, or plans to designate, as class III land; (7) provisions
for strategic groundwater monitoring; (8) an analysis of the impact of
water conservation practices and a strategy for implementing supply
and demand management measures; [and] (9) on and after January 1,
2004, an evaluation of source water protection measures for all sources
of the water supply, based on the identification of critical lands to be
protected and incompatible land use activities with the potential to
contaminate a public drinking water source; and (10) a brief summary
of the water company's underground infrastructure replacement
practices, which may include current and future infrastructure needs,
methods by which projects are identified and prioritized for
rehabilitation and replacement and funding needs.

This act shall take effect as follows and shall amend the following
sections:

<table>
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<tr>
<th>Section 1</th>
<th>October 1, 2009</th>
<th>16-262m</th>
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<td>Sec. 2</td>
<td>October 1, 2009</td>
<td>25-32d(a) and (b)</td>
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**PH Joint Favorable Subst.**