



House of Representatives

General Assembly

File No. 216

February Session, 2010

House Bill No. 5215

House of Representatives, March 30, 2010

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 bill ought to pass.

AN ACT CONCERNING MODIFICATIONS TO THE PURCHASED GAS, ENERGY AND TRANSMISSION RATE ADJUSTMENT CLAUSES.

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

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2 repealed and the following is substituted in lieu thereof (*Effective from*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

4 (h) The Department of Public Utility Control shall continually
5 monitor and oversee the application of the purchased gas adjustment
6 clause, the energy adjustment clause, and the transmission rate
7 adjustment clause. [The] For the purchased gas adjustment clause and
8 the energy adjustment clause, the department shall hold a public
9 hearing thereon whenever the department deems it necessary or upon
10 application of the Office of Consumer Counsel, but no less frequently
11 than annually. For the transmission rate adjustment clause, the
12 department shall hold a public hearing thereon whenever the
13 department deems it necessary [,] or upon application of the Office of
14 Consumer Counsel, but no less frequently than once every six months.

15 [, and] The department shall undertake such other proceeding
 16 [thereon] on the purchased gas, energy and transmission rate
 17 adjustment clauses to determine whether charges or credits made
 18 under such clauses reflect the actual prices paid for purchased gas or
 19 energy and the actual transmission costs and are computed in
 20 accordance with the applicable clause. If the department finds that
 21 such charges or credits do not reflect the actual prices paid for
 22 purchased gas or energy, and the actual transmission costs or are not
 23 computed in accordance with the applicable clause, it shall recompute
 24 such charges or credits and shall direct the company to take such
 25 action as may be required to insure that such charges or credits
 26 properly reflect the actual prices paid for purchased gas or energy and
 27 the actual transmission costs and are computed in accordance with the
 28 applicable clause for the applicable period.

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

ET *Joint Favorable*

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:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Public Utility Control, Dept.	CC&PUCF - Potential Cost/Savings	Minimal	Minimal

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact: None

Explanation

The bill changes the requirement for the Department of Public Utility Control to hold public hearings on adjustment mechanisms annually instead of every six months, or upon application by the Office of the Consumer Counsel (OCC). The impact is unknown since it is uncertain how often the OCC may request additional hearings.

The Out Years

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

OLR Bill Analysis**HB 5215*****AN ACT CONCERNING MODIFICATIONS TO THE PURCHASED GAS, ENERGY AND TRANSMISSION RATE ADJUSTMENT CLAUSES.*****SUMMARY:**

This bill modifies when the Department of Public Utility Control (DPUC) must hold public hearings on one mechanism that adjusts gas company rates and two mechanisms that adjust electric company rates. The bill requires DPUC to hold hearings at least annually, rather than at least every six months, for the mechanism that adjusts gas rates to reflect changes in the cost of purchased gas adjustment clause and the mechanism that adjusts electric rates to reflect changes in the cost of purchased power and certain other costs. It also requires DPUC to hold hearings on these two mechanisms and the clause that adjusts electric rates to reflect changes in transmission costs upon the application of the consumer counsel, who represents consumers in DPUC proceedings.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 21 Nay 0 (03/16/2010)